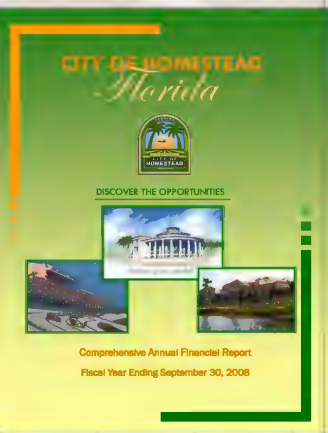
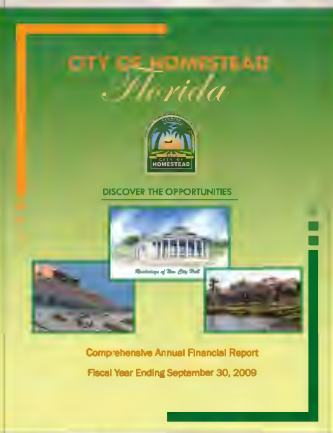
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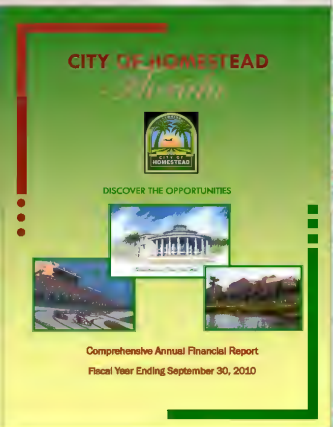
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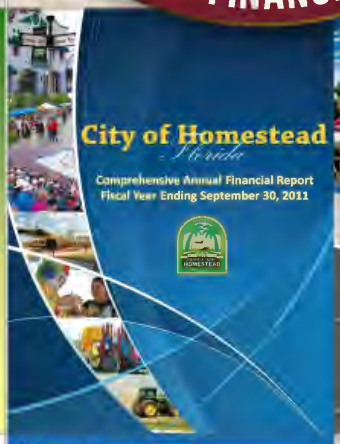
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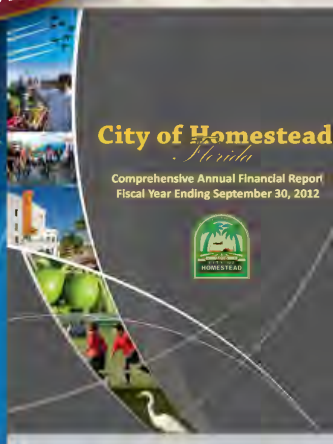


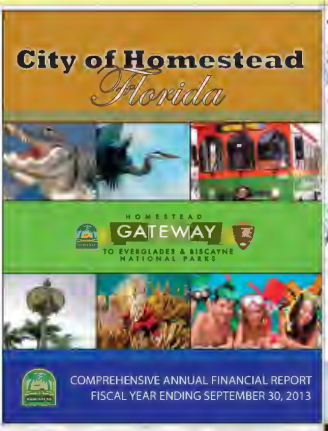


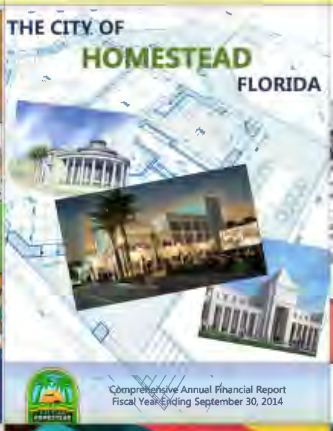


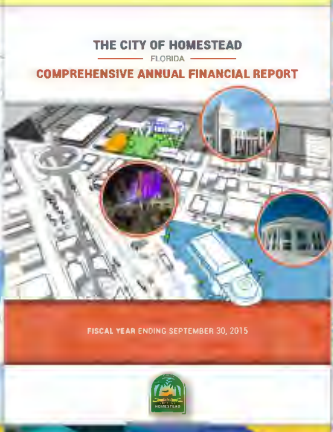








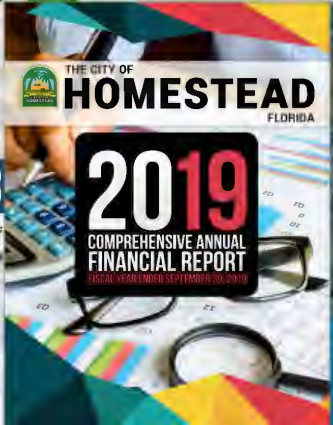


















CITY OF HOMESTEAD, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2023

PREPARED BY

THE FINANCE DEPARTMENT



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CITY OF HOMESTEAD, FLORIDA

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INTRODUCTORY SECTION

June 26, 2024

To the Honorable Mayor, Members of the City Council, and Residents of the City of Homestead.

City Council

Steven D. Losner
Mayor

Sean L. Fletcher
Vice Mayor

Erica G. Ávila
Councilwoman

Jenifer N. Bailey
Councilwoman

Clemente Canabal
Councilman

Tom Davis
Councilman

Larry Roth
Councilman

Dr. Nzeribe Ihekwaba, PhD, PE
City Manager

City Hall

100 Civic Court
Homestead, FL 33030
305-224-4400
www.cityofhomestead.com

State law requires that all general-purpose local governments publish, within nine months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards and government auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, the Annual Comprehensive Financial Report (ACFR) of the City of Homestead for the fiscal year ended September 30, 2023 is hereby transmitted.

This report consists of management's representations concerning the finances of the City of Homestead. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the management of the City of Homestead has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the City of Homestead's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the City of Homestead's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As such, management asserts that this financial report is complete and reliable in all material respects to the best of managements' knowledge and belief.

Marcum LLP, a licensed, certified public accounting firm has audited the City of Homestead's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Homestead for the fiscal year ended September 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Homestead's financial statements for the fiscal year ended September 30, 2023 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Homestead was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. This reporting is available in the City of Homestead's Reporting Section issued as part of the Annual Comprehensive Financial Report. The entire report is available on the City's website at www.cityofhomestead.com.

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

Profile of the Government

The City of Homestead was incorporated in 1913, making the second oldest city in Miami-Dade County. The City is located in the southern part of Florida, and currently occupies a land area of 16 square miles and serves a population of approximately 83,750. The City of Homestead is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, with concurrent approval from Miami-Dade County, which occurs periodically when recommended by the City Manager and approved by the City Council.

The City of Homestead operates under the Council-Manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the Mayor and six other members. The Council is elected on a non-partisan basis. Council members serve staggered four-year terms, and although the council seats include a geographical residency requirement for a specific area of the City, the Council members are elected at-large. The Mayor is elected to serve a two-year term and is elected at-large. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and boards, and hiring the City Manager, City Clerk, City Attorney and Council Auditor (a.k.a. "Internal Auditor"). The City Manager is responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the City, and appointing the heads of the various departments.

The City of Homestead provides its residents with a full range of services, including general government, police protection, public works and street maintenance, parks and recreational activities, planning and zoning regulation, community development, library services, and utilities, including electric, sanitation, stormwater, and water and sewer. The City also provides local trolley services. Fire protection is provided by Miami-Dade County.

The financial statements were prepared in accordance with GAAP, which establishes standards for defining and reporting on the financial reporting entity. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and 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. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City is considered financially accountable if it appoints a voting majority of an organization's governing body and is either able to impose its will on that organization, or has a financial benefit/burden relationship with the organization. Blended component units, although legally

separate entities, are, in substance, part of the government's operations. Other than the operations of the primary government, the accompanying statements include the Homestead Community Redevelopment Agency (CRA), and the Homestead Station QALICB as blended components.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City of Homestead are required to submit requests for appropriation to the City Manager each year. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to Council for review. The Council is required to hold two public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund (e.g., general fund), department (e.g., police), and division (e.g., community service). No department may legally expend in excess of amounts appropriated for that department within an individual fund. Department heads may make transfers of appropriations within a department. However, transfers of appropriations between departments require the approval of the City Council. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level, except for the General Fund which is at the department level. The City adopts an annual budget for all its funds except the Sundries Grant Fund, the Community Development Block Grant Fund, American Rescue Plan Act ("ARPA") Fund and its fiduciary funds. The City created the ARPA Fund to account for the City's awarded allocation, and adopted a budget by resolution. Because ARPA funds are not ongoing operating funds, this is not an annual budget, and it is not part of the City's annual adopted budget process. The City also maintains an encumbrance accounting system for budgetary control. Unencumbered appropriations in the annual operating budget will lapse at the end of the fiscal year. Unencumbered appropriations for capital items are evaluated on a case-by-case basis. Budget-to-actual comparisons are provided for the general, and special revenue and capital project funds. These comparisons are presented on pages 142-144 as part of the basic financial statements and on pages 161-166 as part of the combining fund statements for the governmental funds.

Local Economy

Until the last quarter of 2008, the City of Homestead had experienced unprecedented economic growth in commercial and residential development. The City's population nearly doubled between 2004 and 2008. With the downturn in the housing market and the malaise in the general economy, the growth rate had declined considerably in 2009 and 2010. By 2011, the growth rate had rebounded, and the City's population reached 61,503, and in 2023 it was estimated at 83,750.

Under Florida's Constitution, residential properties are owner-occupied and have a homestead exemption limited to the Consumer Price Index increase or 3% whichever is less. The effect of this limitation burdens the City's tax base by exempting from taxation large portions of residential property value. The City has the ability to tax property up to 10 mills, or $1 for each $1,000 of taxable value. It is not anticipated the City will reach the tax rate cap anytime soon. In January 2008, Amendment One to the State Constitution, also known as "Portability of Save Our Homes", was passed through a statewide referendum. This amendment provided an additional $25,000 homestead exemption, a $25,000 tax exemption for tangible personal property, and portability whenever the property is sold. The new exemption negatively impacted the City by reducing its property tax base. Moreover, effective with the City's FY 2008 budget, the Florida Legislature had modified its roll-back requirement. This change will require the City to "roll-back" its tax rate each year to a rate that will produce the same property tax revenue as for the prior year plus the change in per capita personal income. The City Council can vote with a super majority to increase that amount, but ultimately the legislation will limit the ability of the City to increase its revenues from property taxes.

The impact of the economic decline on the real estate market resulted in a decline of the City's property values; between 2009 and 2014, property values had declined by over 51% for a total decline of $2.0 billion.

After years of declining property values, recent values indicate signs of a robust recovery and steady growth. For FY 2024 the City's assessed valuation is estimated at $5.063 billion, representing a 16.1% increase from the prior year. Despite the multi-year decrease in property values, the City has maintained its commitment to provide a high level of municipal services while maintaining or reducing its property tax operating millage rate. Between 2010 and 2012 the rate was maintained at 6.2917 mills, reducing it in 2013 to 6.2435 mills, and then again to 5.9215 mills for 2014 through 2020. For FY 2021, the millage rate was increased from 5.9215 to 6.2055. The .2840 increase resulted in no impact to the taxpayers, as that millage was previously paid to the County as a library tax. The increase in property revenues generated from the increased rate will fund the Cybrarium operations and expansion. For FY 2022 the millage rate remained at 6.2055. For FY 2023 the millage rate was reduced by 1% to 6.1434. In FY 2024, the millage rate has been reduced by 2% to 6.0206. The debt millage rate was reduced from .4150 to .3550 mills in FY 2023. The City has been able to manage the economic downturn of the past, and continues its efforts to avoid returning to a dependency on (a) budget stabilization support from its utilities, and (b) the use of reserves. To that end, at the end of FY 2021, the General Fund was able to return $1.8 million to the Water & Sewer Fund, for prior years' budget stabilization support; in FY2022 $1.2M was returned to the Solid Waste Fund; and $1.35M was returned in FY2023. While, FY2020 and the COVID-19 global pandemic, created new and complicated challenges for the City; these were challenges that were addressed and overcome. The road ahead looks promising.

Homestead Hospital, built in 2007, is one of the largest employers in the City. The 307,000 square-foot hospital is located on a 60-acre site just east of the Florida Turnpike on the north side of Campbell Drive. The $135 million facility was the first new hospital to be built in Miami-Dade County in more than 30 years, and is three times the size of the old hospital. It includes a medical office building, approximately 150 private patient rooms, an emergency room twice the size of the one at the old facility, ample clinical space for outpatient diagnostic services and minimally invasive surgery.

The City owns the Homestead-Miami Speedway, a world-class motorsports facility featuring a state-of-the-art 1.5-mile variable banked oval and a 2.3-mile road course. The Homestead-Miami Speedway has hosted many of the premier North American motorsport's championships. These major spectator events attract tourists from all over the world and stimulate not only the City economy, but the Miami-Dade County economy as well.

Another integral part of the Homestead community is the Homestead Air Reserve Base which is maintained and operated by the 482nd Fighter Wing, a fully combat-ready unit capable of providing F-16C Fighting Falcon fighter aircraft, along with mission ready pilots and support personnel for short-notice worldwide deployment. The base's economic impact on South Florida for FY2023 is estimated at approximately over $364 million. In addition, the 482nd Fighter Wing supports several "tenant units" on Homestead Air Reserve Base. A Florida Air National Guard Detachment from the 125th Fighter Wing, Jacksonville, Fla., operates the North American Aerospace Defense Command (NORAD) alert facility providing F-15 fighter jets capable of intercepting, identifying, and if necessary, destroying unknown aircraft that penetrate U.S. airspace. Other tenant units include the U.S. Customs and Border Protection; the U.S. Coast Guard's Maritime Safety and Security Team Miami; the U.S. Army Corps of Engineers; the Florida Army National Guard; and the U.S. Special Operations Command South – a subordinate command of U.S. Southern Command.

In addition to all the public schools operated by the Miami-Dade County School Board, the City has several private parochial schools, charter schools and a Medical Academy for Science and Technology (MAST). Founded in 2010, MAST has established its place by achieving notable national recognition as a Merit School of Excellence from Magnet Schools of America for several years. Miami-Dade College's Homestead Campus provides higher education opportunities to residents in the area. Offering associate in arts degrees, associate in science degrees and vocational and college credit certificates programs, Homestead Campus is home to hundreds of educational options that include in-demand fields, such as nursing, aviation, education

and more. In FY2023, the Homestead Campus inaugurated the new student center facility located across the street from City Hall. The four-story, 60,000-square-foot Student Success Center serves as a multipurpose hub to better serve the community. For Homestead citizens seeking higher education beyond the limits of Miami-Dade College, Florida International University, a member of the State University System and the largest public university in South Florida is located 20 miles from the City. There are also several private colleges and universities located in the area including the University of Miami, Nova Southeastern University, and Barry University.

In the past couple of years, the City has continued its progress on the revitalization of its downtown with the completion of several significant projects that represent a $111.2 million investment in its downtown area in an effort to attract private investors, and stimulate the local economy. The projects include the following:

- *New City Hall* ($26.5 million; completed in April 2016)
- *New Police Building* ($18 million; completed in February 2017)
- *Seminole Theatre* refurbished into a Community Cultural Arts Center ($5 million; re-opened in December 2015).
- *Homestead Station:* A Multimodal Transit Station consisting of two facilities:
    - Public Facility - $33.3 million for the seven-story parking garage with over 1,000 parking spaces, and 30,500 square feet of street-level retail liner completed May 2020.
    - Private Facility – A 65,000 square foot multilevel structure that houses a 10-screen movie theater, 14 bowling lanes, video arcade, food service and restrooms is privately funded by the developer and opened in October 2019.
- *Homestead Cybrarium:* ($18.2 million completed in March 2021)
- *Losner Park Expansion* ($10.2 million completed in November 2022) The current phase of the project was funded with parks impact fees; grants and other financing sources will also be sought for a future phase of the project. The redevelopment of the park located in the heart of Downtown Homestead is part of an ongoing downtown revitalization effort to offer opportunity for live, work, and play within the community. The park has more opportunity for expansion as design has been completed for a potential restaurant facility and water feature.

For FY 2024, the City will continue focusing on the following projects,
Within the downtown area:

Krome Marketplace: In FY2023, the CRA, a component unit of the City, issued a $4.5 million taxable tax increment revenue note for the purchase and rehabilitation of a former furniture store and associated parking lot on Krome Avenue in the City's downtown area. The project "Krome Marketplace" is envisioned to be an upscale food hall. The note is to be repaid with tax increment financing ("TIF") funds generated from property taxes assessed on properties within the CRA area.

And while not located in the downtown area, these projects provide an investment in offering its residents a place to live, work and play:

- *Homestead Sports Complex* – Phase 1 is for the design of the project and it is estimated at $7.5 million. Design services were awarded in FY2022. The project is for the redevelopment of the site of the former baseball sports complex into a new regional recreational area. Funding is anticipated from ARPA funds, grant funds, parks impact fees, and proceeds from the sale of land.
- *Old City Hall Site* – The City continues negotiations with a developer for the redevelopment of the old city hall site, into a mixed-used residential, commercial and entertainment destination facility located at the intersection of U.S. 1 and Campbell Drive.

The City has been given the distinguished designation of *Gateway to the Everglades & Biscayne National Parks*. As a result of this designation, the City has expanded its Trolley service to provide transportation and entry to the Everglades and Biscayne National Parks. The initial reaction has surpassed expectations, with hundreds of people participating in the weekend services. Participants include locals as well as out-of-towners, which get an opportunity to visit Homestead.

Long-Term Financial Planning

At fiscal year end, the City's general fund balance remains adequate to buffer additional severe economic blows without being excessive. The City is committed to a sound fiscal policy; it is maintaining financial stability with fiscal management controls by constantly reviewing and monitoring staff levels, and by comparing budget appropriations to actual expenditures, and estimated revenues to actual revenues.

Financial planning continues to be of significant importance to the City as we meet the challenges of the immediate and foreseeable future. Major projects undertaken by the City have long-term financial implications for existing as well as future resources. The planning and decisions undertaken by the City are also weighed in the context of the financial burden that will be placed on both current and prospective residents, as well as the potential economic and environmental impacts. As the City grows and develops, the long-term strategy has to be targeted on the health, welfare, safety and quality of life of our residents, balanced against the fiscal health of the City.

The City's primary focus related to economic growth is the sale or lease of existing assets, the expansion of transportation systems, and the enhancement of residential and commercial values through revitalization of the downtown and southwest sections of the City.

During FY2023, the City was still in negotiations with a developer for the redevelopment of the old city hall site. The plan is to redevelop the sixteen-acre property located on the southwest corner of US-1 and Campbell Drive in the center of the City, into a Class-A, mixed-use, transit-oriented development. If approved, a long-term lease of the property would not only provide up-front payments to liquidate the existing debt on the New City Hall, but it would provide rental income to the City over the life of the lease. Additionally, the increased property taxes from the project would provide significant resources to the City's CRA.

In May 2014 the City voters approved a $26 million bond referendum. On September 11, 2014, the City issued $26 million in general obligation bonds: $21 million in bond proceeds were used to fund the construction of a new police building ($18 million), and to refurbish and renovate an existing facility into a temporary site for police operations ($3 million). The repayment of the bonds is funded through increased property tax revenues through the implementation of a debt millage rate of 0.3550 mills for FY 2023.

In 2016, the City completed the construction of a New City Hall located in the downtown area. The project's construction cost was $26.5 million, and the building was completed on time and on budget in April 2016. The project was funded from $16.6 million available in funds set aside for this project; the funds were realized from the sale of the Park of Commerce parcels several years ago. The gap between the project cost and the available funds was made possible through a $10 million bank loan that was refinanced in FY2021. The City had always considered that the sale of the old city hall site would generate the ultimate gap financing for the project, and once negotiated, will use the funds generated from the old city hall site redevelopment agreement to liquidate this debt.

Homestead Station is a multimodal transit center including a public facility consisting of parking garage with retail liner, and a private facility consisting of a family entertainment center. The entertainment complex opened in October 2019, and the parking garage was completed in May 2020. The cost of this endeavor the public facility was $33.3 million and was funded with transportation surtax monies (including a bond issue being repaid primarily with transportation surtax monies).

The Cybrarium opened in March 2021. The City's funding of $18.2 million includes a $3.85 million HUD Section 108 Loan (to be repaid from CDBG annual entitlement funds), additional CDBG funds, funds on hand from the sale of an old bowling alley parcel, CRA funding, grants, and other financing sources.

In FY2023, the CRA, a component unit of the City, issued $4.5 million taxable tax increment revenue note for the purchase and rehabilitation of a former furniture store and associated parking lot on Krome Avenue in the City's downtown area. The project "Krome Marketplace" is envisioned to be an upscale food hall. The note is to be repaid with tax increment financing ("TIF") funds generated from property taxes assessed on properties within the CRA area.

The New City Hall, the New Police Building, the Seminole Theatre, Homestead Station, the Cybrarium and Krome Marketplace are all located in the City's downtown.

In addition to these projects, the City's 5-year Capital Improvement Plan (CIP) identifies over $86.9 million in projects to be undertaken in FY 2024 – FY2028 and funded by various sources.

The General Fund's spendable fund balance (including committed, assigned, and unassigned balances) at September 30, 2023 of $27,636,359 represents 45% of General Fund expenditures. This ensures that the City will have sufficient funds for future unexpected events. The City continues to exercise cost stabilization measures, and seeks additional sources of recurring revenues whenever the opportunities arise.

Relevant Financial Policies

Over the past several years, the State of Florida has passed statutory legislation regarding the manner in which local governments may assess ad valorem taxes along with special voting requirements. Among the provisions of the legislation are special tax exemptions and maximum millage rate calculations based on the state's rate of growth. Further impairment of tax proceeds occurred with the housing crisis when the assessed value of property located within the City had declined from a peak of nearly $4 billion at January 1, 2008 to just $5.063 billion by the valuation date of January 1, 2023.

In response to the City's commitment to long-term sustainability, an ordinance was adopted beginning with fiscal year 2005 which requires a fund balance commitment equal to 10% of general fund budgeted revenues. These financial statements reflect this required reserve in the Governmental Funds Balance Sheet.

The City maintains an investment policy with the primary focus of capital protection while seeking investment earnings and providing for daily cash requirements. The City's investment portfolio at September 30, 2023 was $78.3 million excluding investments of the fiduciary funds, unexpended equipment financing proceeds and invested proceeds from a bond issue.

The City of Homestead has a combination of insurance policies and self-insured programs to address the City's risks as a municipality. The City is self-insured for public liability and workers' compensation. Insurance policies have been purchased to cover employee health insurance, damage to City property, including windstorm and acts of terrorism.

Major Initiatives

With the population growth, there is a growing demand for access to entertainment and recreational activities, quality health care and educational opportunities. There are several projects and endeavors underway or recently completed to provide citizens with the means to fulfill these needs within the City's limits or just a short ride away. The expansion of the South Miami-Dade County Busway was completed during 2008 and provides the citizens of Homestead improved access to other areas in the county north of the City via a connection to Metrorail. Conversely, it makes the City of Homestead more accessible to other residents of Miami-Dade County.

The City-Wide Transportation and Transit Master Plan serves to create a vision for the development of the roadway, pedestrian, bicycle and transit infrastructure in the City of Homestead to provide safe and efficient mobility within the City. The plan establishes parameters that provide guidance for all privately funded development within the City limits. The plan also sets priorities and timeframes for completion of several projects to build and improve roadways and right-of-ways. During 2023, projects completed by the streets division included:

- 7,680 square feet of asphalt repair/replaced
- 5.5 miles of street repaved
- 522 pot holes and 2 trash holes filled/repair
- 22,856 square feet of sidewalk repair/installed
- 4,507 linear feet of curb and gutter were installed
- 9 handicap pedestrian ramps were repaired/installed

Additionally, the construction of Homestead Station in the downtown area was completed in May 2020. The facility serves as a transportation hub where one can park and either take a trolley to nearby locations, or ride the busway to other parts of South Florida. During 2019, City also constructed two temporary bus shelters allowing for bus service closer to the City's facility, and in anticipation of the County's Bus Rapid Transit.

Homestead has been designated the *Gateway to Everglades & Biscayne National Parks*, and to many it is also known as the gateway to the Florida Keys. The City provides a free guided trolley ride from Historic Downtown Homestead to the Everglades and Biscayne National Parks, allowing residents, neighbors, and visitors to explore the parks. This ground-breaking project is the first of its kind to offer public transportation to two national parks. The City's local trolley service, although impacted by the COVID-19 pandemic restrictions on social distancing in the past years, has experienced increased ridership in FY2023:

- 15,986 riders on its downtown route
- 18,567 riders on its East/West route
- 5,269 riders on the National Park program

The City has continued its commitment to providing safe, attractive and enjoyable park facilities for its citizens to engage in active and passive recreational pursuits by implementing the City's Parks Master Plan. During 2023, the Parks Department accomplished the following:

- Opened the new expanded Losner Park
- Opened the first 3-mile segment of the Biscayne Everglades Greenway Trail
- Renovated the Angelo Mistretta and JD Redd Park Playgrounds
- Renovated all the infields at Harris Field Park and JD Redd Park
- Renovated the restrooms and painted the buildings at JD Redd and Roby George Parks

- Painted the basketball pavilion at Roby George Park and installed bird netting to prevent birds from perching above the courts.
- Demolished the old minor league clubhouse to make way for phase 1 of the Homestead Sports Complex.
- Held the first annual Black History Month Celebration Event at Losner Park

The CRA's initiatives and activities during FY2023 were concentrated into the following main areas:

1. Small Business
    a. Commercial Enhancement Grants-two small businesses were supported $25,000 grants each
2. Business Recruitment
    a. Business Incentive Grants-Three businesses were awarded incentive grants to support their opening/expansion within the CRA. $400,000 in funds were awarded.
        i. A vacant and derelict warehouse will serve as a new Mexican bakery
        ii. A blighted building will be turned into a tattoo parlor and art gallery
        iii. A third business will bring healthy dining options to downtown
3. Economic Development-Grand Openings
    a. Grand Opening of Cirque Salon Studios (Business Incentive Grant recipient)
    b. Grand Opening of Miami Dade College Student Success Center (CRA donated the land)
4. Neighborhood Improvements
    a. Residential grants-five home improvement grants for a total of $75,000
    b. Street Improvements-SW 4th Street underwent improvement efforts including street paving, removal of dead trees and planting oak trees, and other landscaping and debris removal.
    c. New Home Initiative-Ground breaking for the first four homes to be constructed on vacant lots that have served as a breeding ground for illegal dumping.
    d. "Rock the Block"-a cleanup initiative designed to improve the Southwest neighborhood one block at a time. Volunteers planted trees, and flowers, cleared trash, and more.
5. Development
    a. Triangle Project-release of a request for proposal seeking a developer for the Triangle Project, a mixed-use transit-oriented development.
    b. FTA Grant- CRA received a $533,000 planning grant under FTA's FT22 pilot program for transit-oriented development around three new bus rapid stations being completed by the County.
6. Community Policing Innovations
    a. Neighborhood, Crime Watch, Business Meetings (29)
    b. Events & Outreach Details (25)
    c. Business contacts (946)
    d. Enforcement Sweeps (6)
7. Property Acquisitions to Eliminate Blight
    a. Acquired three (3) four-unit apartment buildings and one duplex. Most tenants were living in deplorable conditions. Tenants eligible under the Federal Relocation Act received funds to cover moving expenses as well as rental assistance for up to 16 months. The vacant buildings will be demolished, and the land unified as part of the Triangle Project
    b. Purchased properties on Krome Avenue for $4.2 million (funding came from a $4.5 million taxable tax increment revenue note). The largest bay had been vacant for more than eight years with no viable business in either bay for several years. The vision is to create a dining and entertainment concept.
8. First-Time Homebuyer Program
    a. One $10,000 First-time Homebuyer grant was awarded to a widow and single mother to help cover down payment and closing costs for her new home. The home was constructed on a vacant lot that once served as grounds for illegal dumping.

In FY 2023, the Development Services Department welcomed and supported new development activities, existing businesses and expansions. The Department developed and implemented a Processes and Procedures protocol which includes acceptance of electronic application submittals using City email, conducting electronic plan review, and developing alternative methods of providing inspection services.

The Business Services Division licensed approximately 2,148 businesses including 211 businesses that were new to the City of Homestead. The Division also provided consultation associated to process and procedures for opening a business. The Planning and Zoning Division guided new businesses and developments through the review and approval process in an effective and efficient manner. During 2023, it administered approximately 97 applications involving site plans, rezoning, text amendments, administrative approvals, historic reviews, public art, plats, unity of title, variances, and comprehensive plan amendments. The Division also provided 61 zoning letters to customers and completed hundreds of zoning inquiries. The Building Safety Division provided support to residential and commercial customers. In FY 2023 the Division issued 2,971 permits, reviewed 4,763 construction plans, conducted 11,667 inspections, and issued 80 Certificates of Occupancy. The Division also responded to 1,875 public records requests/open permit searches, and processed 40/10-year building recertifications for 95 existing commercial buildings. Since February 2022, the Building Safety Division has been working to improve the City of Homestead's CRS rating with the Insurance Services Office to increase our property owners discount percentage on their annual flood insurance premiums. After the initial submittal, we have since requested a modification visit to increase the rating and subsequent discount to our property owners. The Department continues to review and refine aspects of the City's Land Development Code, and to assure that regulations are responsive to the current development climate of the community.

The Police Department accomplished a number of projects and initiatives during 2023. Highlights of these accomplishments included:

Administrative Division:

- Processed 13,036 incident/offense reports and crash reports
- Completed 190 public records requests
- Body Camera Unit (implemented in December 2020) processed the following:
    - 61,987 videos produced (most with evidentiary value)
    - 1,808 responses to requests for production of footage for prosecution of arrest cases
- Deployment of ProPhonix as a replacement for the CAD, records management and report writing system;

Community Services Division:

- Impounded 841 guns (e-traces processed for each)
- Impounded 4,703 property items
- Processed 11,826 reports
- Police Athletic League (PAL) provided youth services, athletics, and activities for more than 300 local students between the ages of 5-17.
- Police Explorers volunteered at several community events
- Community Policing Program
    - Participated in 52 community events
    - Attended 64 community meetings
    - Attended 45 presentations
    - Participated in 20 saturation details

Investigative Services Division:

- SIU: local detectives were assigned 700 cases, resulting in 150 arrests and $190,000 in forfeitures.

- GIU: reviewed 8,154 incident reports, with 2,130 cases assigned to detectives and 535 cases cleared by arrest.

Operations Division:

- Responded to approximately 39,233 calls for service
- Traffic/Motor Unit Division:
  - 1,107 total crash investigations
  - 2,579 citations and made 55 arrests

Code Compliance Division:

- Installed five illegal dumping cameras
- Added four code officers

Numerous officers successfully completed various forms of training

Additionally, the Police Department continued to provide needed social services to the community through the Start Off Smart (SOS) Program. Throughout the years, SOS has been successful in obtaining various forms of funding for various programs that serve children and families. During FY2022, the police SOS continued to research, write and submit grant applications, receiving $2.7 million for the department, while administering millions of the department's grants. Some other services provided through SOS on an annual basis include the following:

- SOS annually provides support to over 1,800 families
- Continued support services in order to address family violence, domestic violence, children's exposure to violence in their community, and lack of basic needs and homelessness.
- Continued to assist families with information for resources of where to obtain food, assistance with expenses, and rental assistance. There has been a shift in the need for housing as many have reported their rental amount increasing, and the need for affordable housing is now higher than ever.
- Continued outreach activities as 'drive through' events that included Christmas Toys distributions, Thanksgiving meals, distributions of back-to-school supplies, and a Health and Safety Fair. These events were conducted with assistance of the Community Policing Unit.

Reaching a population of 50,000 in 2007 was a milestone that affords the City automatic appointment to the Board of the Metropolitan Planning Organization for the Miami Urbanized Area, (MPO). The MPO is responsible for guiding the transportation planning process and approving transportation projects for Miami-Dade County. The achievement also entitles the City to the Community Development Block Grant (CDBG) Entitlement Program. The Finance Department administers the CDBG Program. This funding source has provided the City over $13 million between 2008 and 2023. Funding has provided assistance to not-for-profit organizations, and funded several City facility improvements that have benefited low-income communities as well as stormwater, and wastewater infrastructure projects. The most recent public service initiative focused on STEM education. The City of Homestead is utilizing Community Development Block Grant (CDBG) funds to provide Science, Technology, Engineering, and Math (STEM) educational experiences for students in grades K-8 who reside within the city limits. Dibia DREAM has been chosen to deliver educational services to these students, with a specialization in STEM courses covering Science, Technology, Engineering, and Math. This initiative has made a significant impact on the community by providing valuable educational opportunities for young students. In 2023, the City funded New Hope Corps, a non-profit organization, to carry out improvements to their residential facility in Homestead. The improvements include exterior painting of the building, epoxy flooring, and enhanced security measures. Additionally, the City of Homestead is used Community Development Block Grant (CDBG) funds to install bird netting in the Roby George Basketball court.

In 2017, the Finance Department successfully obtained a $3.865 million HUD Section 108 Loan to provide partial funding for the Cybrarium project, which was completed in April 2021. The implementation of the Cybrarium has brought about a significant transformation in our community. The once-outdated library has been revolutionized into a cutting-edge center for education, providing many opportunities for learning to the poorest census tract in Homestead. Witnessing the profound impact of this innovative resource on our neighborhood has been truly inspiring. The loan is being repaid from the annual CDBG entitlement funds received and administered by the department.

The Neighborhood Stabilization Program (NSP) was established for the purpose of stabilizing communities that have suffered from foreclosures and abandonment. Through the purchase and redevelopment of foreclosed and abandoned homes, the goal of the program is being realized. The City used approximately $2.6 million of the funds awarded through the program to purchase 15 foreclosed/abandoned homes and established financing mechanisms for potential homebuyers. Ten of the fifteen homes were sold to low-income individuals and families. The five remaining homes will be rehabilitated and sold to very low-income families by providing subsidies to eligible applicants. A request for proposals (RFP) will be issued in FY2024 to seek out developers and others who will assist in this project. This program is also administered through the Finance Department.

In addition to the aforementioned programs administered by the Finance Department, the department received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for its FY 2023 Budget, and the Certificate of Excellence in Financial Reporting for its FY 2022 Annual Comprehensive Financial Report (ACFR). Throughout the year, the department participates in several seminars and webinars to ensure staff are educated on the latest reporting requirements, and that anyone who is certified is able to maintain their required continuing professional education credits. Cross-training of staff is an ongoing process throughout the year, and serves to make the department more efficient, as well as being an important factor in the department's succession plan. In October 2023, the Finance Director and Assistant Finance Director both became state-certified as Certified Government Finance Officers (CGFO), the highest state certification for a government finance officer. During 2023, the Finance Department, as part of its normal operations, reviewed and approved thousands of purchase requisitions, issued thousands of checks for approved invoices, issued thousands of paychecks to employees, set up numerous grant budgets and accounts, reviewed and approved hundreds of travel authorization, travel expenditure reports, budget transfers, contract summary forms, and council agenda reports. Most notably in FY2023, the Finance Department along with the Electric Utility and the CRA successfully obtained a $6.5 million loan through the FMPA to fund two Electric Utility projects, and a $4.5 million revenue note for the CRA's purchase and rehabilitation of a property on Krome Avenue. During FY2024, the department is also implementing a new budget software to better streamline the budget process.

During the year, the Electric Utility installed service to 400 new residential units, and 5 new commercial businesses. It installed or relocated approximately 7.58 miles of either new or relocated underground cable, and repaired 246 street lights. With the installation of a new large power transformer on the growing east side of town in 2021, the Electric Utility began installing two new circuits fed off of that transformer in FY 2022 to provide further reliability gains through redundancy of the electrical grid and by providing sufficient capacity for future electrical growth. Those efforts continued in FY2023. The Electric Utility also finalized the purchase of a parcel of land in 2020 with plans for a new electrical substation to be built which will serve new customers on the west side of town. Electrical design work for the new substation was started in 2020 and the procurement process initiated in 2021 and continuing on in 2022. An award of the work was recommended by the RFP review committee and is expected to go to Council in FY2024. The substation is planned to come online in the next 2 to 3 years. In 2018, the Electric Utility monitored the pilot program which installed "smart" meters and a meter data collection system. In 2019, it was decided to fully implement

the communication system necessary to streamline the collection of metering data. Data collection infrastructure installations were completed in FY2021. The full deployment of the smart electric meters throughout the City began in FY2021, and is currently underway. At the end of FY2023, the system was remotely reading 85% of the electric meters in the City. Other notable Utility projects continued during 2023, included the replacement of 1,000 wood poles with concrete poles throughout the City to strengthen the system against severe weather and hurricanes. The primary funding source for the project was a $2.2 million grant from FEMA for storm hardening. During FY2023 engineering and design began on a new high voltage grid interconnection with FP&L at the Renaissance substation to provide additional redundancy of the system. The Utility continued its commitment to energy efficiency by conducting 368 free residential energy surveys and 8 commercial surveys. It processed 13 rebates to customers who installed energy efficient systems. It signed up 4 customers to its surge blocker program, and it entered into net metering contracts with 74 residential customers who have installed solar power systems that feed back into the electrical grid, bringing the total number of customers with solar systems up to 309. During FY2023, the Utility's residential rates ranked in the top 45th percentile out of 38 municipal and investor- owned electrical utilities in the State of Florida, in spite of rising energy prices. In a continued effort to help keep prices low, staff manages day to day purchases of power under several purchase power agreements (PPAs), including two recently negotiated agreements with very low energy prices. The Utility also brought extremely cost-effective participation in two large scale utility solar projects to the City. The solar projects are currently in progress and planned to go online in 2025. During the year, the Utility responded to 641 incidents where customers reported electrical concerns or power outages.

During this very challenging year, with the onboarding of several new employees due to the retirement of many seasoned employees retiring, the Electric Utility maintained their RP3 (Reliable Public Power Provider) Diamond designation, the highest level achievable, that was upgraded from Platinum to Diamond in 2017.

The Water and Wastewater Utility completed many projects during 2023; the most notable included the following:

- Televised 720 linear feet of pipe
- Cleaned 18,235 linear feet of sewer main lines
- Changed out 1,103 meters for ten year old meter programs
- Installed 285 new meters for new water service accounts
- 86 sewer lines repaired throughout the City
- Treated 1.5 billion gallons of wastewater
- Produced over 4.0 billion gallons of water
- Completed 4,004 Customer Service work orders
- Completed several repairs and refurbishment projects throughout the plant
- Upgraded the facility's SCADA (Supervisory Controls and Date Acquisition) software
- Passed all EPA Primary and Secondary Drinking Water Standard tests conducted on the facility's treated sewer
- Four (4) operators completed and attained the state's licenses
- Completed interior and exterior inspections at all three water towers-Wittkop, Harris Field and Racetrack
- Performed City-wide satellite leak detections and all 111 leaks were repaired
- Homestead was featured as a case study for the City-wide satellite leak detections
- Began design of replacement UV
- Started Racetrack Booster Pump Station Project

During 2023, the Solid Waste Department's most significant accomplishments included:

- Commercial Garbage – 26,881 tons collected

- Residential Garbage – 23,672 tons collected
- Bulk Trash – 11,722 tons collected
- Industrial Trash/Garbage roll-off and compactor – 9,446 tons collected
- Recycling – 1,609 tons collected
- Two side loaders, one front end loader, and four pick-up trucks were added to the fleet to improve operations
- Implemented camera system for the trucks for increased safety and accountability (which have reduced customer complaints by approximately 80%)
- Added new positions to meet staffing levels
- Increased commercial rates during FY2023

The Procurement & Contract Service Department's goal is to provide professional, efficient and cost-effective procurement and fleet maintenance services to other City departments. Procurement staff continues to pursue purchasing certifications and training through the Universal Public Procurement Certification Council (UPPCC). Procurement has three out of the six Buyers and/or Director with either a Certified Professional Public Buyer (CPPB), Certified Public Procurement Officer (CPPO), and/or the Certified Procurement Professional (NIGP-CPP) certification. During FY2023, Procurement worked on 37 formal solicitations, processed 308 contracts, and issued 2,558 Purchase Orders. Procurement continues to successfully complete end of year inventory under 1% discrepancy with FY 23 at .14% based on a $4,150,112 inventory. Procurement received approval to proceed for implementation of electronic bidding/e-procurement software in June 2023 which will optimize and increase efficiency, improve quality, and reduce cost. The Fleet Management Division successfully completed 6,039 work orders, and performed 555 preventative maintenance service orders with an average time of 2.244 hours per job. Reviewed and inspected vehicles, and made recommendations for replacement to reduce annual maintenance cost: 43 vehicles have been replaced and 16 vehicles were removed from service.

Information Technology Services Department (ITS) accomplished the following during FY2023:

- Upgraded the City's threat monitoring software with a managed detection and response solution which eradicates threats without disruption to the City.
- Upgraded camera surveillance software to introduce greater analytics capabilities.
- Enhanced the security of our City's ERP system by implementing a new firewall and antivirus, which will fortify the system against security breaches and ransomware.

The City Clerk's office continues to pursue their goal for staff certifications as Certified Municipal Clerks, and during 2023 it also accomplished the following:

- Successfully worked in collaboration with Miami-Dade County Elections by providing City facilities for their Primary and General County, State and Federal elections
- Processed 1,937 lien searches
- Provided responses to 486 public record requests; many in electronic format.
- Prepared 205 resolutions, and 52 ordinances for execution and recording
- The department is working on a public records request software program to process requests electronically

The Human Resources Department's FY2023 initiatives were as follows:

- Enriched employee engagement program with new initiatives such as Employee Appreciation Luncheon and themed giveaways.
- Participated in local job fairs to reach local residents in their communities with available work opportunities within the City.
- Implemented initiative to Safety Program to promote safety equipment throughout departments.

- Expanded training program to include personal career development courses.
- Strengthened recruitment efforts through strategic social media campaigns.

The Grants and Special Projects Administrator is responsible for managing the American Rescue Plan Act (ARPA) projects. The City of Homestead was able to secure $19,192,087 of ARPA funding to offset the effects and to help stop the spread of COVID-19. As of September 30, 2023, the City has allocated $16,329,060 of the ARPA funds. Remaining funds can be spent on the following four categories: Public Health/Negative Economic Impacts; Premium Pay; Revenue Loss; and Investments in Water, Sewer, and Broadband. Future projects will ultimately be decided upon by City Council. Any ARPA costs must be obligated by December 31, 2024 and expended by December 31, 2026. In addition, to managing the ARPA projects, the Grants and Special Projects Administrator has overseen, tracked, and ensured coordination for approximately 24 grant funded projects totaling $9,332,301.

The Emergency Operations Manager was successful in accomplishing the following initiatives in FY2023:

- Completed and have a State approved Debris Management Plan.
- Enrolled in F-ROC (Florida Recovery Obligation Calculation) that is a new initiative, sponsored by the Florida Division of Emergency Management (FDEM) that standardizes, streamlines, and simplifies the Public Assistance process to recover disaster costs immediately after obligation of up to 80%.
- Replacing our backup VOIP phone and Internet capabilities via satellite from a bulky and high maintenance system to StarLink improving speed and bandwidth at lower cost and less technical requirements.
- Succeeded in finally securing grant funding to upgrade the back-up power system to support 100% of City Hall.
- CRS Score improved from a 9 to a 7. The floodplain management activities implemented by COH qualify it for a 15% discount on flood insurance premiums for most NFIP policies.

The Public Information Office ("PIO') managed the following media-related projects during FY2023:

- Managed the opening of Losner Park. This included informational materials, social media campaign, and an opening day event. Residents were informed of the grand opening and the amenities of the park by a booklet mailer and social media promotion. The event also featured a full day of activities, fireworks, and live music performance that drew thousands of patrons from the Homestead community and beyond.
- Launched the Spanish version of the award-winning show, Inside Homestead, to better connect with the Hispanic community that represents 63% of residents in Homestead. The show includes a Spanish-speaking host that informs the community of upcoming events, community initiatives, as well as council accomplishments and projects throughout the year.
- Managed the reels campaign for the Discover Downtown Homestead social media Instagram page. The reels highlighted the downtown area and encouraged tourism by highlighting the many amenities of the center of Homestead.
- Managed several videos created to educate residents on Homestead Public services. The videos included important information about why power outages occur, the way that heat affects infrastructure, and inspiring stories from HPS foremen.
- Managed the launch of the new upgraded Homestead trolley with promotional videos, new brochure, and informational campaigns to inform residents of the improved routes that reduce travel time around Homestead.

Recent Events Impacting the City

On March 11, 2021, the American Rescue Plan Act of 2021 ("ARPA") was signed into law which provides for additional funding for state and local governments to help in the nation's recovery from the public health and economic impacts of the COVID-19 pandemic, as well as to equip cities and towns with the tools necessary to start building a stronger and more equitable future over the next decade.

On May 19, 2021, the City received the first tranche of ARPA funding of $9,596,043. The City received the final tranche of $9,596,043 in ARPA funding on June 4, 2022. As of September 30, 2023, the City expended a total of $3,610,299 of ARPA funds and is also currently determining which projects will be completed and funded from the remaining ARPA funds.

Other Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Homestead for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2022. This was the twentieth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized ACFR. This report must satisfy both GAAP and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. A special note of thanks and appreciation is also extended to our auditors, Marcum LLP, for their professional approach and high standards in the conduct of their independent audit of the City's financial records and transactions. Acknowledgements are also given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Homestead's finances. Their guidance and cooperation in planning and conducting the financial affairs of the City in a responsible and progressive manner is greatly appreciated.

Respectfully submitted,



Carlos M. Perez, CPA, CPPT, CGFO
Finance Director

CITY OF HOMESTEAD, FLORIDA

CITY OFFICIALS

SEPTEMBER 30, 2023

COUNCIL – MANAGER FORM OF GOVERNMENT

CITY COUNCIL
2023

Steven D. Losner, Mayor

Julio Guzman, Vice Mayor
Erica G. Ávila
Jenifer N. Bailey
Patricia D. Fairclough-Staggers
Sean L. Fletcher
Larry Roth

CITY MANAGER

Jerry Estrada, M.P.A.

CITY CLERK

Elizabeth Sewell, MPA, MMC

CITY ATTORNEY

Weiss Serota Helfman Cole & Bierman, P.L.

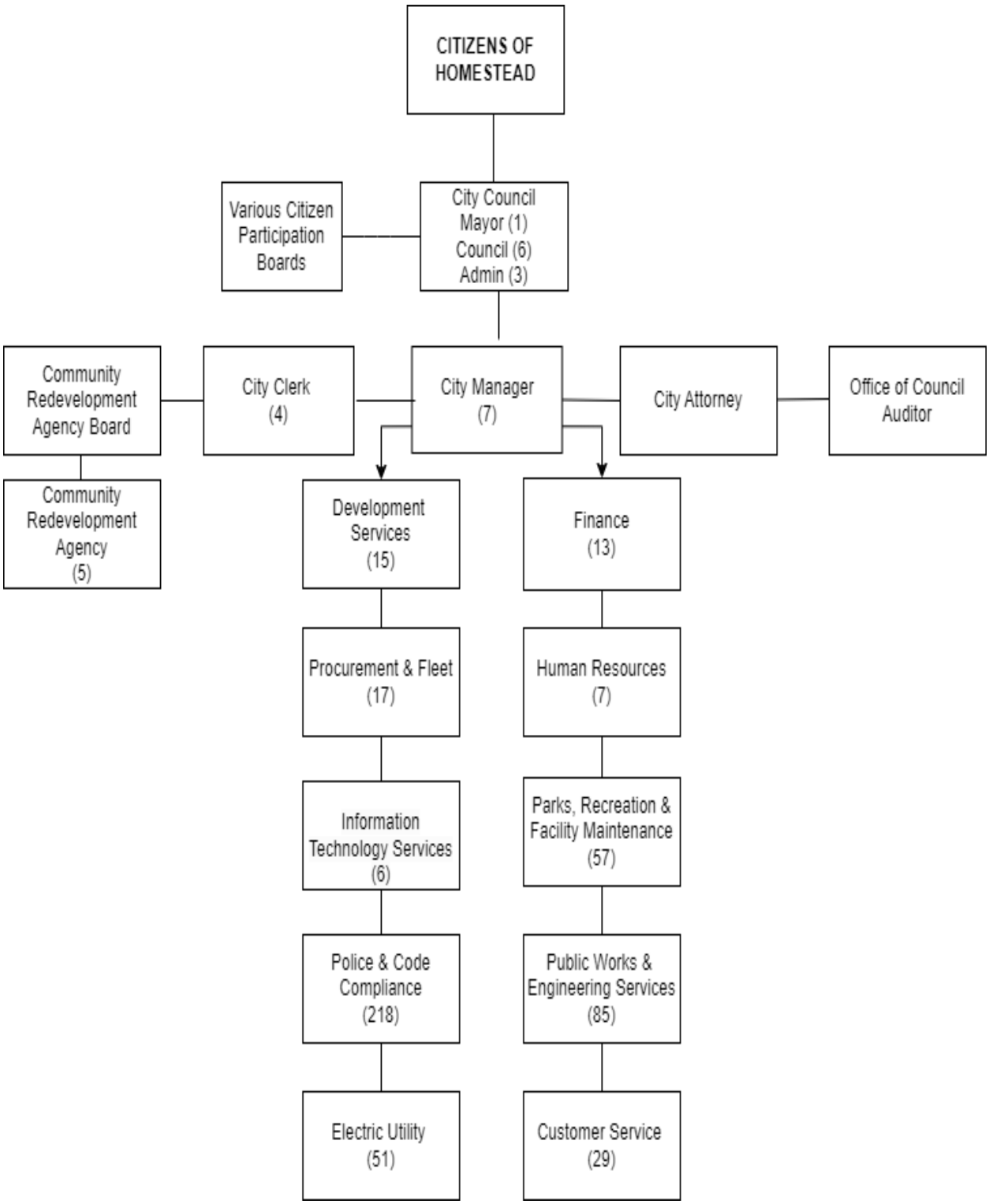
FINANCE DIRECTOR

Carlos M. Perez, CPA, CPPT

INDEPENDENT AUDITORS

Marcum LLP

City of Homestead Organization Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Homestead

Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

MARCUM
ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Council and City Manager
City of Homestead, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Homestead, Florida (the "City"), as of and for the fiscal year ended September 30, 2023, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Pension Trust Funds, component units of the City, which represent 86%, 91% and 39%, respectively, of the assets, net position/fund balance and revenues/additions of the aggregate remaining fund information as of September 30, 2023. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Pension Trust Funds are based solely upon the reports of other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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.

Marcum LLP / One Southeast Third Avenue / Suite 1100 / Miami, FL 33131 / **Phone** 305.995.9600 / **marcumllp.com**

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 GAAS 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 GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of changes in net pension liability and related ratios, the schedules of changes in total OPEB liability and related ratios, schedules of employer contributions and the budgetary comparison schedules on pages 5-24 and 142-154 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 GAAS, 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 combining and individual fund statements and schedules and the schedule of expenditures of federal awards and state financial assistance as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General 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 GAAS. In our opinion, the combining and individual fund statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Marcum LLP

Miami, FL
June 26, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

As management of the City of Homestead (the City), we offer the readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, we encourage readers to read it in conjunction with the Letter of Transmittal, beginning on page i and the City's financial statements, beginning on page 25 of this report. In this MD&A, all amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights (In Thousands)

- At September 30, 2023, the government-wide assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by $255,176 (*net position*), an increase of $15,548 or 6.5% from prior year.

- During the current fiscal year, the City implemented *GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA),* which is further explained in Note 10 on page 69. Implementation of this statement has resulted in an increase in both asset and liabilities of approximately $1 million in governmental activities.

- The City's *total assets and deferred outflows of resources* of $552,312 reflect a net increase of $60,615 from prior year. Current assets increased by $21,756, mostly from the increase in cash and investment due to cash received from the issuance of CRA and Electric Utility debts. Non-current assets decreased by $7,292 mostly from the decreased in net pension asset of $7,248. Total deferred outflows of resources increased $38,859 due to the increased in deferred outflows for pensions.

- The City's *total liabilities and deferred inflows of resources* reflect a net increase of $45,067 from $252,069 in FY 2022 to $297,136 in FY 2023. Current liabilities decreased by $3,232 mostly from the decrease in accounts payable and unearned revenues. Noncurrent liabilities increased by $48,804 or 32%. Net pension liability increased by $40,311 and bond, notes and loans liability increased by $9,305; the latter due to the issuance of CRA and Electric Utility debts.

- At September 30, 2023, the City's governmental funds reported a combined ending fund balance of $84,771, an increase of $14,014 from the prior year. The increase is due to the increases in the half-cent sales taxes, intergovernmental revenues, and investment earnings. Of the total fund balance, $19,156 or 23% represents the *unassigned* fund balance, which is available for spending at the City's discretion.

- The City's enterprise funds reported combined ending net position of $44,212, an increase of $3,639 from the prior year; $36,528 was *net investments in capital assets*, $1,403 was *restricted* and $6,281 was *unrestricted.*

- At fiscal year end, the General Fund total fund balance increased by $7,394 from $53,808 in FY 2022 to $61,202 in FY 2023, which represents approximately 102% of total General Fund expenditures. Of this total fund balance, $31,704 was *nonspendable* and represents prepaid costs and long-term notes receivable, $1,556 has been *restricted* for fiber optic and rock pit security, $306 *restricted* for HUD section 108 loan security, $6,176 has been *committed* for a required reserve, $2,305 was *assigned* for subsequent year's budget, and $19,155 was *unassigned.*

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components:

1) Government-wide financial statements,
2) Fund financial statements,
3) Notes to the financial statements.

This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The focus of the *government-wide financial statements* is on the overall financial position and activities of the City. Two government-wide statements are presented*: the statement of net position* and *the statement of activities.* These statements are designed to provide readers with a broad overview of the City's finances using the accrual basis of accounting in a manner similar to a private-sector business. The accrual basis of accounting recognizes increases or decreases in economic resources as soon as the underlying transaction takes place. Therefore, all of the current year's revenues and expenses are reported regardless of the timing of the related cash flows to acquire these assets or liquidate such liabilities.

The *Statement of Net Position* presents information on all of the City's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Although the purpose of the City is not to accumulate net position, in general, as this amount increases it indicates that the financial position of the City is improving over time.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works and services, and parks and recreation. The business-type activities of the City include electric, water and sewer, solid waste, stormwater services and Homestead Station QALICB.

The government-wide financial statements include not only the City of Homestead (known as the *primary government*), but also legally separate entities (known as *component units*) for which the City is financially accountable. These blended *component units* are the Homestead Community Redevelopment Agency and the Homestead Station QALICB. In addition to the inclusion in the government-wide financial statements, more detailed information for the Homestead Station QALICB and the Homestead Community Redevelopment Agency may be obtained from its separately issued financial statements.

The government-wide financial statements can be found on pages 25-27 of this report.

Fund Financial Statements

Unlike government-wide financial statements, the focus of the fund financial statements is directed to specific activities of the City rather than the City as a whole. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Government fund financial statements consist of a balance sheet and statement of revenues, expenditures, and changes in fund balances. However, unlike the government-wide financial statements, governmental fund financial statements are prepared using the modified accrual basis of accounting, which focuses 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. The statements provide a short-term view of the City's ability to finance its programs and near-term financing requirements, in contrast to the long-term view provided by the government-wide statements.

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 City'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 governmental fund financial statements are presented on pages 28-31 of this report.

The City maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Homestead Community Redevelopment Agency Fund, and the American Rescue Plan Fund, all of which are considered to be major funds. Data for the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is presented in the form of *combining* statements elsewhere in this report.

The City adopts an annual budget for its General Fund, the Homestead Community Redevelopment Agency Fund and eleven of the non-major governmental funds: Impact Fees, Confiscated Property, Disaster Relief, Homestead Miami Speedway, Taxable Transportation System Revenue Bonds, CRA Tax Increment Financing, General Obligation Bonds, People's Transportation Plan, Multimodal Transit Center, Capital Improvement, and Cybrarium Fund. The American Rescue Plan Fund, the Sundries Grant Fund and the Community Development Block Grant Fund do not have an annual adopted budget. Instead, the City adopts the budget by Resolution that coincide with the length of the grant or assistance which does not result in an annual budget.

Schedules of revenues, expenditures and changes in fund balance - budget and actual have been provided for these funds to demonstrate budgetary compliance. These schedules for the major governmental funds can be found on pages *142-144* and the schedules of revenues, expenditures and changes in fund balance - budget and actual for the eleven non-major governmental funds can be found on pages *161-166* of this report.

Proprietary funds. *Proprietary funds* are those funds where the City charges fees to customers for the use of specific goods or services. Proprietary fund financial statements consist of a statement of net position, a statement of revenues, expenses, and changes in net position and a statement of cash flows. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The City maintains two different types of proprietary funds:

Enterprise funds are used to account for *business-type activities* that charge fees to customers for the use of specific goods or services. These funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City has six individual enterprise funds. The proprietary fund financial statements provide separate information for each of the four major funds, the Water and Sewer Utilities, the Electric Utility, the Solid Waste Fund and Homestead Station QALICB ("QALICB"). Data for the other two enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major enterprise funds is presented in the form of *combining statements* elsewhere in this report.

Internal service funds are used to accumulate and allocate costs for goods and services provided internally among the City's various funds and functions. Any net increase or deficiency in net position in the internal service funds are allocated back to the different participating funds and functions. The City has five internal service funds, four of which are used to account for its fleet maintenance and self-insurance services. Because these services predominantly benefit governmental rather than business-type functions, they have been included as part of the governmental activities in the government-wide financial statements. The remaining internal service fund, the Customer Service Fund, predominantly serves enterprise funds; therefore, it has been included as part of the business-type activities in the government-wide financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The proprietary fund financial statements can be found on pages 32-34 of this report.

Fiduciary funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. The City uses Fiduciary funds to account for its five pension plans. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own activities. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 35-36 of this report.

Notes to Basic 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 37-141 of this report.

Other Information

In addition to the basic financial statements and the accompanying notes, this report also presents certain *required supplementary information* such as budgetary comparison schedules between the City adopted and final budget and actual financial results for the General Fund and the Homestead Community Redevelopment Agency fund. Schedule of changes in net pension liability and related ratios, schedule of changes in total OPEB liability as well as schedule of City contributions for the City's five pension plans are also presented in this section.

Required supplementary information can be found on pages 142-154 of this report.

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

Combining and individual funds statements and schedules can be found on pages 155-174 of this report.

Government-wide Financial Analysis

Summary of Net Position

The difference between a government's assets and deferred outflows of resources and its liabilities and deferred inflows of resources is its *net position.* As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $255,176 at the close of fiscal year 2023 of which 83% was for governmental activities and 17% was for business-type activities.

A summary of government-wide net position and comparative balances between the current and last fiscal year is provided below:

City of Homestead
Summary of Net Position
September 30, 2023 and 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets and Deferred Outflows of Resourses:						
Current assets	$ 114,184	$ 101,405	$ 50,399	$ 41,522	$ 164,583	$ 142,927
Other assets, non current	1,421	5,476	17,581	20,818	19,002	26,294
Capital assets, net	237,246	233,927	79,950	75,877	317,196	309,804
Total assets	352,851	340,808	147,930	138,217	500,781	479,025
Total deferred outflows of resources	39,162	10,403	12,369	2,269	51,531	12,672
Liabilities and Deferred Inflows of Resourses:						
Current and other liabilities	25,535	26,533	19,458	21,692	44,993	48,225
Noncurrent liabilities	136,194	102,230	66,509	51,669	202,703	153,899
Total liabilities	161,729	128,763	85,967	73,361	247,696	202,124
Total deferred inflows of resources	19,320	23,393	30,120	26,552	49,440	49,945
Net position:						
Net investment in capital assets	182,290	182,036	36,553	37,344	218,843	219,380
Restricted	18,721	20,752	1,403	3,703	20,124	24,455
Unrestricted	9,953	(3,733)	6,256	(474)	16,209	(4,207)
Total net position	$ 210,964	$ 199,055	$ 44,212	$ 40,573	$ 255,176	$ 239,628

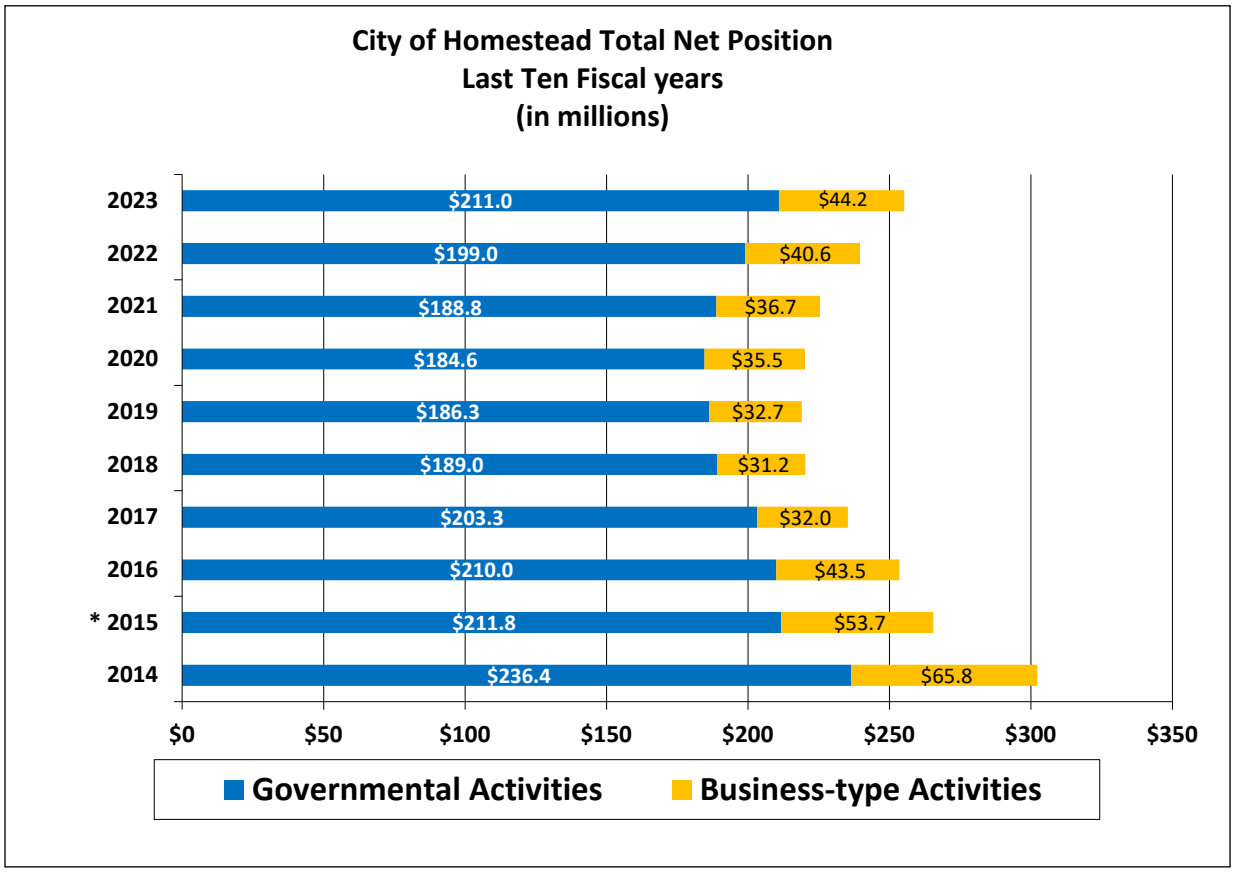
By far, the largest portion of the City's net position reflects its *net investment in capital assets* (e.g., land, buildings, infrastructure, and utility plant and systems), net of accumulated depreciation, less any outstanding related debt and deferred inflows/outflows used to acquire the assets. The City uses those capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted that 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 City's net investment in capital assets for fiscal year 2023 had a balance of $218,843 (86% of total net position.)

An additional portion of the City's net position is the *restricted net position* which represents resources that are subject to external restrictions on how they may be used. These resources have been set aside for capital projects, debt service payments and other contractual obligations. The City's restricted net position as of the end of fiscal year 2023 had a balance of $20,124 (8% of total net position).

Unrestricted net position represents assets that may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position for its governmental and business-type activities. For FY 2023 the City reported a total unrestricted net position of $16,209, an increase of $20,416 from the deficit of ($4,207) from prior year. Governmental activities reported a $9,953 unrestricted net position and business-type activities reported a $6,256 unrestricted net position.

The following chart displays the City's total net position over the last ten fiscal years.



** Decreases between 2014 and 2015 resulted from a prior period adjustment for the implementation of GASB 68.*

Summary of Activities

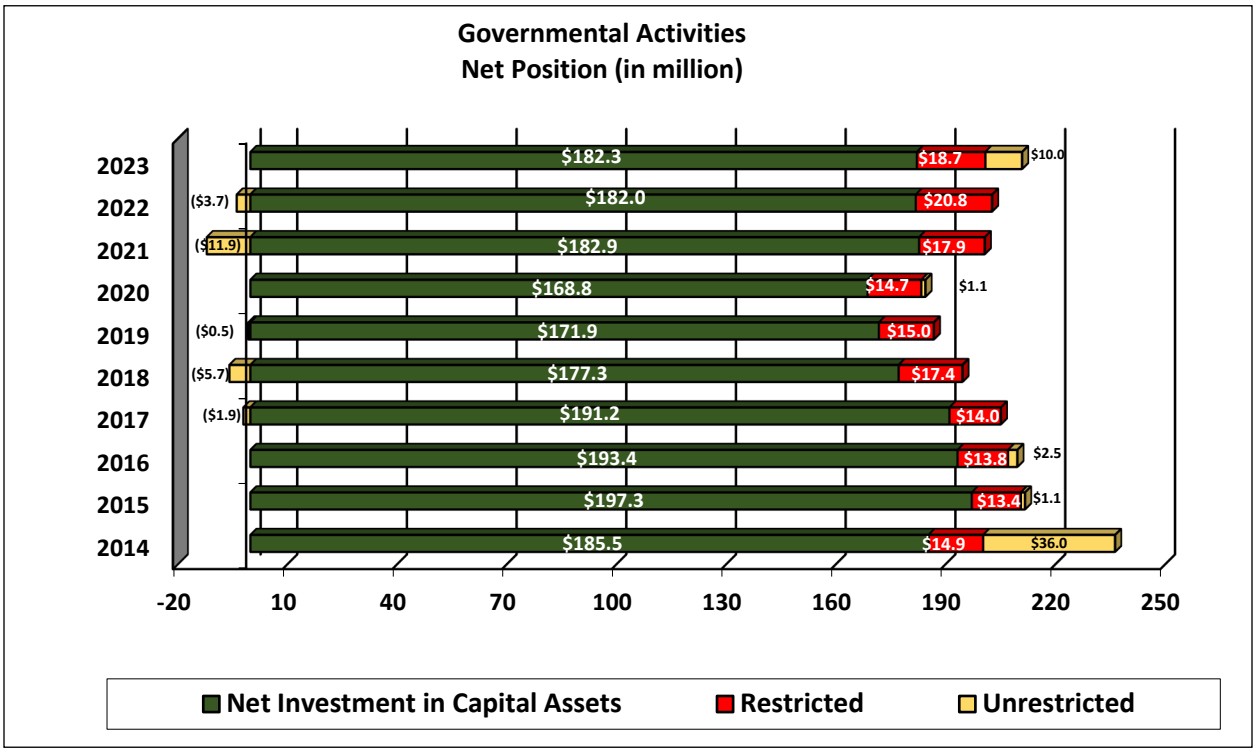
The following table provides a comparative summary of the government-wide statement of activities for the current and prior fiscal year.

City of Homestead
Summary of Changes in Net Position
Fiscal years ended September 30, 2023 and 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	$ 13,989	$ 15,144	$ 106,497	$ 108,148	$ 120,486	$ 123,292
Operating grants and contributions	7,381	3,754	-	-	7,381	3,754
Capital grants and contributions	14,241	8,131	360	-	14,601	8,131
General revenues:						
Property taxes	29,041	25,620	-	-	29,041	25,620
Fuel taxes	1,450	1,297	-	-	1,450	1,297
Franchise fees	195	53	-	-	195	53
Utility taxes	1,654	1,580	-	-	1,654	1,580
Communication service taxes	1,764	1,576	-	-	1,764	1,576
Half cent sales taxes	8,687	7,794	-	-	8,687	7,794
Unrestricted intergovernmental	5,318	5,501	-	-	5,318	5,501
Payment in lieu of taxes	7,891	7,286	-	-	7,891	7,286
Other revenues	1,701	1,290	4,187	2,867	5,888	4,157
Unrestricted investment earnings (losses)	2,648	(997)	736	101	3,384	(896)
Total revenues	95,960	78,029	111,780	111,116	207,740	189,145
Expenses:						
General government	19,950	15,250	-	-	19,950	15,250
Public safety	41,161	31,258	-	-	41,161	31,258
Public works and services	5,313	4,620	-	-	5,313	4,620
Parks and recreation	11,616	10,696	-	-	11,616	10,696
Diasater relief	2	217	-	-	2	217
Interest on long-term debt	2,561	2,335	-	-	2,561	2,335
Unallocated depreciation	2,184	2,300	-	-	2,184	2,300
Water / Sewer utilities	-	-	23,202	21,142	23,202	21,142
Electric utility	-	-	67,810	69,866	67,810	69,866
Solid waste	-	-	15,307	14,329	15,307	14,329
Other enterprise	-	-	1,670	1,643	1,670	1,643
Homestead Station QALICB	-	-	1,416	1,403	1,416	1,403
Total expenses	82,787	66,676	109,405	108,383	192,192	175,059
Increase/(Decrease) in net position before transfers	13,173	11,353	2,375	2,733	15,548	14,086
Transfers	(1,264)	(1,094)	1,264	1,094	-	-
Increase (Decrease) in net position	11,909	10,259	3,639	3,827	15,548	14,086
Net position – beginning	199,055	188,796	40,573	36,746	239,628	225,542
Net position – ending	$ 210,964	$ 199,055	$ 44,212	$ 40,573	$ 255,176	$ 239,628

Governmental activities

Total net position of the City's governmental activities increased by $11,909 from $199,055 in FY 2022 to $210,964 in FY 2023, or 6%. Restricted net position decreased $2,030 mostly from the decreased in net pension asset. Unrestricted net position increased $13,686 from a negative $3,733 to a positive balance of $9,953.



Key elements of the City's governmental activities are as follows:

- Total charges for services decreased by $1,155 while both operating and grants and contributions increased $3,647 and $6,110 respectively.

- Gross property taxable value for the City increased for a tenth straight year, from $3.748 billion in 2022 to $4.361 billion in FY 2023. Total property tax revenues increased by $3,421 from the increase in the assessed property taxable value even though the City lowered its property tax millage rate from 6.2055 mills in FY 2022 to 6.1434 mills in FY 2023.

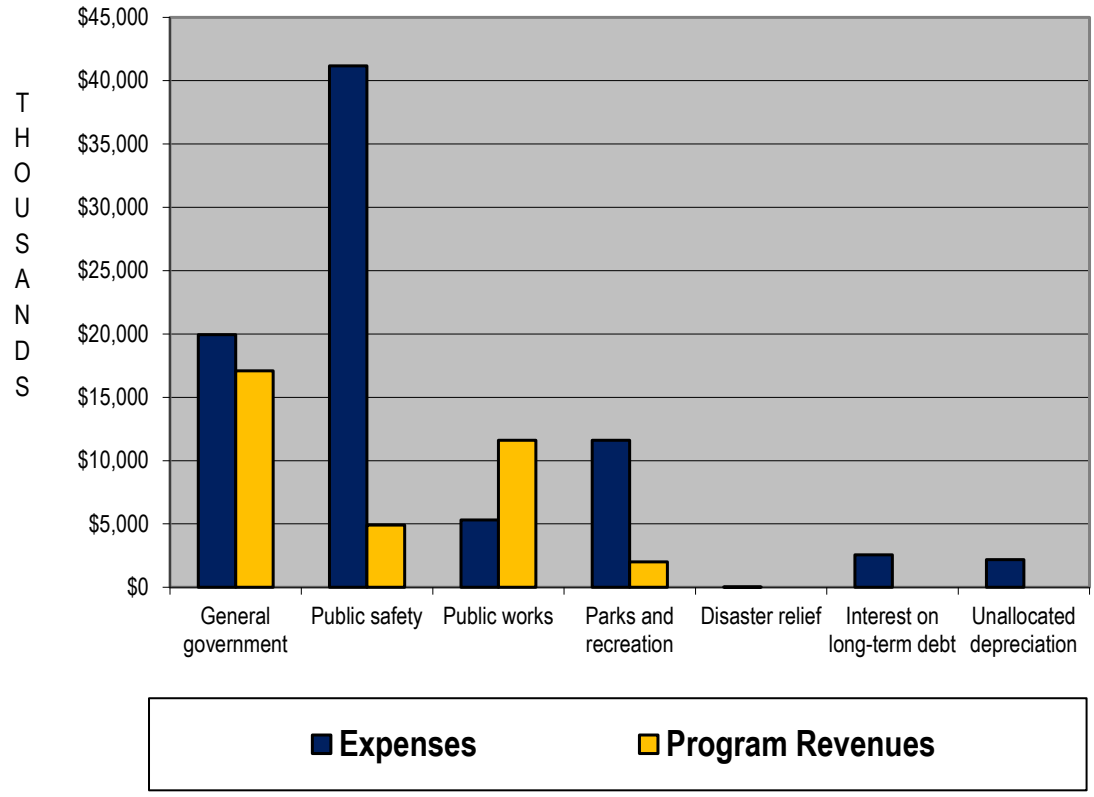
- Half cent sales taxes as well as certain intergovernmental revenues far exceeded budgeted projections provided by the state resulting in the increases to unrestricted net position.

- Unrestricted investment earnings increased $3,645 from a loss of $997 to a revenue of $2,648, due to the increase in cash and investments and the increase in interest rate.

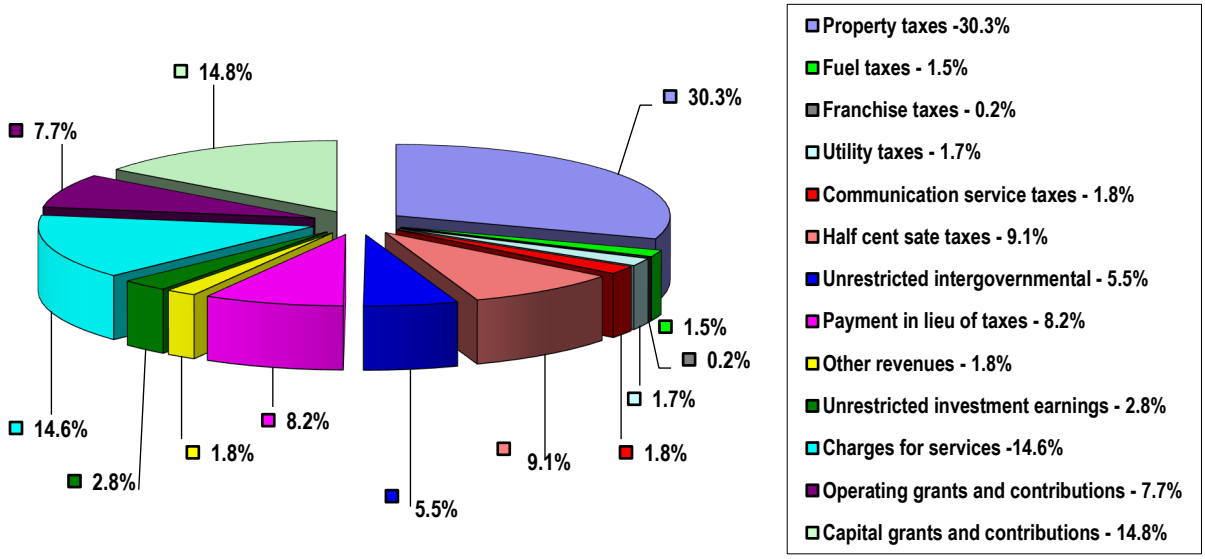
- Total governmental activities expenses increased by $16,111 from prior year mostly from the increase in personnel costs in public safety, of which $2,078 was for an increase in pension expense.

The following charts compare expenses and program revenues and revenue by sources for governmental activities for fiscal year 2023:

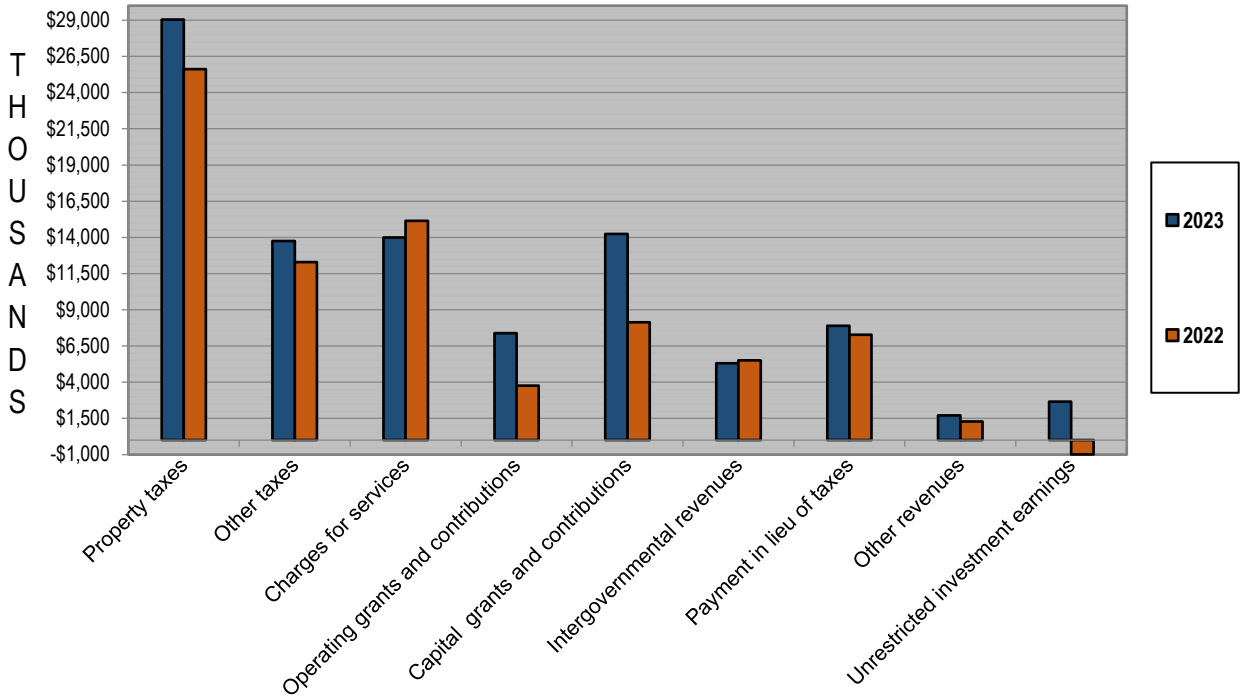
Governmental Activities - Expenses and Program Revenues



Governmental Activities – Revenues by Source

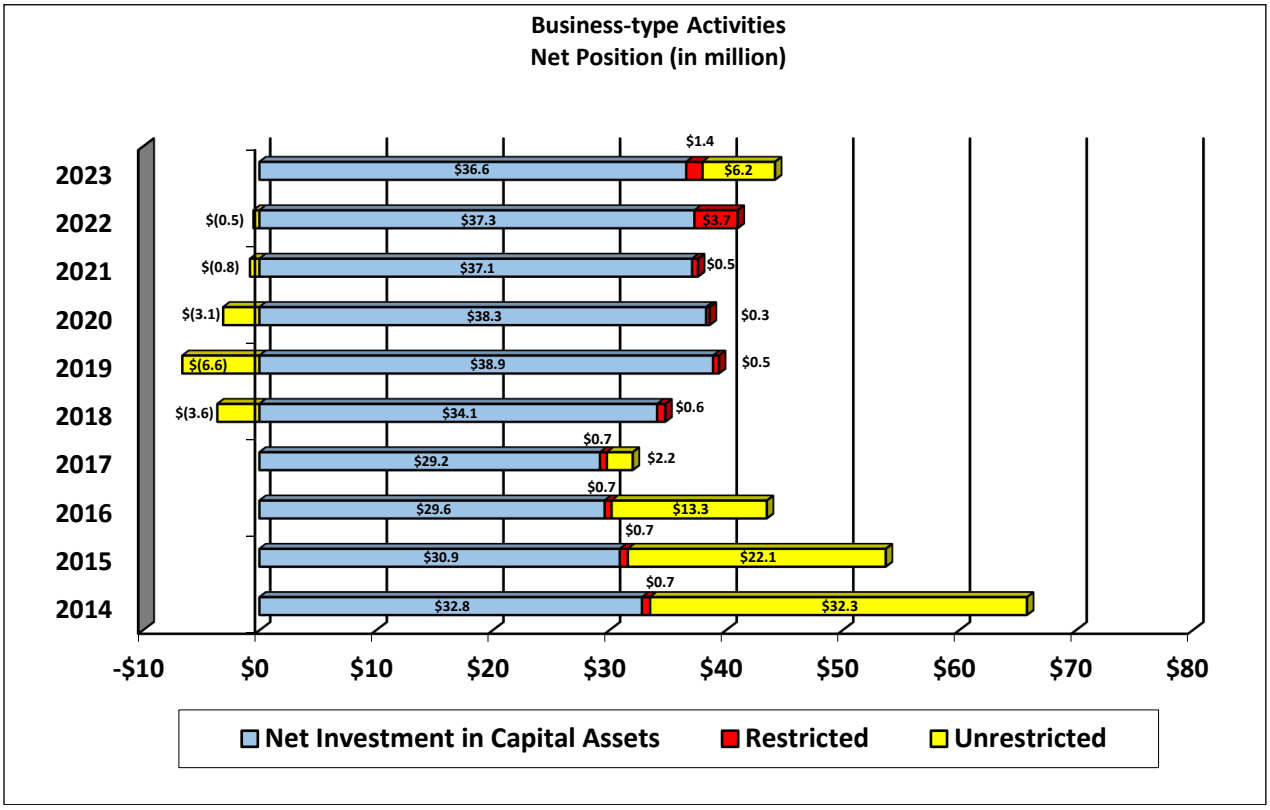


Governmental Activities – Current Year Revenues vs. Prior Year Revenues



Business-type activities

The City's net position of the business-type activities, which includes the customer service internal service fund and Homestead Station QALICB, increased by $3,639 from $40,573 to $44,212, or 9% from the prior year.



Key elements of the City's business-type activities for fiscal year 2023 are as follows:

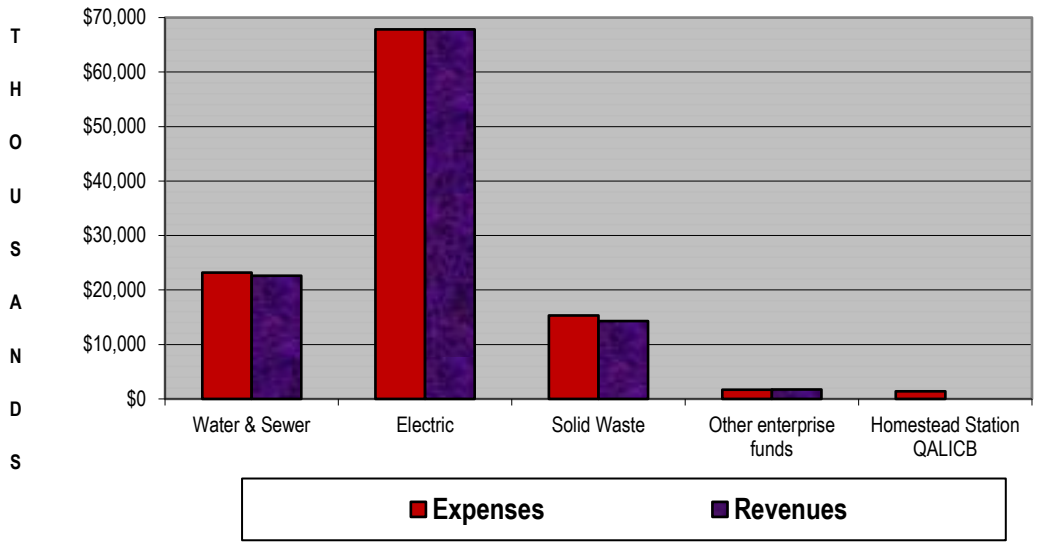
- Overall charges for services decreased by $1,651 or 2% from the prior year. Electric Utility charges for services decreased by $4,123, primarily due to a decrease in the power cost adjustment (PCA) rate. Water and Sewer had an increase in charges for services of $1,547 mostly from a CPI rate increase while Solid Waste charges for services increased by $881 from a mid-year increase in commercial rates, and Stormwater charges for services increased by $44.

- Electric Utility expenses decreased by $2,056. Purchased power costs decreased by $7,143 while personnel and other expenses increased by $5,087. Water and Sewer expenses increased $2,060 and Solid Waste expenses increased by $978, both as a result of the increase in personnel costs. The expenses for other utilities remained relatively stable.

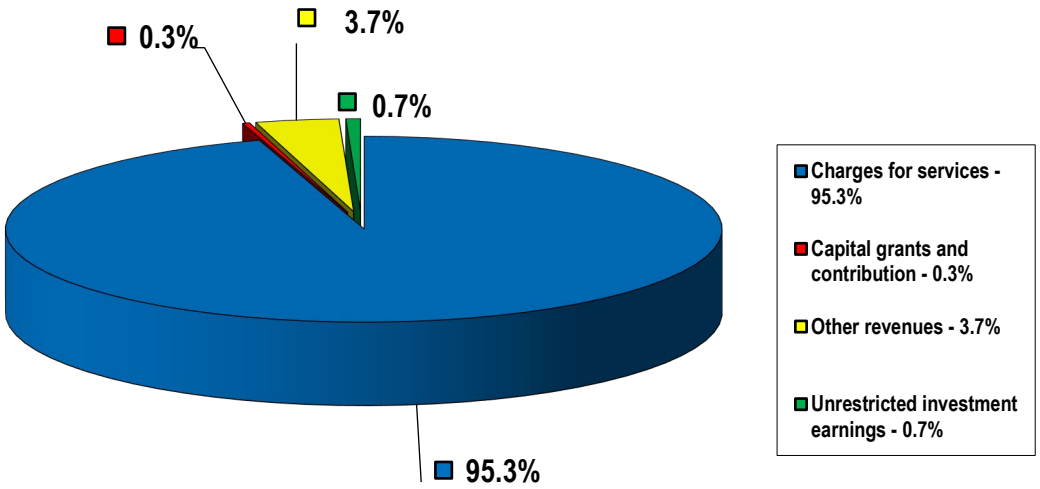
- Investment earnings increased by $635 due to money from Electric FMPA loans not yet spent and also the increase in interest rates.

- As of September 30, 2023, aside from the customary CPI and Miami-Dade County pass-through cost adjustments for water and sewer rates, the only increase was in the solid waste commercial rate, which rose by approximately 34%. There were no rate increases for customers in electric or stormwater utilities.

Business-type Activities – Expenses and Revenues



Business-type Activities – Revenues by Source



Financial Analysis of the City of Homestead's Funds

As noted earlier, the City uses fund accounting to help ensure as well as demonstrate compliance with finance related legal requirements. The focus of the fund financial statements is on major funds, rather fund types.

Governmental funds.

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

As of the end of fiscal year 2023, the City's governmental funds reported a total fund balance of $84,771, an increase of $14,014 from prior year. Out of this amount, $31,704 or 37% was in *nonspendable* which represents prepaid costs and the long-term notes receivable. $18,219 or 21% is *restricted* by third parties such as grantors, creditors, state statue or other governmental entities for specific type of expenditures. The City, through ordinances, has $7,370, or 9%, in *committed* fund balance which includes: 1) *committed* fund balance represented a required reserve in the amount of 10% of the amount of originally budgeted revenues of the general fund of $6,175, and 2) *committed* fund balance to be used for specific purposes such as public art and transportation of $1,195.

The City also has *assigned* $8,322 or 10% of the fund balance to be used for capital projects and expenditures for the next fiscal year. *Unassigned* fund balance is the portion of fund balance that is available for spending at the City's discretion. $19,156 or 23% of the governmental fund balance constitutes *unassigned* fund balance.

The General Fund is the chief operating fund of the City. All revenues, other receipts, expenditures, fixed charges and capital improvement costs that are not required by law or contractual agreement to be accounted for in another fund are accounted for in the General Fund.

At the end of the current fiscal year, the General Fund reported a total fund balance of $61,202, an increase of $7,394 from prior year primarily from the unanticipated increase in half cent sales taxes, state revenue sharing, state insurance premium taxes pass thru for police and fire pensions, and also investment interest income. The General Fund unassigned fund balance of $19,156 constitutes 31% of the total fund balance which represents an increase of $6,076 from prior year. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 32% of total General Fund expenditures, while total fund balance represents 102% of that same amount.

Besides the General Fund, major governmental funds include the Homestead Community Redevelopment Agency, and the American Rescue Plan Fund. The Homestead Community Redevelopment Agency's fund balance increased $1,408, from $3,731 in 2022 to $5,139 in 2023, primarily due to the unspent monies earmarked for land improvements and grants.

The American Rescue Plan Fund accounts for $19,192 in total funds received from the U.S. Department of Treasury to address impacts of COVID-19, improve Broadband, improve Water and Sewer infrastructure, and to replace lost revenues for other activities. $9,596 was received in FY 2021 and $9,596 was received in FY 2022. At September 30, 2023 a total of $3,610 had been expended: $9 in FY 2021, $800 in FY 2022, and $2,801 in FY 2023. The balance of unspent funds of $15,582 is recorded as unearned revenue.

As for other non-major governmental funds, Impact Fees' fund balance decreased by $1,773 primarily due to parks impact fees being spent on a major park expansion. People's Transportation Plan's fund balance increased by $1,496 due to unspent money for capital projects. The Multimodal Transit Center Fund increased by $4,885 from a negative fund balance of ($57) to a positive fund balance of $4,828 due to $5,700 received from Miami-Dade County in FY 2023.

Blended component unit - Homestead Community Redevelopment Agency (CRA): During fiscal year 2023 the CRA completed projects/activities including land acquisitions for future development, and provided both commercial and residential grants to assist small business and CRA residents.

More detailed information for the Homestead Community Redevelopment Agency (CRA) may be obtained from its separately issued financial statements.

Proprietary funds.

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail. Proprietary funds account for services that are generally supported by user fees charged to customers. Proprietary fund statements, like government-wide statements, provide both short and long-term financial information.

- For fiscal year 2023, Water & Sewer Utility is reporting an operating loss of $46. *Total net position* decreased by $56 while *unrestricted net position* showed a positive balance of $142 which was an improvement from negative balance of $344 in prior year. In January 2019, the City increased the Water & Sewer rate for the first time since FY 2008, and has since committed to an annual inflation adjustment based on the CPI, with the ultimate goal of the rate increases is to eliminate the negative unrestricted net position which was successful in FY 2023.

- In FY 2023, the Electric Utility reported an operating income of $3,475. The revenues decreased by $2,271, mainly due to the reduction in the power cost adjustment rate. Total expenses also went down by $2,330 due to the decrease in purchased power costs. Total net position increased by $3,427 and unrestricted net position also increased by $4,357 from a negative balance of $5,528 in FY 2022 to a negative balance of $1,171 in FY 2023.

- Solid waste had an operating loss of $929 while other enterprise funds had operating income of $61. The Solid waste loss is mostly due to increases in personal costs. In FY 2023 the General Fund contributed an additional $1,350 back to Solid Waste for its assistance to the General Fund in prior years. For FY 2023, the City increased commercial rates by 34% and will consider further

changes to solid waste operations including possible rate increases to residential rates by 32% in FY 2024.

- In summary, total net position for all proprietary funds increased by $3,639 from $40,573 in fiscal year 2022 to $44,212 in fiscal year 2023. The City continues to monitor all proprietary funds' operations to ensure that the annual revenues are sufficient to meet all annual operating expenses and allow for a build-up of reserves for future capital assets.

Blended component unit - Homestead Station QALICB: In FY 2018, the City formed Homestead Station QALICB ("QALICB"), Inc. a Florida nonprofit corporation, in connection with the purchase and development of the parking garage project. The formation of the QALICB resulted from the City engaging in a new market tax credit (NMTC) transaction. QALICB is considered to be a special-purpose governmental entity engaged only in business-type activities with a fiscal year ended of June 30.

In FY 2023, the City's proprietary financial statements include the QALICB's financial statements for the period from July 1, 2022 to June 30, 2023. QALICB reported a negative net position as of June 30, 2023 of $2,643. More detailed information for the Homestead Station QALICB may be obtained from its separately issued financial statements.

General Fund Budgetary Highlights

The General Fund did not have any amendment to the original budget during FY 2023.

The General Fund budgetary comparison schedules can be found on pages 142-143 of this report.

Budgeted revenues compared to actual revenues. Actual General Fund revenues before other financing sources were $6,095 higher than the final budgeted amount.

- Fuel taxes was $210 higher than budgeted while half cent sales taxes and intergovernmental revenues were $1,979 and $1,990 respectively higher than the budgeted amount (based on state provided projection) as a result of an economic rebound. State insurance premium taxes pass thru for both police and fire pensions were $755 higher than budgeted amount. This amount was included as part of intergovernmental revenues.
- Licenses and permits were $218 under budgeted due to delays in development within the City.
- Investment income showed a $1,199 higher than budgeted amount. This was due to the increase in unspent cash and investments and increase in interest rates during the year by the Federal Reserve Bank in order to combat the inflation.

Budgeted expenditures compared to actual expenditures. The General Fund's expenditures before transfers were $747 lower than budgeted. All of the departments in the General Fund except police reported positive variances.

- General government showed a positive variance of $956 mostly from unspent contingency and professional services.

- Public safety had a negative variance of $237 mainly from higher than budgeted state premium taxes pass thru for police and fire pension as mentioned earlier. This is offset by the positive $754 variance in revenues.
- Debt service showed a total negative variance of $155 for principal and interest due to the implementation of GASB 96 (SBITA). The operating lease payments, equivalent to the amount of the SBITA debt service, is reported in the Department's operating budget.
- Proceeds from other long-term debt (SBITA) of $1,088 reflects the impact of implementing GASB 96.
- Transfers-in had a positive variance of $1,133 which includes $397 from the Homestead-Miami Speedway Fund closure and $815 from the Multi-modal Fund.
- In summary, the overall positive variances in general fund expenditures are primarily attributed to the efficiencies of operations, tighter budget constraints and careful management of the City's finances.

Capital Asset and Debt Administration

Capital Assets

The City's capital assets for its governmental and business-type activities as of September 30, 2023 amounted to $317,196 (net of accumulated depreciation and amortization). Capital assets include land, buildings, improvements other than buildings, furniture & fixtures & equipment, artworks, intangible assets, machinery and equipment, infrastructure, lease (right-to-use) asset, and subscription-based arrangement assets. The City's net investment in capital assets for FY 2023 decreased by $537 from previous year. Major capital asset events that occurred during the fiscal year include the following:

- Purchased of land for $6,265, funded by the CRA.
- Police purchased 7 vehicles for $278, and NETAPP for $161 all funded by police impact fees.
- Parks completed the expansion of Losner Park for $7,881, Losner Park playground equipment for $592, other parks playground equipment for $559, finished Biscayne Everglades Greenway Project for $1,849, and purchased 3 vehicles and other equipment for $283, all were funded by parks impact fees.
- Street and sidewalk replacements and improvements totaling $1,716 were funded by the General Fund, and People's Transportation Plan Fund.
- Funded through new equipment financing in FY 2023 additions included 8 new vehicles; 5 for police, 1 for Parks, and 2 for Development Services, totaling $309.
- Governmental citywide construction-in-progress projects at fiscal year-end 2023 totaled $3,750. These included projects such as the Parks Master Plan, Sports Complex Park expansion, and FEMA Hazard Mitigation project (grant funded portion). Most of the projects are funded by grants, and impact fees.
- Subscription-based arrangements assets amount of $1,112, as a result of GASB 96 implementation.
- Electric completed Renaissance substation expansion for $1,823, several new underground, new overhead and streetlights projects for $1,228, upgrade of several engines for $565, and new meters and substation equipment for $527. Major construction-in-progress at year end included a new substation for $2,430, advance metering infrastructure of $992, downtown infrastructure project for $373, underground NW area for $626, and FEMA Hazard mitigation for $2,947.

- Water and Sewer purchased five vehicles for the total of $185; a VAC truck for $426, funded through new equipment financing in FY 2023; and completed several annual capital projects such as upgrades of various lift stations, pumps and SCADA upgrades, that amounted to $209.
- Capital assets at fiscal year ended June 30, 2023 for Homestead Station QALICB amounted to $31,332, net of depreciation.
- Depreciation expense totaled $10,303 and $6,484 for governmental activities and business-type activities, respectively.

The following chart provides a condensed schedule of government-wide capital assets with comparative balances between the current and last fiscal year.

City of Homestead
Capital Assets (Net of Accumulated Depreciation and amortization)
September 30, 2023 and 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	$ 54,464	$ 48,198	$ 1,876	$ 1,876	$ 56,340	$ 50,074
Land improvements	9,985	481	-	-	9,985	481
Buildings and improvements	103,755	107,594	31,199	31,421	134,954	139,015
Other improvements	10,083	9,619	-	-	10,083	9,619
Furniture, fixtures and equipment	6,228	5,158	-	-	6,228	5,158
Books	378	530	-	-	378	530
Artworks	1,746	1,746	-	-	1,746	1,746
Infrastructure	29,461	31,645	-	-	29,461	31,645
Utility plant and systems	-	-	38,860	36,851	38,860	36,851
Construction in progress	3,750	11,865	8,015	5,729	11,765	17,594
Lease (Right-to-use asset)	16,435	17,091	-	-	16,435	17,091
Subscription-based arrangements assets	961	-	-	-	961	-
Total capital assets	$ 237,246	$ 233,927	$ 79,950	$ 75,877	$ 317,196	$ 309,804

Additional information on capital assets, lease asset, and subscription-based arrangements assets can be found in Note 8 ,Note 9, and Note 10 on pages 65-70 of this report.

Long-term Debt

At the end of the current fiscal year, the City had total bonded debt and loans outstanding of $112,728 an increase of $9,306 from prior year. The City's bonded debt represents bonds secured by specific revenue sources. Total governmental bonded debt and loans payable amounted to $62,402. Business-type activities bonded debt and loans payable amounted to $50,326.

- Governmental activities' bonded debt and loan payable increased by $2,442. Out of this amount, $4,500 was an increase for CRA Tax Increment Revenue Note acquired during FY 2023, to finance the cost of acquisition, relocation, clearing, construction and/or rehabilitation of properties and other redevelopment activities. The difference was the decrease from

principal payments made during FY 2023.

- Business-type activities' debt increased by $6,864. QALICB notes payable increased $715 from $35,233 in FY 2022 to $35,948 in FY 2023; this debt is related to the NMTC transaction involving the parking garage project. The City also secured a new loan during FY 2023, Electric FMPA Pooled Loan Series 2022 in the amount of $6,500 to finance the ring bus expansion at Renaissance Substation and the storm hardening mitigation project.

Under Florida Statutes, no debt limit margin is placed on local governments. In December 2018, S&P affirmed an A+ rating on the City's general obligation bonds and increased the rating for the City's taxable transportation system revenue bonds from A to A+. On September 14, 2021, Moody's removed the City's negative outlook and affirmed an Aa3 rating on its general obligation bonds and an A1 rating on its taxable transportation system revenue bonds. In January 2023, Moody's upgraded the rating on the taxable transportation system revenue bonds from A1 to Aa3.

The following chart provides information on the City's outstanding long-term debt with comparative balances between the current and last fiscal year.

City of Homestead
Bonded Debt and Loan payable
September 30, 2023 and 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds, Series 2014	$ 19,890	$ 20,480	$ -	$ -	$ 19,890	$ 20,480
Plus: Unamortized Bonds Premium	1,217	1,275	-	-	1,217	1,275
Total General Obligation Bonds	21,107	21,755	-	-	21,107	21,755
Taxable Transportation System Revenue Bonds, Series 2017	27,220	27,920	-	-	27,220	27,920
HUD Section 108 Loan	2,509	2,702	-	-	2,509	2,702
New City Hall Refunding Notes, Series 2021	7,066	7,583	-	-	7,066	7,583
CRA Tax Increment Revenue Note, Taxable	4,500	-	-	-	4,500	-
Electric FMPA Pooled Loan 2021	-	-	7,878	8,229	7,878	8,229
Electric FMPA Pooled Loan 2022	-	-	6,500	-	6,500	-
Homestead Station QALICB Notes payable	-	-	35,948	35,233	35,948	35,233
Total bonds and loans payable	$ 62,402	$ 59,960	$ 50,326	$ 43,462	$ 112,728	$ 103,422

Additional information on bonded debt and loan payable can be found in Note 12 on pages 72-87 of this report.

Economic Factors and Next Year's Budgets and Rates

- The City's FY 2024 original adopted budget reflects anticipated revenues and expenditures of $265,599.
- The FY 2024 budget provides funding for all capital improvement projects estimated at $43,648.
- For FY 2024, the General Fund required reserve is $6,912 or 10% of the 2024 adopted budgeted amount of General Fund revenues of $69,118.

- The City's taxable property values increased for an eleventh consecutive year to an all-time high. Values increased from $4.361 billion for fiscal year 2023 to $5.063 billion for fiscal year 2024, an increase of 16.1%.
- For fiscal year 2024, the City lowered its operating millage rate for a second consecutive years while maintaining or increasing the service levels to its citizen. Operating millage rate for fiscal 2024 was lowered by 0.1228, from 6.1434 mills in fiscal 2023 to 6.0206 mills for fiscal 2024, while the rolled back rate was 5.4566 mills.
- The City also lowered its debt millage rate for the general obligation bonds for fiscal 2024 to 0.3075 mills from 0.3550 mills in Fiscal 2023.
- The City did not increase the electric, or stormwater utility rates for the 2024 fiscal year; it did however adjust its water & sewer rates for inflation based on CPI and Miami-Dade County pass-thru costs. For Solid Waste, the City increased the residential rates by 32% for fiscal year 2024, and implemented a CPI based annual rate increase for future years. This was in conjunction with the 34% commercial rate increase implemented mid-year fiscal year 2023.
- Per the data from the U.S. Department of Labor and Bureau of Labor Statistics, there was a rise in the city's total population from 83,012 in 2022 to 83,750 in 2023. Concurrently, the city experienced a drop in the unemployment rate from 2.3% in 2022 to 2.0% in 2023, signaling ongoing improvements in the local economy.
- The general economic conditions worldwide and within our state have necessitated vigilant monitoring of revenue and expenditure trends by the City throughout this year. Economic conditions, whether declining, stable, or growing, significantly affect property valuations, sales, gas, and other tax revenues, as well as consumer spending patterns for building permits, user fees, and consumption. In line with numerous local governments nationwide, the City is endeavoring to maintain a fine equilibrium between preserving service levels for its residents and minimizing taxes and service charges.
- The City's adopted budget stands as a fiscally responsible and economical plan, designed to guarantee high-quality public services and necessary capital improvements for all citizens, now and into the future. With the 2025 budget preparation underway, the City will concentrate on augmenting revenues and controlling expenditures, while vigilantly monitoring the initiatives of the Florida Legislature and their prospective effects on the City's current operational capacity.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. Additional information is also available on the City's website at www.cityofhomestead.com. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Carlos M. Perez, CPA, CPPT, CGFO
Finance Director
City of Homestead
100 Civic Court
Homestead, Florida 33030

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF HOMESTEAD, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 14,418,701	$ 4,270,002	$ 18,688,703
Investments	27,973,573	2,541,696	30,515,269
Receivables, net	13,819,234	25,308,184	39,127,418
Lease receivable	-	44,506	44,506
Internal balances	3,100,000	(3,100,000)	-
Prepaid costs	200,302	167,076	367,378
Note receivable	31,506,233	-	31,506,233
Inventories	173,438	4,642,001	4,815,439
Restricted assets:			
Cash and cash equivalents	3,415,457	12,719,671	16,135,128
Investments	19,577,441	3,806,066	23,383,507
Total current assets	114,184,379	50,399,202	164,583,581
Non-current Assets:			
Capital assets not being depreciated	59,959,478	9,890,867	69,850,345
Capital assets being depreciated, net	159,891,159	70,059,408	229,950,567
Lease (right-to-use) asset, net	16,434,720	-	16,434,720
Subscription-based arrangement assets, net	961,043	-	961,043
Sub-total capital assets	237,246,400	79,950,275	317,196,675
Lease receivables	-	17,580,853	17,580,853
Asset available for sale	917,614	-	917,614
Net pension asset	502,942	-	502,942
Total non-current assets	238,666,956	97,531,128	336,198,084
TOTAL ASSETS	352,851,335	147,930,330	500,781,665
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows for pensions	39,041,080	12,302,959	51,344,039
Deferred outflows for OPEB	121,106	66,239	187,345
TOTAL DEFERRED OUTFLOWS OF RESOURCES	39,162,186	12,369,198	51,531,384
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	5,037,551	11,998,234	17,035,785
Unearned revenue	18,975,601	1,701,866	20,677,467
Other liabilities	956,245	-	956,245
Liabilities payable from restricted assets:			
Customer deposits	-	5,367,200	5,367,200
Current accrued interest payable	565,990	390,693	956,683
Total current liabilities	$ 25,535,387	$ 19,457,993	$ 44,993,380

(Continued)

See notes to basic financial statements.

CITY OF HOMESTEAD, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

(Continued)

	Governmental Activities	Business-Type Activities	Total
LIABILITIES (continued)**:**			
Non-current liabilities:			
Due within one year :			
Compensated absences	$ 1,184,812	$ 591,353	$ 1,776,165
Equipment financing	1,033,281	595,792	1,629,073
Bonds, notes and loans	2,252,530	1,292,404	3,544,934
OPEB liability	174,562	95,478	270,040
Claims and judgements	1,228,328	-	1,228,328
Lease liability	44,616	-	44,616
Subscription-based arrangements liability	164,820	-	164,820
Due in more than one year:			
Compensated absences	2,764,563	1,379,823	4,144,386
Equipment financing	1,377,152	2,230,307	3,607,459
Bonds, notes and loans	60,149,523	49,033,956	109,183,479
Net pension liability	38,307,533	8,318,118	46,625,651
OPEB liability	5,433,316	2,971,808	8,405,124
Claims and judgements	3,734,619	-	3,734,619
Lease obligation (right-to-use asset)	17,569,658	-	17,569,658
Subscription-based arrangements liability	774,781	-	774,781
Total non-current liabilities	136,194,094	66,509,039	202,703,133
TOTAL LIABILITIES	161,729,481	85,967,032	247,696,513
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows for power cost adjustment	-	5,420,392	5,420,392
Deferred inflows for leases	-	16,465,889	16,465,889
Deferred inflows for pensions	12,899,185	4,722,045	17,621,230
Deferred inflows for OPEB	6,420,675	3,511,857	9,932,532
TOTAL DEFERRED INFLOWS OF RESOURCES	19,319,860	30,120,183	49,440,043
NET POSITION			
Net investment in capital assets	182,289,512	36,553,353	218,842,865
Restricted :			
Community redevelopment	5,138,779	-	5,138,779
Fiber optic and rock pit security	1,555,665	-	1,555,665
HUD section 108 loan security	306,000	-	306,000
Grants	1,585,339	-	1,585,339
Community development	943,760	-	943,760
Diasater relief	638,831	-	638,831
Parks and recreation	168,812	-	168,812
Law enforcement	1,598,598	-	1,598,598
Road improvements	643,072	-	643,072
Debt service	587,534	1,403,000	1,990,534
Transit & Transportation	5,045,230	-	5,045,230
Capital projects	7,275	-	7,275
Net pension asset	502,942	-	502,942
Unrestricted	9,952,831	6,255,960	16,208,791
TOTAL NET POSITION	$ 210,964,180	$ 44,212,313	$ 255,176,493

See notes to basic financial statements.

CITY OF HOMESTEAD, FLORIDA

STATEMENT OF ACTIVITIES

FISCAL YEAR ENDED SEPTEMBER 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental activities:							
General government	$ 19,950,050	$ 11,255,145	$ 2,966,831	$ 2,875,449	$ (2,852,625)	$ -	$ (2,852,625)
Public safety	41,160,636	1,126,868	3,781,610	-	(36,252,158)	-	(36,252,158)
Public works and services	5,313,600	18,439	438,461	11,139,297	6,282,597	-	6,282,597
Parks and recreation	11,615,808	1,588,528	194,217	226,696	(9,606,367)	-	(9,606,367)
Disaster relief	2,036	-	-	-	(2,036)	-	(2,036)
Interest on long-term debt	2,561,476	-	-	-	(2,561,476)	-	(2,561,476)
Unallocated depreciation	2,183,664	-	-	-	(2,183,664)	-	(2,183,664)
Total governmental activities	82,787,270	13,988,980	7,381,119	14,241,442	(47,175,729)	-	(47,175,729)
Business-type activities:							
Water & sewer	23,202,247	22,613,952	-	-	-	(588,295)	(588,295)
Electric utility	67,810,025	67,861,540	-	-	-	51,515	51,515
Solid waste	15,307,063	14,291,023	-	359,704	-	(656,336)	(656,336)
Stormwater utility	1,669,618	1,730,509	-	-	-	60,891	60,891
Homestead station QALICB	1,416,260	-	-	-	-	(1,416,260)	(1,416,260)
Total business-type activities	109,405,213	106,497,024	-	359,704	-	(2,548,485)	(2,548,485)
Total	$ 192,192,483	$ 120,486,004	$ 7,381,119	$ 14,601,146	(47,175,729)	(2,548,485)	(49,724,214)
General revenues:							
Property taxes					29,041,411	-	29,041,411
Fuel taxes					1,449,845	-	1,449,845
Franchise taxes (on gross receipts)					195,172	-	195,172
Utility taxes					1,653,882	-	1,653,882
Communication service taxes					1,764,066	-	1,764,066
Half cent sales taxes					8,687,352	-	8,687,352
Unrestricted intergovernmental revenue					5,317,700	-	5,317,700
Payment in lieu of taxes					7,890,456	-	7,890,456
Other revenues					1,701,018	4,187,616	5,888,634
Unrestricted investment earnings (loss)					2,647,622	736,285	3,383,907
Transfers					(1,263,811)	1,263,811	-
Total general revenues and transfers					59,084,713	6,187,712	65,272,425
Change in net position					11,908,984	3,639,227	15,548,211
Net position, beginning					199,055,196	40,573,086	239,628,282
Net position, ending					$ 210,964,180	$ 44,212,313	$ 255,176,493

See notes to basic financial statements.

CITY OF HOMESTEAD, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2023

	General	Special Revenue: Homestead Community Redevelopment Agency	Special Revenue: American Rescue Plan Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 5,849,260	$ 931,980	$ -	$ 4,979,252	$ 11,760,492
Investments	20,507,461	3,971,562	-	3,494,550	27,973,573
Interest receivable on investments	487,011	14,670	-	18,199	519,880
Account receivables, net	3,602,025	1,962	-	9,681,213	13,285,200
Due from other funds	1,000,000	-	-	1,000,000	2,000,000
Prepaid costs	198,198	-	-	2,104	200,302
Notes receivable	31,506,233	-	-	-	31,506,233
Restricted assets:					
Cash and cash equivalents	845,002	-	154,827	2,415,628	3,415,457
Investments	1,555,665	268,031	17,488,955	264,790	19,577,441
Asset available for sale	-	110,268	-	807,346	917,614
Total Assets	$ 65,550,855	$ 5,298,473	$ 17,643,782	$ 22,663,082	$ 111,156,192
LIABILITIES:					
Accounts payable and accrued liabilities	$ 2,683,580	$ 159,694	$ 359,704	$ 1,250,255	$ 4,453,233
Due to other funds	-	-	800,000	1,200,000	2,000,000
Unearned revenue	708,575	-	15,581,787	2,685,239	18,975,601
Other liabilities	956,245	-	-	-	956,245
Total liabilities	4,348,400	159,694	16,741,491	5,135,494	26,385,079
FUND BALANCES					
Nonspendable :					
Prepaid costs	198,198	-	-	2,104	200,302
Long-term notes receivable	31,506,233	-	-	-	31,506,233
Restricted :					
Community redevelopment	-	5,138,779	-	-	5,138,779
Fiber optic & rock pit security	1,555,665	-	-	-	1,555,665
HUD section 108 loan security	306,000	-	-	-	306,000
Grants	-	-	902,291	683,048	1,585,339
Community development	-	-	-	943,760	943,760
Disaster relief	-	-	-	638,831	638,831
Parks and recreation	-	-	-	168,812	168,812
Law enforcement	-	-	-	1,598,598	1,598,598
Road improvements	-	-	-	643,072	643,072
General obligation bonds debt service	-	-	-	86,161	86,161
CRA tax increment revenue note debt service	-	-	-	40,353	40,353
Taxable transportation system revenue bonds debt service	-	-	-	461,020	461,020
Cybrarium construction from HUD section 108 loan	-	-	-	7,275	7,275
Transit and transportation	-	-	-	5,045,230	5,045,230
Committed :					
Required reserve	6,175,594	-	-	-	6,175,594
Public Art	-	-	-	1,149,829	1,149,829
Transportation	-	-	-	44,837	44,837
Assigned :					
Capital projects	-	-	-	6,014,658	6,014,658
Appropriation of subsequent year's budget	2,305,201	-	-	-	2,305,201
Unassigned :					
General fund	19,155,564	-	-	-	19,155,564
Total fund balances	61,202,455	5,138,779	902,291	17,527,588	84,771,113
Total liabilities and fund balances	$ 65,550,855	$ 5,298,473	$ 17,643,782	$ 22,663,082	$ 111,156,192

See notes to basic financial statements.

CITY OF HOMESTEAD, FLORIDA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

Fund balance - total governmental funds (Page 28)		$ 84,771,113
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets (excluding internal service funds) used in governmental activities are not financial resources and, therefore, are not reported in the funds.		236,933,649
Net pension assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.		502,942
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds (excluding internal service funds).		
Accrued interest payable on long-term debt	(565,990)	
Bonds and loan payable	(62,402,053)	
Compensated absences	(3,837,991)	
Equipment financing	(2,406,830)	
Net pension liability	(37,596,778)	
Total OPEB liability	(5,356,714)	
Lease obligation (right-to-use asset)	(17,614,274)	
Subscription-based arrangements liability	(939,601)	
Total long-term liabilities		(130,720,231)
Deferred outflows / inflows of resources related to pensions and OPEB (excluding internal service funds)		
Deferred outflows for pensions	37,989,834	
Deferred outflows for OPEB	115,682	
Deferred inflows for pensions	(12,495,701)	
Deferred inflows for OPEB	(6,133,108)	
Total deferred outflows/inflows of resources		19,476,707
Net position of governmental activities (Page 26)		$ 210,964,180

See notes to basic financial statements.

CITY OF HOMESTEAD, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	General	Special Revenue: Homestead Community Redevelopment Agency	Special Revenue: American Rescue Plan Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	$ 22,766,110	$ -	$ -	$ 1,474,854	$ 24,240,964
Fuel taxes	1,449,845	-	-	-	1,449,845
Franchise taxes	195,172	-	-	-	195,172
Utility taxes	1,653,882	-	-	-	1,653,882
Communication service taxes	1,764,066	-	-	-	1,764,066
Half cent sales taxes	8,687,352	-	-	-	8,687,352
Licenses and permits	2,289,553	-	-	-	2,289,553
Intergovernmental	7,084,741	6,846,150	2,801,191	15,638,306	32,370,388
Charges for services	1,503,589	-	-	-	1,503,589
Fines and forfeitures	249,883	-	-	757,592	1,007,475
Interest earnings (loss)	1,379,030	261,440	773,199	233,953	2,647,622
Payments in lieu of taxes	7,890,456	-	-	-	7,890,456
Other revenues	9,041,379	22,897	-	1,175,425	10,239,701
Total revenues	65,955,058	7,130,487	3,574,390	19,280,130	95,940,065
Expenditures:					
Current:					
General government	13,340,696	2,425,793	2,045,703	808,806	18,620,998
Public safety	35,315,974	458,490	-	2,364,479	38,138,943
Public works and services	1,541,397	426,700	-	1,079,475	3,047,572
Parks and recreation	6,604,384	374,310	-	848,181	7,826,875
Diaster relief	-	-	-	2,036	2,036
Capital outlay	2,323,948	6,352,946	755,487	5,388,643	14,821,024
Debt service:					
Principal	710,035	-	-	1,483,000	2,193,035
Interest and fiscal charges	332,425	56,000	-	2,218,859	2,607,284
Total expenditures	60,168,859	10,094,239	2,801,190	14,193,479	87,257,767
Excess (deficiency) of revenues over expenditures	5,786,199	(2,963,752)	773,200	5,086,651	8,682,298
Other financing sources (uses):					
Issuance of debt (CRA tax increment revenue note)	-	4,500,000	-	-	4,500,000
Issuance of debt (equipment financing)	900,638	-	-	87,104	987,742
Proceed from subscription-based arrangements liability	1,088,293	-	-	-	1,088,293
Transfers in	1,659,413	-	-	2,196,581	3,855,994
Transfers out	(2,040,392)	(128,929)	-	(2,930,484)	(5,099,805)
Total other financing sources (uses)	1,607,952	4,371,071	-	(646,799)	5,332,224
Net change in fund balances	7,394,151	1,407,319	773,200	4,439,852	14,014,522
Fund balances, beginning	53,808,304	3,731,460	129,091	13,087,736	70,756,591
Fund balances, ending	$ 61,202,455	$ 5,138,779	$ 902,291	$ 17,527,588	$ 84,771,113

See notes to basic financial statements.

CITY OF HOMESTEAD, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FISCAL YEAR ENDED SEPTEMBER 30, 2023

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds (Page 30)		$ 14,014,522
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, this is the amount by which depreciation exceeded capital outlays		
The details of the difference are as follows:		
Capital outlay	14,516,940	
Depreciation expense (excluding internal service funds)	(10,256,854)	
Amortization expense (lease (right-to-use) asset and subscription-based assets)	(807,298)	
Net adjustment		3,452,788
Transfer of capital assets to business-type activities from governmental activities decreased net position of governmental activities in the statement of activities, but are not reported in the governmental funds because they are not financial resources.		(359,704)
The net effect of pension deferred outflows/ inflows and retirement contribution expenses		32,903,799
The net effect of OPEB deferred outflows/ inflows		(986,201)
The issuance of long-term debt (e.g., bonds) 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.		
The details of the differences are as follows:		
CRA Tax Increment Revenue Note, series 2023	(4,500,000)	
Equipment financing obligation	(987,742)	
Principal payments:		
General obligation bonds	590,000	
Taxable tansportation system revenue bonds, series 2017	700,000	
HUD section 108 loan	193,000	
New City Hall refunding note	517,170	
Equipment financing	1,021,627	
Lease (right-to-use asset) payment	44,173	
Sunscription-based arrangements payment	148,692	
Amortization of bond premium	58,120	
Total Adjustment		(3,303,253)
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:		
The details of the difference are as follows:		
Compensated absences	(399,567)	
Change in net pension assets	(3,823,646)	
Changes in net pension liability	(31,282,104)	
Change in total OPEB liability	1,704,662	
Effect of accrued interest on long-term debt (difference between amount that would have been accrued in prior year and current year accrual)	(12,312)	
Total Adjustment		(33,812,967)
Change in net position of governmental activities (Page 27)		$ 11,908,984

See notes to basic financial statements.

CITY OF HOMESTEAD, FLORIDA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2023

	Business-type Activities Enterprise Funds						
	Water and Sewer	Electric Utility	Solid Waste	Other Enterprise Funds	Homestead Station QALICB (1)	Total Enterprise Funds	Internal Service Funds
ASSETS							
Current assets:							
Cash and cash equivalents	$ 288,006	$ 255,051	$ 403,682	$ 687,296	$ 1,177,395	$ 2,811,430	$ 4,116,781
Investments	34,301	62,332	260,173	2,184,890	-	2,541,696	-
Interest receivable	119	216	900	7,560	-	8,795	-
Account receivables, net	5,134,261	17,395,214	1,944,723	825,191	-	25,299,389	14,154
Lease receivable	-	-	-	-	44,506	44,506	-
Due from other funds	-	-	2,600,000	1,800,000	-	4,400,000	3,100,000
Prepaid costs	-	163,306	-	-	3,770	167,076	-
Inventories	-	4,642,001	-	-	-	4,642,001	173,438
Restricted Assets:							
Cash and cash equivalents	1,088,335	11,370,079	6,252	-	255,005	12,719,671	-
Investments	-	3,806,066	-	-	-	3,806,066	-
Total current assets	6,545,022	37,694,265	5,215,730	5,504,937	1,480,676	56,440,630	7,404,373
Noncurrent assets:							
Capital assets not being depreciated	526,529	9,364,338	-	-	-	9,890,867	-
Capital assets being depreciated, net	10,664,706	25,164,098	2,473,390	385,024	31,332,484	70,019,702	352,457
Sub-total capital assets	11,191,235	34,528,436	2,473,390	385,024	31,332,484	79,910,569	352,457
Lease receivable	-	-	-	-	17,580,853	17,580,853	-
Total non-current assets	11,191,235	34,528,436	2,473,390	385,024	48,913,337	97,491,422	352,457
Total assets	17,736,257	72,222,701	7,689,120	5,889,961	50,394,013	153,932,052	7,756,830
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows for pension	1,780,659	6,020,856	3,041,982	422,759	-	11,266,256	2,087,949
Deferred outflows for OPEB	12,503	22,185	15,764	4,093	-	54,545	17,118
Total deferred outflows of resources	1,793,162	6,043,041	3,057,746	426,852	-	11,320,801	2,105,067
LIABILITIES							
Current liabilities:							
Accounts payable and accrued liabilities	2,992,497	8,002,557	594,174	37,853	231,921	11,859,002	723,550
Due to other funds	600,000	6,900,000	-	-	-	7,500,000	-
Compensated absences	115,771	247,166	169,745	18,722	-	551,404	73,364
Unearned revenue	-	-	1,701,866	-	-	1,701,866	-
Current portion of equipment financing	99,476	113,907	371,229	-	-	584,612	14,055
Current portion of OPEB liability	18,022	31,980	22,722	5,899	-	78,623	24,673
Claims and judgements	-	-	-	-	-	-	1,228,328
Liabilities payable from restricted assets:							
Customer deposits	1,088,335	4,272,613	6,252	-	-	5,367,200	-
Accrued interest payable	-	-	-	-	390,693	390,693	-
Current portion of notes payable	-	-	-		333,460	333,460	-
Current portion of bonds payable	-	958,944	-	-	-	958,944	-
Total current liabilities	4,914,101	20,527,167	2,865,988	62,474	956,074	29,325,804	2,063,970
Non-current liabilities:							
Compensated absences	270,132	576,721	396,072	43,684	-	1,286,609	171,183
Equipment financing	398,372	281,725	1,547,379	-	-	2,227,476	3,559
Notes payable	-	-	-	-	35,614,851	35,614,851	-
Bonds payable	-	13,419,105	-	-	-	13,419,105	-
Net pension liability	1,203,917	4,070,743	2,056,706	285,830	-	7,617,196	1,411,677
OPEB liability	560,947	995,377	707,237	183,620	-	2,447,181	767,973
Claims and judgements	-	-	-	-	-	-	3,734,619
Total non-current liabilities	2,433,368	19,343,671	4,707,394	513,134	35,614,851	62,612,418	6,089,011
Total liabilities	7,347,469	39,870,838	7,573,382	575,608	36,570,925	91,938,222	8,152,981
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows for power cost adjustment	-	5,420,392	-	-	-	5,420,392	-
Deferref inflows for leases	-	-	-	-	16,465,889	16,465,889	-
Deferred inflows for pensions	683,442	2,310,886	1,167,555	162,261	-	4,324,144	801,385
Deferred inflows for OPEB	662,884	1,176,262	835,759	216,988	-	2,891,893	907,531
Total deferred inflows of resources	1,346,326	8,907,540	2,003,314	379,249	16,465,889	29,102,318	1,708,916
NET POSITION							
Net investment in capital assets	10,693,387	29,255,287	554,782	385,024	(4,360,822)	36,527,658	334,843
Restricted :							
Debt service	-	1,403,000	-	-	-	1,403,000	-
Unrestricted	142,237	(1,170,923)	615,388	4,976,932	1,718,021	6,281,655	(334,843)
Total net position	$ 10,835,624	$ 29,487,364	$ 1,170,170	$ 5,361,956	$ (2,642,801)		$ -
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						-	
Net position of business-type activities						$ 44,212,313	

(1) Homestead Station QALICB fiscal year end is June 30, 2023.

See notes to basic financial statements.

CITY OF HOMESTEAD, FLORIDA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Business-type Activities Enterprise Funds						
	Water and Sewer	Electric Utility	Solid Waste	Other Enterprise Funds	Homestead Station QALICB (1)	Total Enterprise Funds	Internal Service Funds
Operating revenues:							
Charges for services	$ 22,613,952	$ 67,835,377	$ 14,291,023	$ 1,730,509	$ -	$ 106,470,861	$ 23,623,335
Other revenues	522,257	2,985,430	34,209	-	645,720	4,187,616	64,484
Total operating revenues	23,136,209	70,820,807	14,325,232	1,730,509	645,720	110,658,477	23,687,819
Operating expenses:							
Personnel services	3,633,316	6,680,395	4,651,456	965,674	-	15,930,841	3,245,222
Administration	-	-	-	-	-	-	1,148,139
Purchased power	-	40,591,342	-	-	-	40,591,342	-
Insurance and claims	-	-	-	-	3,878	3,878	13,028,199
Other operating expenses	18,497,484	16,250,153	10,094,730	612,444	138,368	45,593,179	6,136,699
Depreciation	1,051,509	3,824,180	507,968	91,500	971,599	6,446,756	82,844
Total expenses	23,182,309	67,346,070	15,254,154	1,669,618	1,113,845	108,565,996	23,641,103
Operating income (loss)	(46,100)	3,474,737	(928,922)	60,891	(468,125)	2,092,481	46,716
Non-operating revenues (expenses):							
Interest income (loss)	2,917	452,552	18,395	85,892	176,529	736,285	-
Interest expense	(19,938)	(463,955)	(52,909)	-	(302,415)	(839,217)	(553)
Total non-operating revenues (expenses)	(17,021)	(11,403)	(34,514)	85,892	(125,886)	(102,932)	(553)
Income (loss) before contributions and transfers	(63,121)	3,463,334	(963,436)	146,783	(594,011)	1,989,549	46,163
Contribution of capital assets	-	-	359,704	-	-	359,704	-
Transfers in	20,000	-	1,350,000	-	-	1,370,000	-
Transfers out	(13,082)	(36,197)	(24,206)	(6,541)	-	(80,026)	(46,163)
Total contribution and transfers	6,918	(36,197)	1,685,498	(6,541)	-	1,649,678	(46,163)
Change in net position	(56,203)	3,427,137	722,062	140,242	(594,011)	3,639,227	-
Net position, beginning	10,891,827	26,060,227	448,108	5,221,714	(2,048,790)	40,573,086	-
Net position, ending	$ 10,835,624	$ 29,487,364	$ 1,170,170	$ 5,361,956	$ (2,642,801)	$ 44,212,313	$ -

(1) Homestead Station QALICB fiscal year end is June 30, 2023.

See notes to basic financial statements.

CITY OF HOMESTEAD, FLORIDA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Business-type Activities Enterprise Funds						
	Water and Sewer	Electric Utility	Solid Waste	Other Enterprise Funds	Homestead Station QALICB (1)	Total Enterprise Funds	Internal Service Funds
Cash flows from (used in) operating activities:							
Cash received from customers	$ 22,607,509	$ 77,564,529	$ 14,511,139	$ 1,718,214	$ 645,720	$ 117,047,111	$ -
Cash payments to suppliers.	(17,411,800)	(58,316,891)	(10,824,519)	(592,852)	(884,648)	(88,030,710)	(19,992,801)
Cash received from/(to) other funds	(538,771)	(7,774,549)	387,523	450,000	-	(7,475,797)	26,087,819
Cash payments to employees	(3,679,684)	(7,033,211)	(4,725,388)	(989,192)	-	(16,427,475)	(3,497,823)
Net cash provided by (used in) operating activities	977,254	4,439,878	(651,245)	586,170	(238,928)	5,113,129	2,597,195
Cash flows from (used in) noncapital financing activities:							
Transfers from other funds	20,000	-	1,350,000	-	-	1,370,000	-
Transfers to other funds	(13,082)	(36,197)	(24,206)	(6,541)	-	(80,026)	(46,163)
Net cash provided by (used in) noncapital financing activities	6,918	(36,197)	1,325,794	(6,541)	-	1,289,974	(46,163)
Cash flows from (used in) capital and related financing activities:							
Proceeds from equipment financing debt	-	328,048	942,447	-	715,128	1,985,623	-
Acquisition and construction of capital assets	(1,129,851)	(6,906,644)	(1,114,206)	(331,160)	(715,128)	(10,196,989)	(272,859)
Proceeds from bonds debt	-	6,500,000	-	-	-	-	-
Principal paid on equipment financing debt	(200,804)	(164,203)	(336,922)	-	-	(701,929)	(13,762)
Principal paid on bonds debt	-	(351,352)	-	-	-	(351,352)	-
Interest paid on long term debt	(19,938)	(463,955)	(52,909)	-	(200,466)	(737,268)	(553)
Net cash used in capital and related financing activities	(1,350,593)	(1,058,106)	(561,590)	(331,160)	(200,466)	(10,001,915)	(287,174)
Cash flows from (used in) investing activities:							
Purchases of investments	(1,490)	(13,031)	(11,297)	(94,871)	-	(120,689)	-
Proceeds from sales and maturities of investments	213	(3,592,040)	1,615	13,561	-	(3,576,651)	-
Interest received from investments	2,917	452,552	18,395	85,892	-	559,756	-
Proceeds from collection of lease receivable	-	-	-	-	44,063	44,063	-
Interest earned on lease receivable	-	-	-	-	176,529	176,529	-
Net cash provided by (used in) investing activities	1,640	(3,152,519)	8,713	4,582	220,592	(2,916,992)	-
Net increase (decrease) in cash and cash equivalents	(364,781)	193,056	121,672	253,051	(218,802)	(15,804)	2,263,858
Cash and cash equivalents, beginning	1,741,122	11,432,074	288,262	434,245	1,651,202	15,546,905	1,852,923
Cash and cash equivalents, ending	$ 1,376,341	$ 11,625,130	$ 409,934	$ 687,296	$ 1,432,400	$ 15,531,101	$ 4,116,781
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	$ (46,100)	$ 3,474,737	$ (928,922)	$ 60,891	$ (468,125)	$ 2,092,481	$ 46,716
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	1,051,509	3,824,180	507,968	91,500	971,599	6,446,756	82,844
Change in power cost adjustment	-	9,639,547	-	-	-	9,639,547	-
Net changes in assets, liabilities and deferred inflows/outflows:							
(Increase) decrease in:							
Interest receivable	(48)	351	(360)	(3,029)	-	(3,086)	-
Accounts receivables	(532,017)	(2,890,670)	(141,554)	(9,266)	-	(3,573,507)	(2,992)
Due from other funds	-	-	400,000	450,000	-	850,000	2,400,000
Prepaid costs	1,729	(2,983)	-	-	(148)	(1,402)	-
Inventories	-	(946,855)	-	-	-	(946,855)	27,967
Net pension asset	394,895	1,690,532	747,968	76,857	-	2,910,252	513,991
Deferred outflows for pensions	(1,509,258)	(4,858,995)	(2,527,923)	(369,937)	-	(9,266,113)	(1,734,697)
Deferred outflows for OPEB	1,606	2,849	2,025	525	-	7,005	2,197
Increase (decrease) in:							
Accounts payable and accrued liabilities	345,184	(2,200,107)	(742,266)	19,592	(96,534)	(2,674,131)	237,951
Due to other funds	200,000	(6,100,000)	-	-	-	(5,900,000)	-
Compensated absences	101,117	39,804	140,653	18,346	-	299,920	(37,857)
Unearned revenue	-	-	329,096	-	-	329,096	-
Customer deposits	3,365	(5,506)	(1,275)	-	-	(3,416)	-
Net pension liability	1,203,917	4,070,743	2,056,706	285,830	-	7,617,196	1,411,677
Total OPEB liability	(216,890)	(384,862)	(273,450)	(70,995)	-	(946,197)	(296,935)
Claims and judgements	-	-	-	-	-	-	57,310
Deferred inflows for leases					(645,720)	(645,720)	-
Deferred inflows for pensions	(103,483)	(1,057,910)	(322,953)	9,104	-	(1,475,242)	(222,867)
Deferred inflows for OPEB	81,728	145,023	103,042	26,752	-	356,545	111,890
Total adjustments	1,023,354	965,141	277,677	525,279	229,197	3,020,648	2,550,479
Net cash provided by (used in) operating activities	$ 977,254	$ 4,439,878	$ (651,245)	$ 586,170	$ (238,928)	$ 5,113,129	$ 2,597,195
Non-cash investing, capital and financing activities:							
Borrowing under equipment financing	$ -	$ 328,048	$ 942,447	$ -	$ -	$ 1,270,495	$ -
Contribution of capital assets from governmental fund	$ -	$ -	$ 359,704	$ -	$ -	$ 359,704	$ -
Change in fair value of investments	$ 392	$ 5,744	$ 2,977	$ 24,999	$ -	$ 34,112	$ -

(1) Homestead Station QALICB fiscal year end is June 30, 2023.

See notes to basic financial statements.

CITY OF HOMESTEAD, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION

SEPTEMBER 30, 2023

		Pension Trust Funds
ASSETS		
Cash and cash equivalents	$	10,612,616
Receivables:		
Other receivables		10,232
Contributions		41,809
Due from broker		714,715
Accrued investment income		501,304
Total receivables		1,268,060
Other Asset		10,731
Investments:		
U.S. Government Securities		2,081,685
Municipal obligations		11,839,116
Corporate bonds		22,664,845
Hedge funds		298,280
Preferred stock		40,666
Mutual funds - fixed income		35,867,801
Mutual funds - equities		20,014,598
Common stocks		115,680,196
Real estate		4,639,630
Certificate of deposit		100,627
Other		5,870,579
Total investments		219,098,023
Total Assets		230,989,430
LIABILITIES		
DROP Payable		742,969
Accounts payable		421,532
Due to broker		138,373
Total Liabilities		1,302,874
DEFERRED INFLOWS OF RESOURCES		
Prepaid City contribution		52,416
Total deferred inflows of resources		52,416
NET POSITION RESTRICTED FOR PENSION BENEFITS	$	229,634,140

Note:: Data from Elected Officials' Retirement Plan, the New Elected Officials' and Senior Management Retirement Plan, and the Firefighters' Retirement System are reported as of December 31, 2022.

See notes to basic financial statements.

CITY OF HOMESTEAD, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Pension Trust Funds
ADDITIONS	
Contributions:	
City	$ 6,635,076
Employees	1,139,463
State	1,138,014
Total contributions	8,912,553
Investment income:	
Investment earnings	6,034,481
Net appreciation (depreciation) in fair value of investments	14,381,832
Less investment expenses	(1,089,305)
Net investment income	19,327,008
Other revenues	4,401
Total additions (reductions)	28,243,962
DEDUCTIONS	
Pension benefits	12,092,150
DROP benefits	1,365,931
Refunds	110,247
Administrative expenses	467,293
Total deductions	14,035,621
Change in net position	14,208,341
NET POSITION RESTRICTED FOR PENSION BENEFITS	
Beginning of year	215,425,799
End of year	$ 229,634,140

Note: Data from Elected Officials'Retirement Plan, the New Elected Officials' and Senior Management Retirement Plan, and the Firefighters' Retirement System are reported as of December 31, 2022.

See notes to basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF HOMESTEAD, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2023

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Homestead, Florida (the City) located in Miami-Dade County is a municipal entity established under the Home Rule Charter in 1913 and provides a full range of services to its citizens. The City operates under a council-manager form of government in which the Council acts as the policy making arm of the City and the City Manager acts as the chief executive. The powers of the City Council include the ability to enact legislation, adopt budgets, determine policies and appoint the City Manager, City Attorney, Council Auditor (Internal Auditor) and City Clerk.

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

A. FINANCIAL REPORTING ENTITY

The financial statements were prepared in accordance with Governmental Accounting Standards Board, which establishes standards for defining and reporting on the financial reporting entity. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and 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. The accompanying financial statements present the City and its component units which are entities for which the City is considered to be financially accountable. The City (the primary government) is considered financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City.

Blended component units, although legally separate entities, are, in substance, part of the government's operations. Other than the operations of the primary government, the accompanying statements include:

1) *Homestead Community Redevelopment Agency (CRA)* as a blended component unit. The CRA was created under Chapter 163 Florida Statutes, The Community Redevelopment Act. This entity is included as a blended component unit in the financial statements of the City because (1) the CRA's governing body is the same as the governing body of the City and (2) management of the City has operational responsibility for the CRA.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. FINANCIAL REPORTING ENTITY (Continued)

2) *Homestead Station QALICB, Inc.,* as a blended component unit. Homestead Station QALICB, a Florida nonprofit corporation, was incorporated on March 1, 2018, and was classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3) of the Internal Revenue Code. The purpose of the Homestead Station QALICB is to carry out the charitable public purposes of the City of Homestead (the "City"), including more specifically, to support the establishment of a mixed-use facility as a vital piece of economic development in the City. Homestead Station QALICB's fiscal year end is June 30.

Homestead Station QALICB is considered to be a special-purpose governmental entity engaged only in business-type activities for the purpose of applying accounting and financial reporting standards; that is, the Governmental Accounting Standards Board ("GASB") has jurisdiction over the organization's accounting standards.

This organization is included as a blended component unit in the financial statements of the City because 1) the majority of its officials are appointed by the City, 2) the organization is fiscally dependent on the City and there is a potential for the organization either to provide specific financial benefits, or impose specific financial burdens on the City and 3) the organization's total debt outstanding is expected to be repaid (liquidated) almost entirely with the resources of the City.

For FY 2023, the City's financial statements include Homestead Station QALICB's financial statements for the period from July 1, 2022 to June 30, 2023.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements consist of the government-wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business-type activities of the City.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The statement of net position reports all financial and capital resources of the City's governmental and business-type activities. Governmental activities are those supported by taxes and intergovernmental revenues. Business-type activities rely, to a significant extent, on fees and charges for services provided.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

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

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

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

Fund Financial Statements - Governmental fund financial statements are reported using the *current financial resources measurement* focus and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (Continued)

Property taxes, franchise fees, business taxes, and interest income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period since they are measurable and available. Revenues and receivables for expenditure driven grants are recognized when the qualifying expenditures are incurred. All other revenue items (licenses and permits, charges for services and miscellaneous revenues) are recorded as revenue when cash is received by the City because they are generally not measurable until actually received.

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

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for using a separate set of self-balancing accounts, which comprise its assets and deferred outflows of resources, liabilities and deferred inflows of resources, fund equities, revenues and expenditures or expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Accounting principles generally accepted in the United States of America set forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined), for the determination of major funds. The non-major funds are presented in one column in the basic financial statements.

The City reports the following major governmental funds:

General Fund

The General Fund is the City's primary operating fund. It accounts for all of the financial resources of the general government, except for those required to be accounted for in another fund. Revenue is derived primarily from property taxes, utility taxes, state and federal distributions and other intergovernmental revenue. The general operating expenditures, fixed charges and capital outlay costs that are not paid through other funds are paid from the General Fund.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (Continued)

Homestead Community Redevelopment Agency (CRA)
This fund is used to account for monies received from Tax Increment Financing (TIF) from the City of Homestead and Miami-Dade County for use in the area designated as the CRA.

American Rescue Plan Fund (ARPA)
This fund was established to account for the receipt and expenditure related to federal funding provided to assist with Covid-19/post pandemic related costs and lost revenue recovery.

The City reports the following major proprietary funds:

Water & Sewer Fund
This fund accounts for the operating activities related to the water and sewer utility.

Electric Utility Fund
This fund accounts for the operating activities related to the electric utility.

Solid Waste Fund
This fund accounts for the operating activities related to solid waste operations.

Homestead Station QALICB
This fund accounts for the operating activities related to Homestead Station QALICB operations.

Additionally, the City reports the following fund types:

Internal Service Funds
The internal service funds account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost reimbursement basis. The City maintains three internal service funds classified as governmental activities; Fleet Management, Health Self-Insurance and Other Self-Insurance which includes Property, Liability and Workers' Compensation. The City maintains one internal service fund, Customer Service, which is classified as a business-type activity since it only provides services to the enterprise funds.

Fiduciary Funds
The fiduciary funds are accounted for in the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The fiduciary funds account for the assets and operations of the City's five pension plans. Plan member contributions are recognized in the period in which the contributions are paid. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) PROUNCEMENTS

The basic financial statements of the City of Homestead, Florida (the "City") have been prepared in conformity with accounting principles generally accepted in the Unites States (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. The following GASB Pronouncements have been implemented during fiscal year ended September 30, 2023:

- GASB Statement No. 91, *Conduit Debt Obligations;* provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The implementation of this pronouncement did not result in an impact to the City.

- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements;* addresses issues related to public-private and public-public partnerships ("PPP") and provides guidance for accounting and financial reporting for availability payment arrangements ("APA"). The Statement provides specific guidance on the accounting and financial reporting for PPP and APA transactions. The implementation of this pronouncement did not result in an impact to the City.

- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*; provides guidance on the accounting and financial reporting for subscription-based information technology arrangements. This Statement was implemented by the City for the fiscal year ended September 30, 2023. Please refer to *Note 10. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARANGEMENTS (SBITA) PAYABLE/ASSETS*, starting on page 69, for more details on the impacts of implementing this pronouncement.

- GASB Statement No. 99, *Omnibus 2022* addresses certain practice issues identified during implementation and application of certain GASB Statements, including, but not limited to, 1) classification and reporting of derivative instruments within GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*; 2) clarification of provisions in GASB Statement No. 87, *Leases*; 3) clarification of provisions in GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; and 4) clarification of provisions in GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The City implemented the requirements related to leases and SBITAs for fiscal year ended September 30, 2023 without material impact.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR FUND BALANCE

1. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, and all highly liquid investments with maturities of three months or less when purchased. Resources of all funds, except for the Homestead Station QALICB, proceeds from HUD Section 108 loan for the Cybrarium project, proceeds from U.S Treasury for the America Rescue Plan Act, proceeds from CRA Tax Increment Revenue Note Series 2023, proceeds held with a fiscal agent for the Electric Utility FMPA Pooled Loan Project Notes, Series 2021-1 and Series 2022, as well as escrow accounts for unspent proceeds from equipment financing, have been combined into a pooled cash and investment system for the purpose of maximizing earnings. Pooled cash and cash equivalents are classified as "Cash and Cash Equivalents" in the Statement of Net Position. Interest earned on pooled cash and investments is allocated monthly based upon the month end equity of the respective funds.

2. Investments

The City has adopted an investment policy that adheres to state statutes. State statutes authorize the City to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, commercial paper, corporate bonds, repurchase agreements, State Treasurer's Investment Pool and the Florida Municipal Investment Trust. City investments are recorded in accordance with GASB Statement No. 72, *Fair Value Measurement and Application,* which establishes a hierarchy based on the valuation inputs used to measure the fair value of the asset.

The City's government securities and municipal bonds have fair value measurements using level 1 and 2 valuation inputs using pricing models maximizing the use of observable inputs for similar securities. There are no assets valued using non-recurring fair value measurements. Money market mutual funds are reported at amortized cost.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR FUND BALANCE (Continued)

3. Receivables and Payables

All trade and other receivables are shown net of an allowance for estimated uncollectible amounts. Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to other funds" or "due from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". As of September 30, 2023, the internal balances between governmental activities and business-type activities are $3,100,000.

Payables at year end include amounts owed to (1) suppliers for goods and services rendered but not yet paid; (2) retainage payable on construction contracts and (3) accrued liabilities such as accrued payroll expenses.

Transactions to transfer revenue or contributions between funds are recorded as transfers in or transfers out.

4. Prepaid Costs

Prepaid costs are payments for expenditures/expenses that are applicable to future accounting periods and are reported as prepaid costs in both government-wide and fund financial statements. The cost of prepaid costs is recorded using the consumption method whereby expenditures/expenses are recorded when consumed rather than when purchased.

5. Inventories

The supplies and merchandise inventories as well as diesel fuel and gasoline are recorded at cost using the weighted average method. Perpetual inventory records are maintained and adjusted annually to physical inventory amounts as of September 30th of each year. Inventory is reported using the consumption method whereby inventories are recorded as expenditures/expenses when used.

6. Restricted Assets / Payables from Restricted Assets

Certain of the City's assets are required to be segregated as to use and are therefore identified as restricted assets. Restricted assets include resources subject to externally imposed restrictions such as creditors, grantors, laws and regulations. Restricted assets are also set aside to make debt service payments and for customer deposits (payable from restricted assets). All applicable assets in the governmental funds and in the enterprise funds have been restricted in amounts sufficient to meet restrictive purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR FUND BALANCE (Continued)

7. Capital Assets

Assets, whether tangible or intangible, with an initial, individual cost of $5,000 or more and an estimated useful life of more than one year are classified as capital assets. Property, plant and equipment, and certain infrastructure assets (e.g., roads, bridges, sidewalks), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are recorded at actual cost or estimated cost where no historical records exist. Donated capital assets are valued at their acquisition value on the date received. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction.

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

Intangible Right-to-Use (RTU) assets, such as leases and SBITAs, are initially measured at an amount that equals the initial measurement of the corresponding RTU liability, plus any RTU payments made before the start of the RTU term, minus any incentives received, plus any incidental costs required to put the RTU into service. RTU assets are then amortized on a straight-line basis over the term of the related RTU agreement.

The City has a collection of artwork displayed both in buildings and public outdoor spaces. The true value of the art is expected to either be maintained or enhanced over time and thus, the art is not depreciated. If individual pieces are lost or destroyed, the loss is recorded.

Capital assets of the City except artworks and land, which do not depreciate, are depreciated using the straight-line method over the following estimated useful lives:

	Estimated Useful Lives (Years)
Buildings and building improvements	10-50
Utility plant and systems	20-50
Furniture, fixtures and equipment and other improvements	3-10
Books	5
Infrastructure	40-50
Right-to-use (RTU) assets	3-30

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR FUND BALANCE (Continued)

8. Deferred Power Cost Adjustment (Deferred Inflow)

The City's Electric Utility Fund capitalized its power cost adjustment in accordance with accounting standards which in part state that a rate-regulated utility should capitalize a cost if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in future revenues. Purchase cost adjustment (PCA) is a mechanism that allows for the recovery of the difference between the cost of purchased energy and the revenue generated from the sale of that energy, without resorting to a permanent rate change. If, from time to time, the PCA rate is not revised, the result could be an under-recovery (where revenues generated by the PCA do not cover the purchased energy) or over-recovery (where the revenues generated by the PCA exceed the purchased energy). The Electric Utility increased the PCA rate in January 2023 in order to recover the increased cost of energy purchased during fiscal year 2023. At September 30, 2023, the Electric Utility has an over-recovery of $5,420,392.

9. Unearned Revenues

Inflows that do not meet the criteria for revenue recognition, such as business tax receipts, miscellaneous receivables, grants, hurricane fees, and payments related to transportation proportionate fair share agreements received in advance are classified as liabilities and recorded as unearned revenue in the government-wide and the fund financial statements.

10. Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. Currently, the government has two items that qualify for reporting in this category: pensions outflows related to pension investment gains and losses and employer pension contributions made subsequent to the measurement date, which will be recognized in the future fiscal years, and OPEB outflows which is a GASB-75 term for actuarial losses.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR FUND BALANCE (Continued)

11. Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the City has three other items that qualify for reporting in this category: pension inflows which is the difference between the expected and actual pension expenses which is amortized over the investment terms of the pension assets, OPEB inflows which is a GASB-75 term for actuarial gains, and QALICB's deferred inflows for leases related to GASB 87 which is the initial value of the lease receivable plus any payments received at or before the start of the lease related to future periods.. These amounts are deferred and will be recognized as revenue in the period that the amounts meet the recognition criteria.

12. Compensated Absences

Employees earn vacation and sick leave in varying amounts based on length of service. Upon separation from service, employees are paid the value of their accumulated vacation and unused sick leave within certain limits. All vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. In the governmental funds, a liability is recorded only for leave that has matured. The fund in which the employee's payroll expense is recorded, is used to liquidate such amounts, or primarily the General Fund when related to governmental activities.

13. Long-Term Obligations

In the government-wide financial statements and proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, bond proceeds, premiums, and discounts are recognized during the period in which the bonds are issued. Issue costs are reported as debt service expenditures/expenses in the year incurred.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR FUND BALANCE (Continued)

***13. Long-Term Obligations** (continued)*

For the purposes of measuring the net pension liability, information about the fiduciary net position of the City's pension plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

The City is financing the post-employment benefits on a pay-as-you-go basis as no assets are held in trust for payment of the OPEB liability. The City records the OPEB liability, as determined by an actuarial valuation, in its proprietary and government-wide financial statements. See Note 14 for further information on OPEB.

14. Net Position/Fund Balances

Net Position. Net position is the result of assets and deferred outflows of resources less liabilities and deferred inflows of resources. The net position of the government-wide and proprietary funds are categorized as *net investment in capital assets* (capital assets reduced by the accumulated depreciation and any outstanding debt or deferred outflows/inflows incurred to acquire, construct or improve those assets excluding unexpended debt proceeds), *restricted* or *unrestricted*. The first category represents net investments related to property, plant, equipment and infrastructure. The *restricted* category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by enabling legislation in excess of the related liabilities payable from restricted assets. In addition, any asset arising from pension or OPEB will have a corresponding restricted net position. *Unrestricted* net position consists of all net position that does not meet the definition of either of the other two components.

Fund Balance. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The City reports the following fund balance classifications:

Nonspendable fund balance. Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form such as inventories or prepaid costs or long-term notes receivable or (b) legally or contractually required to be maintained intact such as a trust that must be retained in perpetuity.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR FUND BALANCE (Continued)

14. Net Position/Fund Balances (Continued)

Restricted fund balance. This classification reflects the constraints on resources either (a) imposed externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority that can, by adoption of a resolution or an ordinance (equally binding), commit fund balance. Once adopted, the limitation remains in place until the City Council removes or revises the limitation by taking the same type of action (the adoption of another resolution or ordinance). This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the City's "intent" to be used for specific purposes, but are neither restricted nor committed. The City's policy is that the City Council and City Manager have the authority to assign amounts to be used for specific purposes. The Council may also assign fund balance as it does when appropriating fund balance to cover the gap between estimated revenue and appropriations in the subsequent year's appropriated budget. The City Council authorizes assignments to the City Manager by the adoption of an ordinance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

15. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the government's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR FUND BALANCE (Continued)

16. Fund Balance Flow Assumptions

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

17. Fund Balance Policy

Commencing with the fiscal year beginning on October 1, 2004 and thereafter, the City Council adopted an ordinance which required the General Fund to maintain a minimum fund balance in an amount which is at least equal to ten percent (10%) of the general fund budgeted revenues for the fiscal year and report this amount as "required reserve" under committed fund balance. Monies from the committed fund balance may be utilized under circumstances in which unforeseen events prohibit other budgeted funds from being timely available to meet the expenditures of the City and it is determined by the affirmative vote of five (5) members of the City Council to be necessary to temporarily allocate and expend such monies. However, any committed fund balance monies which are so utilized shall be replenished pursuant to the budget for the next ensuing fiscal year so that the committed fund balance is maintained at the percentage level described above. Any action to establish, modify or rescind classifications would be taken through the adoption of either an ordinance or resolution by the City Council.

F. OTHER SIGNIFICANT POLICIES

1. Utility Billings

Utility customers are billed monthly on a cycle basis. Unbilled revenue is recognized in the accompanying financial statements based upon estimates of revenue for services rendered between billing cycle dates and fiscal year end.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. OTHER SIGNIFICANT POLICIES (Continued)

2. Rebatable Arbitrage

The City has elected the option of treating rebatable arbitrage as a reduction of investment income. However, for the fiscal year ended September 30, 2023, there was no rebatable arbitrage required to be recorded.

3. Property Taxes

Property taxes (ad valorem taxes) are assessed on January 1 (the lien date) and are billed and payable November 1. They are due March 31 and become delinquent April 1. On June 1, delinquent taxes are offered for sale in the form of tax certificates. Assessed values are established by the Miami-Dade County Property Appraiser for all properties in the County at approximate fair market value. The County bills and collects all property taxes for the City. The assessed value of property at January 1, 2022, upon which the 2022-2023 levy was based was approximately $4.36 billion.

Under Florida law, the assessment of all properties and the collection of all county, municipal, school district and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The City is permitted by Article 7, Section 8 of the Florida Constitution to levy taxes up to 10 mills ($10 per $1,000 of assessed valuation) for general governmental services other than general obligation debt service. To the extent required by voter approved general obligation debt, unlimited amounts may be levied to pay debt service. The millage rate levied to finance general governmental services for the 2022-2023 fiscal year is 6.1434 mills ($6.1434 per $1,000 of assessed valuation) and 0.3550 mills for the debt service.

4. 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 certain reported amounts of assets, liabilities, deferred inflows/outflows 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. Actual results could differ from those estimates.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. OTHER SIGNIFICANT POLICIES (Continued)

5. Procurement Authorization Limits

Prior to the execution of any purchase order where the total amount to be expended is greater than $50,000 but not greater than $65,000, a minimum of three vendors' quotations must be obtained and City Council approval is required. Where the sums to be paid for the purchase of such supplies, materials, equipment, improvements, or services is in excess of $65,000, no contract shall be entered into until public invitation to bid shall have been published one time in a newspaper published in Miami-Dade County and of general circulation in the City. The notice shall be published as required by law. In all cases, such bids shall be awarded to the lowest and most responsible bidder, subject to the right of the City to reject any and all bids which shall be specifically reserved in such advertisements, and subject also to the right of the City to award bids and contracts to such bidders as the City Council may desire, notwithstanding that the award is to a bidder other than the low bidder. Notice may also be posted electronically. There are certain exceptions to the procurement authorization limits and processes enumerated in City Code Section 2-411.1

6. Encumbrances

Budgets in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. While appropriations lapse at the end of the fiscal year, the succeeding year's budget amendment ordinance specifically provides for the reappropriation of year-end encumbrances.

NOTE 2. DEPOSITS AND INVESTMENTS

A. DEPOSITS

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

NOTE 2. DEPOSITS AND INVESTMENTS (Continued)

B. INVESTMENTS - CITY (Continued)

The City has adopted an investment policy to establish guidelines for the efficient management of its cash reserves. The City is authorized to invest in those instruments authorized by the Florida Statutes, and the City's investment policy, including obligations of the U.S. Treasury, U.S. Government Agencies and instrumentalities, municipal bonds, certificates of deposit, and certain money market mutual funds. At fiscal year end, the City had the following deposits and investments:

Pooled Investments	Maturity		Fair Value or Amortized Cost	Rating (Moody's)
Money Market Mutual Funds	Daily	$	15,402	
U.S. Treasury Securities:				
United States Treas Bills	10/20/2022		3,994,160	Aaa
United States Treas Notes	12/31/2022		3,978,920	Aaa
U.S. Government Agencies:				
Federal Farm Cr Banks Cons Systemeide Bonds	11/30/2023		996,327	Aaa
Federal Home Mortgage Corp Medium Term Notes	3/22/2024		1,994,960	Aaa
Federal Home Loan Banks	4/15/2024		972,530	Aaa
Federal National Mortgage Asssociation	6/14/2024		4,820,700	Aaa
Federal Home Loan Bks Cons Bond	8/28/2024		1,909,720	Aaa
Federal Home Loan Bks Cons Bond	2/21/2025		3,972,920	Aaa
Federal Home Loan Bks Cons Bond Step-up	1/29/2026		903,750	Aaa
Federal Home Loan Banks	6/22/2026		4,501,500	Aaa
Small Business Administration Guaranteed Loan Pool Certificates	2026		20,695	Aaa
Small Business Administration Guaranteed Loan Pool Certificates	2027		46,914	Aaa
Small Business Administration Guaranteed Development Participation Debt	11/1/2027		33,909	Aaa
Small Business Administration Guaranteed Development Participation Certificate	9/1/2028		54,149	Aaa
Small Business Administration Guaranteed Development Participation Debt	6/1/2031		106,514	Aaa
Small Business Administration Guaranteed Development Participation Certificate	7/1/2031		86,989	Aaa
Small Business Administration Guaranteed Development Participation Debt	4/1/2033		178,266	Aaa
Municipal Bonds:				
New York NY City Transitional Fin Auth Rev Future Tax Secured Subordinate	11/1/2023		819,287	Aaa
New York St Environmental Facs Corp Rev St Reveoling Fds	11/15/2023		15,013	Aaa
Pennsylvania St Tpk Common Spl Oblig Spl Oblig Bonds 2014	12/1/2023		149,460	Aaa
Los Angeles County CalifMet transn Auth Sales Tax Rev	6/1/2024		214,020	Aa1
Upper Occoquan Auth VA Regl Sew Rev Rev Ref Bonds	7/1/2024		733,537	Aa1
Lake Cnty Illinois Go Sales tax Alt Rev Source Ref Bonds 2018	11/30/2024		253,142	Aaa
Certificates of Deposits			1,555,665	
Total Pooled Investments			**32,328,449**	
Deposits			25,569,156	
Total Pooled Cash & Investments			**$ 57,897,605**	

NOTE 2. DEPOSITS AND INVESTMENTS (Continued)

B. INVESTMENTS - CITY (Continued)

Interest earned on HUD Section 108 loan proceeds for the Cybrarium project, proceeds received from the U.S. Treasury on May 26, 2021 and on June 4, 2022 for the American Rescue Plan Act, proceeds from CRA Tax Increment Revenue Note, Series 2023 dated April 20, 2023, proceeds held with fiscal agent for Electric Utility FMPA Pooled Loan Project Notes, Series 2021 dated June 30, 2021 and Series 2022 dated November 18, 2022, escrow accounts for unspent proceeds from equipment financing, as well as Homestead Station QALICB's cash & cash equivalent and restricted cash, are not part of the City's pooled cash & investments and their balances as of September 30, 2023 are as follow:

	Maturity	Fair Value or Amortized Cost	Rating (Moody's)
Money Market Mutual Funds	Daily	$ 3,845,137	-
U.S. Treasury Securities		13,919,124	Aaa
Total Non-Pooled Investments		**17,764,261**	
Deposits		2,646,033	
Total Non-Pooled Cash & Investments :		**$ 20,410,294**	
TD Bank as Fiscal Agent for Electric FMPA Pooled Loans		**$ 9,172,468**	
Equipment financing escrow		**1,242,240**	
Total Cash and Investments for the City		**$ 88,722,607**	

C. RISKS AND UNCERTAINTIES - CITY

The City invests in various investment securities. Investments are exposed to various risks, such as interest rate, custodial and credit risk. Due to the level of risk associated with investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in risks in the near term would materially affect balances and the amounts reported in the financial statements. The City, through its investment advisor, monitors the investments and the risks associated therewith on a regular basis, which the City believes minimizes these risks.

NOTE 2. DEPOSITS AND INVESTMENTS (Continued)

C. RISKS AND UNCERTAINTIES – CITY (Continued)

1. Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The City limits its exposure to fair value losses from rising interest rates by limiting the duration of the securities in which the City invests. The City's investment policy limits the duration of investments to be 10 years or less. There were no investments in the City's portfolio that exceed the maximum durations at September 30, 2023.

2. Custodial Credit Risk

Custodian credit risk is the risk that in the event of a failure of counterparty, the City will not be able to recover the value of its investments or collateral securities that are held by the counterparty. The City does not have any investments in the possession of counterparties; all are held by the master custodian under the City's name.

3. Credit Risk

Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. The City's investment policy requires all fixed income investment vehicles to be rated in one of the two highest rating categories by Moody's Investors Service, Inc., Standard and Poor's Corporation or Fitch Investor Services at the time of purchase. All City investments are rated within the policy guidelines.

4. Concentration of Credit Risk

In addition to describing the credit risk of investments in the portfolio, governmental entities need to disclose the concentration of any single investment type or holding per single issuer. The City's investment policy allows investment concentrations in various percentages for different types of investments.

NOTE 2. DEPOSITS AND INVESTMENTS (Continued)

C. RISKS AND UNCERTAINTIES - CITY (Continued)

***4. Concentration of Credit Risk** (Continued)*

The following summarizes the City's policy on the allowable and the actual concentration in each investment type on September 30, 2023**:**

Investment Type	Policy Maximum	Actual Investment
Money Market Mutual Funds	100%	4.3%
U.S. Treasury Securities	100%	24.7%
U.S. Government Agency Securities (Bonds & ABS)	75%	23.2%
Obligations Issued by any State of the U.S. (Municipal Bonds)	50%	2.5%
Certificates of Deposit	100%	1.8%
Deposits (includes equipment financing escrow & TD Fiscal Agent))	100%	43.5%
		100.0%

The investments held at year-end are all within the allowable percentages.

GASB Statement No. 40 requires disclosure when 5% or more of the portfolio is invested in any one issuer. At September 30, 2023, the City held the following concentrations:

Issuer	Percentage of Portfolio
U.S. Treasury Securities	24.7%
Federal Home Loan Banks	13.8%
Federal National Mortgage Asssociation	5.4%

The concentrations listed are within the City's investment policy limits and the City does not view the concentrations in excess of 5% to be an additional risk.

NOTE 2. DEPOSITS AND INVESTMENTS (Continued)

D. FAIR VALUE MEASUREMENT- CITY (Continued)

GASB Statement No. 72 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

- Level 1 inputs are quoted prices in active markets;
- Level 2 inputs are based on other significant observable inputs such as indices for fixed income bonds and quoted prices for similar assets in markets that are not active;
- Level 3 inputs are unobservable inputs.

The following is a description of fair value techniques for the City's investments:

Short-term investments, which consist of money market mutual funds, are reported at amortized cost.

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

The City has a central deposit custodian, Bank of New York Pershing. The custodian contracts SIX Financial Company to obtain pricing on most securities.

The following summarizes the fair value hierarchy of the fair value investments for the City as of September 30, 2023:

- U.S Treasury securities of $21.89 million are valued using quoted market prices in active markets (Level 1);
- U.S Government bonds of $20.07 million are valued using observable market prices in active markets (Level 2);
- Asset backed securities of $0.5 million are valued using multi-dimensional, collateral specific spread/price/prepayment spread tables (Level 2);
- Municipal bonds of $2.18 million are valued using matrix pricing models (Level 2);

As of September 30,2023, the City did not have any Level 3 investments.

NOTE 2. DEPOSITS AND INVESTMENTS (Continued)

C. FAIR VALUE MEASUREMENT- CITY (Continued)

		Fair Value Measurements Using		
Investments by Fair value level	9/30/2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities:				
U.S. Treasury Securities	$ 21,892,204	$ 21,892,204	$ -	$ -
U.S. Government bonds	20,072,407	-	20,072,407	-
Asset Backed Securities	527,436	-	527,436	-
Municipal bonds	2,184,459	-	2,184,459	-
Total investments measured by fair value level	44,676,506	$ 21,892,204	$ 22,784,302	$ -
Money markets funds	3,860,539			
Certificates of deposit	1,555,665			
Total investments deposit with fiscal agent	3,806,066			
Total investments	$ 53,898,776			

Reconciliation of Cash and Investments for the City:

	Unrestricted	Restricted	Total
Total demand deposits	$ 18,688,703	$ 9,526,486	$ 28,215,189
Total equipment financing escrow	-	1,242,240	1,242,240
Total deposit with fiscal agent	-	5,366,402	5,366,402
Total cash and cash equivalents	18,688,703	16,135,128	34,823,831
Total investments measured at fair value level	30,499,867	14,176,639	44,676,506
Total money market mutual funds	15,402	3,845,137	3,860,539
Total certificates of deposits	-	1,555,665	1,555,665
Total investments deposit with fiscal agent	-	3,806,066	3,806,066
Total investments	30,515,269	23,383,507	53,898,776
Total cash and investments for the City @ 09/30/23	$ 49,203,972	$ 39,518,635	$ 88,722,607

NOTE 3. RESTRICTED CASH, CASH EQUIVALENTS AND INVESTMENTS

Restricted and limited use assets of the City represent monies required or designated for debt service, customer deposits and restricted under the terms of bond covenants, City ordinances or grants.

The City had the following restricted assets at September 30, 2023:

Governmental activities:

Forfeiture	$	2,019,676
Fiber optic ring security		100,000
Rock pit security		1,455,665
American Rescue Plan proceed		17,643,782
Equipment financing escrow		914,176
General obligation bonds debt service		82,920
Taxable transportation system revenue bonds debt service		461,020
CRA tax increment revenue note, taxable series 2023 debt service		40,353
CRA tax increment revenue note, taxable series 2023 proceeds		268,031
Interest earned on HUD Section 108 loan proceeds		7,275
Subtotal governmental activities		22,992,898

Business-type activities:

Customer deposits		5,367,200
Electric utility 2021 FMPA pooled loan debt service		510,121
Electric utility 2022 FMPA pooled loan debt service		892,879
QALICB restricted deposits		255,005
Equipment financing escrow		328,064
Electric utility 2021 FMPA loan proceed held with fiscal agent		4,192,932
Electric utility 2022 FMPA loan proceed held with fiscal agent		4,979,536
Subtotal business-type activities		16,525,737
Total restricted cash, cash equivalents and investments	$	39,518,635

NOTE 4. RECEIVABLES

Receivables as of September 30, 2023 for the City's major and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

Governmental activities receivables:

	General	Homestead CRA	Other Governmental	Internal Service	Total
Utility Billed	$ 393,913	$ -	$ -	$ -	$ 393,913
Utility Unbilled	129,036	-	-	-	129,036
Property taxes receivables	68,741	-	3,241	-	71,982
Grant receivables	-	-	2,572,483	-	2,572,483
Intergovernmental receivables	2,839,851	-	7,105,489	-	9,945,340
Miscellaneous receivables	693,459	1,962	-	14,154	709,575
Gross receivables	4,125,000	1,962	9,681,213	14,154	13,822,329
Less allowance for uncollectibles	522,975	-	-	-	522,975
Sub-Total:	3,602,025	1,962	9,681,213	14,154	13,299,354
Interest on investments	487,011	14,670	18,199	-	519,880
Governmental activities receivables, net	$ 4,089,036	$ 16,632	$ 9,699,412	$ 14,154	$ 13,819,234

Business-type activities receivables:

	Water & Sewer Utilities	Electric Utility	Solid Waste	Other Proprietary	Total
Utility Billed	$ 7,003,578	$ 20,443,860	$ 3,333,163	$ 2,223,159	$ 33,003,760
Utility Unbilled	1,343,987	6,507,806	394,552	56,353	8,302,698
Miscellaneous receivables	40,329	329,676	11,380	931	382,316
Gross receivables	8,387,894	27,281,342	3,739,095	2,280,443	41,688,774
Less allowance for uncollectibles	3,253,633	9,886,128	1,794,372	1,455,252	16,389,385
Sub-Total:	5,134,261	17,395,214	1,944,723	825,191	25,299,389
Interest on investments	119	216	900	7,560	8,795
Business-type activities receivables, net	$ 5,134,380	$ 17,395,430	$ 1,945,623	$ 832,751	$ 25,308,184
Total government-wide net receivables					$ 39,127,418

NOTE 5. NOTES RECEIVABLES

New Market Tax Credit (NMTC) Bridge Loan-Direct Borrowing

In June 2018, the City arranged New Market Tax Credit ("NMTC") financing toward the construction of the parking garage project (the "Project") in downtown Homestead. NMTC is a program of the Community Development Financial Institutions Fund ("CDFI Fund"), a division of the U.S. Department of the Treasury. Under the NMTC program, an investor can receive a federal income tax credit for making a qualified equity investment ("QEI") in a Community Development Entity ("CDEs") that has been certified and granted allocations by the CDFI Fund. The funds provided by these investors are used to provide favorable debt or equity financing to qualified borrowers in connection with qualifying projects located in low-income communities. The NMTC compliance period is for seven years ("Compliance Period") during which time substantially all of the QEI must be invested in qualified low-income community investments ("QLICIs"), the majority of which take the form of investments in borrowers that must maintain their status as a qualified active low-income community business as specified in the Treasury Regulations.

The City formed Homestead Station QALICB, Inc. (the "QALICB"), a Florida nonprofit corporation, in connection with the purchase and development of the Project. On June 27, 2018, the City obtained a loan from Capital One, National Association, a national banking association, in the principal amount of $12,829,100 (the "Bridge Loan"). The Bridge Loan was secured by the Collateral as defined in the Pledge and Security Agreement dated June 27, 2018.

The purpose of the Bridge Loan was to make a "Leverage Loan" of $10,766,000 to COCRF Investor 129, LLC with the remaining funds used for other purposes for the Project. The planned source of funds to pay off the Bridge Loan came from the QALICB as it reimbursed the City for the construction costs. The Bridge Loan was paid off during FY 2019.

As of June 30, 2023, the QALICB reported $31,332,484 in net capital assets consisting of the Project that was placed in service in May 2020. Accordingly, as of June 30, 2023 the QALICB also reports $35,948,311 in total loans payable, of which $20,408,311 is owed to the City, and the balance is owed to the various Community Development Entities. At September 30, 2023 the City reported the note receivable related to the NMTC Project of $31,506,233; $10,766,000 from the COCFR Investor 129, LLC and $20,740,233 from the QALICB. This long-term note receivable is reported as a non-spendable component of the General Fund's fund balance.

Interest on the note accrues at 0.50%, with payments of principal and interest due quarterly in the amount of $105,185. Accrued interest on the loan at September 30, 2023 is $415,857.

NOTE 6. ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts and purchase orders issued for good and services. Significant encumbrances as of September 30, 2023 are as follows:

Significant encumbrances:	
Major funds:	
General Fund	$ 1,987,000
American Resue Plan Fund	5,042,000
Homestead Community Redevelopment Agency	1,591,000
Total major funds	8,620,000
Other governmental funds:	
People's Transportation Plan Fund	2,244,000
Others governmental funds	2,125,000
Total other governmental funds	4,369,000
Total encumbrances	$ 12,989,000

NOTE 7. INTERFUND TRANSACTIONS

Interfund Transfers

	Transfers Out									
Transfers In	General Fund	CRA	Other Governmental Funds	Water & Sewer	Electric Utiltiy	Solid Waste	Other Enterprise Fund	Internal Service Fund	Total	
General Fund	$ -	$ -	$ 815,129	$ -	$ -	$ -	$ -	$ -	$ 815,129	(1)
General Fund	-	128,929	-	-	-	-	-	-	128,929	(2)
General Fund	-	-	397,426	-	-	-	-	-	397,426	(3)
General Fund	-	-	317,929	-	-	-	-	-	317,929	(4)
Other Governmental Funds	400,000	-	1,400,000	-	-	-	-	-	1,800,000	(5)
Other Governmental Funds	290,392	-		13,082	36,197	24,206	6,541	26,163	396,581	(6)
Water & Sewer Fund	-	-	-	-	-	-	-	20,000	20,000	(7)
Solid Waste Fund	1,350,000	-	-	-	-	-	-	-	1,350,000	(8)
Total	$ 2,040,392	$ 128,929	$ 2,930,484	$ 13,082	$ 36,197	$ 24,206	$ 6,541	$ 46,163	$ 5,225,994	

(1) Transfer of $815,129 from Multimodal to General Fund was to cover costs of capital assets transferred to Homestead Station QALICB.
(2) Transfer totaling $128,929 from CRA to General Fund was to help fund Cybrarium operations.
(3) Transfer of $397,426 from Homestead Miami Speedway to General Fund to help fund new police officers.
(4) Transfer of $317,929 from Homestead Miami Speedway into General Fund to close Homestead Miami Speedway Fund.
(5) Transfer of $1,800,000 from General Fund and People's Transportation Plan into other governmental funds was for debt service payments.
(6) Transfer of $396,581 from General Fund, Water & Sewer, Electric Utility, Solid Waste, other enterprise fund and internal service fund into other governmental funds was to fund the cost of different capital projects.
(7) Transfer of $20,000 from Internal Service Fund into Water & Sewer Fund to help fund the cost of a capital project.
(8) Transfers of $1,350,000 from General Fund to Solid Waste was for prior years' Budget Stabilization contributions made to the General Fund by Solid Waste.

NOTE 7. INTERFUND TRANSACTIONS (Continued)

Interfund Payables and Receivables

Interfund payables and receivables are used exclusively to eliminate negative pooled cash balances of individual funds for purposes of financial statement reporting. For government-wide financial statement presentation, the interfund payables and receivables are eliminated as part of interfund activity.

Individual interfund receivable and payable balances at September 30, 2023 are as follows:

	Due from Other Funds	Due to Other Funds
General Fund	$ 1,000,000	$ -
Major Governmental Fund:		
American Rescue Plan	-	800,000
Total Major Governmental Funds	-	800,000
Other Governmental Funds:		
Sundries Grant	-	200,000
Peoples' Transportation Plan	1,000,000	
Multimodal Transit Center	-	1,000,000
Total Other Governmental Funds	1,000,000	1,200,000
Total Governmental Funds	2,000,000	2,000,000
Major Proprietary Funds:		
Water and Sewer	-	600,000
Electric Utility	-	6,900,000
Solid Waste	2,600,000	-
Total Major Proprietary Funds	2,600,000	7,500,000
Other Proprietary Fund:		
Utilities Repair, Replacement and Improvement	1,800,000	-
Total Other Proprietary Fund	1,800,000	-
Total Proprietary Funds	4,400,000	7,500,000
Internal Service Funds:		
Other Self Insurance	3,100,000	-
Total Internal Service Funds	3,100,000	-
Total Interfund Balances	$ 9,500,000	$ 9,500,000

NOTE 8. CAPITAL ASSETS

Capital assets activity for the fiscal year ended September 30, 2023 was as follows:

Governmental activities:	Beginning Balance		Additions		Deletions	Ending Balance
Capital assets not being depreciated:						
Land	$ 48,198,536		$ 6,265,314		$ -	$ 54,463,850
Artworks	1,745,550		-		-	1,745,550
Construction in Progress	11,865,335		2,682,627	*(a)*	10,797,884	3,750,078
Total capital assets not being depreciated	61,809,421		8,947,941		10,797,884	59,959,478
Capital assets being depreciated:						
Land improvements	606,505	*(a)*	9,730,185		-	10,336,690
Buildings and improvements	174,708,182		222,535		-	174,930,717
Other improvements	60,465,649	*(a)*	2,226,697		-	62,692,346
Furniture, fixtures and equipment	48,715,794	*(a)*	2,988,138		-	51,703,932
Books	756,846		-		-	756,846
Infrastructure	118,580,871		-		-	118,580,871
Total capital assets being depreciated	403,833,847		15,167,555		-	419,001,402
Less accumulated depreciation for:						
Land improvements	124,688		226,894		-	351,582
Buildings and improvements	67,114,105		4,061,589		-	71,175,694
Other improvements	50,846,941		1,762,243		-	52,609,184
Furniture, fixtures and equipment	43,558,351		1,917,134		-	45,475,485
Books	227,054		151,369		-	378,423
Infrastructure	86,936,211		2,183,664		-	89,119,875
Total accumulated depreciation	248,807,350		10,302,893		-	259,110,243
Total capital assets being depreciated, net	155,026,497		4,864,662		-	159,891,159
Governmental activities capital assets, net	$ 216,835,918		$ 13,812,603		$ 10,797,884	$ 219,850,637

(a) Construction in Progress of $9,730,185 was transferred to Land Improvements; $115,748 to Other Improvements, $592,247 to Furnitures, Fixtures & Equipment, and $359,704 was contributed to Solid Waste Fund.

NOTE 8. CAPITAL ASSETS (Continued)

Business-type activities:	Beginning Balance	Additions		Deletions	Ending Balance
Capital assets not being depreciated:					
Land	$ 1,876,063	$ -		$ -	$ 1,876,063
Construction in Progress	5,729,386	4,257,448	(a)	1,972,030	8,014,804
Total capital assets not being depreciated	7,605,449	4,257,448		1,972,030	9,890,867
Capital assets being depreciated:					
Buildings and improvements	33,436,284	715,128		-	34,151,412
Utility plant and systems	146,313,658	7,556,147	(a)	-	153,869,805
Total capital assets being depreciated	179,749,942	8,271,275		-	188,021,217
Less accumulated depreciation for:					
Buildings and improvements	2,015,396	936,826		-	2,952,222
Utility plant and systems	109,462,852	5,546,735		-	115,009,587
Total accumulated depreciation	111,478,248	6,483,561		-	117,961,809
Total capital assets being depreciated, net	68,271,694	1,787,714		-	70,059,408
Business-type activities capital assets, net	$ 75,877,143	$ 6,045,162		$ 1,972,030	$ 79,950,275

(a) Construction in Progress of $1,972,030 was transferred to Utility plant and systems.

Depreciation expense for the fiscal year ended September 30, 2023 has been recorded as follows:

	Depreciation Expense
Governmental activities:	
General government	$ 1,437,522
Public safety	1,618,685
Public works	1,222,234
Parks and recreation	3,794,749
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of assets	46,039
Unallocated	2,183,664
Total depreciation expense - governmental activities	$ 10,302,893
Business-type activities:	
Water/Sewer	$ 1,051,509
Electric	3,824,180
Solid waste	507,968
Other enterprise funds	91,500
QALICB	971,599
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of assets	36,805
Total depreciation expense - business-type activities	$ 6,483,561

NOTE 9. LEASE (RIGHT-TO-USE) ASSET / LEASE PAYABLE

During FY 2022, the City implemented *GASB Statement No. 87, Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

As stated in Note 5, the QALICB was created as part of a NMTC, whereby it would support the establishment of a mixed-use facility consisting of a parking garage with a retail liner (the "Project"). Pursuant to the Lease, Operating, and Management Agreement for the QALICB dated June 27, 2018 (the "Lease Agreement"), the QALICB and the City entered into a seventy-five-year lease agreement for the Project. The QALICB agreed to pay the City an annual base rent in the amount of $1. The total rent over the term is $75.

The QALICB also leases the Property to a Master Tenant (DR Homestead, LLC) pursuant to the amended master lease agreement dated June 27, 2018 (the "Master Lease"). The Master Lease commenced on June 27, 2018 and expires in 2048. Beginning in 2019, minimum base rents under the Master Lease were scheduled to be made in the amount of $55,158. On July 1, 2021, the QALICB recorded an initial lease receivable in the amount of $17,757,329. As of June 30, 2023, the value of the lease receivable was $17,625,359. The implicit interest rate on the master lease was 1%. The value of the deferred inflows of resources as of June 30, 2023 was $16,465,889. For the year ended June 30, 2023, the QALICB recognized lease revenue in the amount of $645,720.

On June 27, 2018, the City also entered in to an agreement with DR Homestead, LLC in which the City agreed to pay DR Homestead an "Asset Management Fee" for the Project, starting in fiscal year 2019 and ending in fiscal year 2049. The City's agreement with DR Homestead, LLC references the *Third Amendment to the Ground Lease* dated June 21, 2018, that added a requirement for the Master Tenant to pay minimum base rents in addition to the existing base rent under the Ground Lease. The minimum base rent would equal the amount of the Asset Management Fee. The Master Tenant's obligation to pay each installment of the minimum base rent to the QALICB (Landlord) would be contingent upon the City's payment of the corresponding installment of the Asset Management Fee to the Master Tenant. Because these minimum base rent payments are contingent upon the City's payment of the Asset Management Fees and because the QALICB was required to report a lease receivable and a deferred inflow of resources under GASB 87, the City must also report the corresponding lease liability and lease (right-to-use) asset. For the QALICB to report part of the transaction and the City not to report the corresponding part to achieve completeness, the City's financial statements would have been deemed misleading to users.

NOTE 9. LEASE (RIGHT-TO-USE) ASSET / LEASE PAYABLE (Continued)

In fiscal year 2022, the City recorded an initial lease liability in the amount of $17,746,436. As of September 30, 2023, the value of the lease liability is $17,614,274. The City is required to make quarterly fixed payments ranging from $52,462 to $209,848. The lease was calculated using the interest rate of 1.0% (the same one used by the QALICB to calculate its lease receivable). The asset estimated useful life was assumed to be the same length of the lease, or 28 years, as of the contract commencement. The value of the right to use the asset as of September 30, 2023 is $16,434,720 with accumulated amortization of $1,311,716.

Debt Service Requirements to Maturity:

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	$ 44,616	$ 175,976	$ 220,592
2025	259,084	174,994	434,078
2026	584,623	171,231	755,854
2027	674,657	164,735	839,392
2028	681,429	157,963	839,392
2029-2033	3,511,128	685,832	4,196,960
2034-2038	3,690,916	506,044	4,196,960
2039-2043	3,879,912	317,048	4,196,960
2044-2048	4,078,584	118,376	4,196,960
2049	209,325	523	209,848
Total	$ 17,614,274	$ 2,472,722	$ 20,086,996

Right-to-use Asset (Governmental activities):

	Beginning Balance	Additions	Deletions	Ending Balance
Lease asset	$ 17,746,436	$ -	$ -	$ 17,746,436
Total lease (Right-to-use) asset	17,746,436	-	-	17,746,436
Less accumulated amortization for:				
Lease asset	655,858	655,858	-	1,311,716
Total accumulated amortization	655,858	655,858	-	1,311,716
Governmental activities lease asset, net	$ 17,090,578	$ (655,858)	$ -	$ 16,434,720

NOTE 10. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) PAYABLE/ASSETS

For the year ended 9/30/2023, the financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

On 10/01/2022, City of Homestead, FL entered into a 86 month subscription for the use of CAD and Records Management Software. An initial subscription liability was recorded in the amount of $980,992. As of 09/30/2023, the value of the subscription liability is $843,703. The City of Homestead, FL is required to make annual fixed payments of $143,154. The subscription has an interest rate of 3.5287%. The value of the right to use asset as of 09/30/2023 of $980,992 with accumulated amortization of $136,830 is included with Software on the Subscription Class activities table found below.

On 07/01/2023, City of Homestead, FL entered into a 26 month subscription for the use of OpenGov Procurement Software Subscription. An initial subscription liability was recorded in the amount of $107,301. As of 09/30/2023, the value of the subscription liability is $95,898. City of Homestead, FL is required to make annual fixed payments of $47,900. The subscription has an interest rate of 3.1583%. The value of the right to use asset as of 09/30/2023 of $131,491 with accumulated amortization of $14,610 is included with Software on the Subscription Class activities table found below.

NOTE 10. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) PAYABLE/ASSETS

Debt Service Requirements to Maturity:

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	$ 164,820	$ 30,529	$ 195,349
2025	175,008	27,159	202,167
2026	135,264	21,164	156,428
2027	144,730	16,391	161,121
2028	154,671	11,284	165,955
2029-2029	165,108	5,826	170,934
Total	$ 939,601	$ 112,353	$ 1,051,954

Subscription-based arrangement assets - Governmental activities

	Beginning Balance	Additions	Deletions	Ending Balance
Subscription-base arrangements assets:				
CAD and records management software	$ -	$ 980,992	$ -	$ 980,992
OpenGov procurement software	-	131,491	-	131,491
Total subscription-base arrangements assets	-	1,112,483	-	1,112,483
Less accumulated amortization for:				
CAD and records management software	-	136,830	-	136,830
OpenGov procurement software	-	14,610	-	14,610
Total accumulated amortization	-	151,440	-	151,440
Governmental activities subscription-based assets, net	$ -	$ 961,043	$ -	$ 961,043

NOTE 11. DEFERRED OUTFLOWS AND INFLOWS

Deferred outflows and inflows as of the fiscal year-end as presented on the City's fund level and government-wide statements in the aggregate, are as follows:

Deferred Outflows:

	Enterprise Funds	Internal Service Funds	Total Proprietary Funds Statements	Government-Wide Statements
Deferred outflows for pensions	$ 11,266,256	$ 2,087,949	$ 13,354,205	$ 51,344,039
Deferred outflows for OPEB	54,545	17,118	71,663	187,345
Total deferred outflows	$ 11,320,801	$ 2,105,067	$ 13,425,868	$ 51,531,384

Deferred Inflows:

	Enterprise Funds	Internal Service Funds	Proprietary Funds Statements	Government-Wide Statements
Deferred inflows for power cost adjustment	$ 5,420,392	$ -	$ 5,420,392	$ 5,420,392
Deferred inflows for leases	16,465,889	-	16,465,889	16,465,889
Deferred inflows for pensions	4,324,144	801,385	5,125,529	17,621,230
Deferred inflows for OPEB	2,891,893	907,531	3,799,424	9,932,532
Total deferred inflows	$ 29,102,318	$ 1,708,916	$ 30,811,234	$ 49,440,043

NOTE 12. LONG-TERM LIABILITIES

Governmental Activities

The following is a summary of changes in governmental long-term liabilities at September 30, 2023:

	9/30/2022 Beginning Balance	Additions	Reductions	9/30/2023 Ending Balance	Due within One Year
Bonds payable:					
General Obligation Bonds, Series 2014	$ 20,480,000	$ -	$ 590,000	$ 19,890,000	$ 620,000
Plus: Unamortized Bond Premium	1,275,455	-	58,120	1,217,335	58,120
Total General Obligation Bonds, Series 2014	21,755,455	-	648,120	21,107,335	678,120
Taxable Transportation System Revenue Bonds, Sereis 2017	27,920,000	-	700,000	27,220,000	720,000
Total bonds payable	49,675,455	-	1,348,120	48,327,335	1,398,120
Loans and notes payable:					
HUD Section 108 loan **	2,702,000	-	193,000	2,509,000	193,000
New City Hall Refunding Note, Series 2021 **	7,582,888	-	517,170	7,065,718	527,410
CRA Tax Increment Revenue Note, Taxable Sereis 2023 **	-	4,500,000	-	4,500,000	134,000
Total loans and notes payable	10,284,888	4,500,000	710,170	14,074,718	854,410
Total bonds, loans and notes payable	59,960,343	4,500,000	2,058,290	62,402,053	2,252,530
Compensated absences	3,536,978	1,215,295	802,898	3,949,375	1,184,812
Equipment financing obligation**	2,447,133	987,742	1,024,442	2,410,433	1,033,280
Net pension liability	6,314,674	31,992,859	-	38,307,533	-
Total OPEB liability	7,406,629	-	1,798,751	5,607,878	174,562
Claims and judgements	4,905,637	2,169,622	2,112,312	4,962,947	1,228,328
Lease obligation (Right-to-use asset)	17,658,447	-	44,173	17,614,274	44,616
Subscription-based arrangements obligation	980,992	107,301	148,692	939,601	164,820
Governmental activities long-term liabilities	$ 103,210,833	$ 40,972,819	$ 7,989,558	$ 136,194,094	$ 6,082,948

**Direct Borrowings

Note: Pension liabilities, compensated absences and OPEB liabilities are generally liquidated by the General Fund.

Pension contributions are paid by the General Fund as actuarially determined by the actuaries of the pension plans.

NOTE 12. LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

A. General Obligation Bonds, Series 2014

On May 13, 2014, the City's voters approved a bond referendum for the issuance of $26 million in General Obligation Bonds, Series 2014, ("GO Bonds"). The GO Bonds were approved to be issued in an amount not to exceed $21 million for the construction of the new police building and related improvements for a temporary police facility, and not to exceed $5 million for the renovations to the Seminole Theatre to provide a cultural arts center for the City.

The GO Bonds were issued on September 11, 2014. General obligation bonds are direct obligations and pledge the full faith and credit of the City as a whole and not its individual funds. In each year the debt is outstanding, an ad valorem tax will be levied equal to principal and interest due. These bonds are issued as 30-year serial bonds, due in annual installments of $620,000 to $1,420,000 through July 1, 2044. Interest rates on the bonds range from 3% to 5% and is paid semi-annually on January 1 and July 1.

In the event of any default in payment, the defaulted interest shall be payable by the paying agent to the registered owners of the bonds not less than fifteen (15) days preceding such special record date. During an event of default, the bondholders may enforce and compel the performance of all duties required by the City's resolution and the bonds or by any applicable statute to be performed by the City or any officer thereof. The City complies with Federal arbitrage regulations and has no rebate liability due as of September 30, 2023.

Debt Service Requirements to Maturity:

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	$ 620,000	$ 863,238	$ 1,483,238
2025	655,000	832,238	1,487,238
2026	685,000	799,488	1,484,488
2027	705,000	778,938	1,483,938
2028	725,000	757,788	1,482,788
2029-2033	4,015,000	3,407,200	7,422,200
2034-2038	4,875,000	2,543,350	7,418,350
2039-2043	6,190,000	1,231,650	7,421,650
2044	1,420,000	66,500	1,486,500
Sub-Total	19,890,000	11,280,392	31,170,392
Plus: Unamortized Bonds Premium	1,217,335	-	1,217,335
Total	$ 21,107,335	$ 11,280,392	$ 32,387,727

NOTE 12. LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

B. Taxable Transportation System Revenue Bonds, Series 2017

On September 24, 2017, the City issued $31,440,000 Taxable Transportation System Revenue Bonds to partially finance the cost of land acquisitions and construction for a parking garage/retail facility (Multimodal Transit Center) in the City's downtown.

The bonds are payable annually through July 1, 2047 in principal amounts ranging from $720,000 to $1,725,000. Interest rates on the bonds range from 1.671% to 4.194% and is paid semi-annually on January 1 and July 1. The revenue bond indentures contain significant limitations and restrictions on annual debt service requirements. The City continually monitors compliance with all significant limitations and restrictions. The bonds will be repaid primarily from transportation surtax revenues and other non-ad valorem revenues.

In the event of default of the payment of principal or interest with respect to the insured bonds when all or a portion becomes due, any registered owner of the insured bonds shall have a claim under the bond insurance policy for such payments. Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the bond insurer without appropriate consent. The bond insurer may direct and must consent to any remedies. In the event the bond insurer is unable to make payment of principal and interest as such payments become due under the bond insurance policy, the insured bonds are payable solely from the sources of security described in the bond resolution.

Debt Service Requirements to Maturity

Fiscal year ending September 30:	Principal	Interest	Total
2024	$ 720,000	$ 1,076,012	$ 1,796,012
2025	745,000	1,054,685	1,799,685
2026	765,000	1,031,642	1,796,642
2027	790,000	1,006,833	1,796,833
2028	815,000	980,424	1,795,424
2029-2033	4,580,000	4,413,011	8,993,011
2034-2038	5,545,000	3,442,562	8,987,562
2039-2043	6,765,000	2,222,516	8,987,516
2044-2047	6,495,000	694,946	7,189,946
	$ 27,220,000	$ 15,922,631	$ 43,142,631

NOTE 12. LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

C. HUD Section 108 Loan-Direct Borrowing

In 2017, the City entered into an agreement with U.S. Department of Housing and Urban Development (HUD) for a Section 108 loan to provide funding for the new Cybrarium Project. The total amount of the loan is $3,865,000, which was the maximum allowable amount based on the City's Community Development Block Grant (CDBG) allocation at that time. The loan is being repaid over 20 years and the payments consist of principal (approximately $193,000 annually) and interest (approximately $97,000 annually).

The City began drawing on the loan prior to the commencement of construction, $194,000 in FY2017, $194,000 in FY2018, and $194,000 in FY2019. On March 31, 2020 the final loan drawdown was submitted. The City declined the option to convert the Section 108 loan to a fixed rate. The initial variable interest rate on this borrowing is set on the first day of each month at twenty (20) basis points above the 90-day LIBOR. The use of LIBOR as a benchmark for short-term interest rates was expected to be discontinued for most loans on December 31, 2021. In recognition of the disruption that would likely ensue if LIBOR were not replaced as the Section 108 reference rate, the Holder and HUD determined that it was necessary to transition to a new reference rate and interest rate spread. HUD, after consistently monitoring and comparing the current reference rate with other potential alternatives, such as the Secured Overnight Financing Rate (SOFR) and the 3-Month Treasury Bill High Auction Rate, determined that among the potential alternative reference rates, the 3-Month Treasury Bill High Auction Rate would be most likely to produce essentially the same rate as the Standard Note Rate. Accordingly, HUD and the Holder entered negotiations as provided in Appendix A of the Note and agreed upon a new reference rate that when added to a spread of 35 basis points (0.35%) HUD believes will essentially hold current borrowers harmless with respect to the variable rate cost of borrowing under Section 108. The new reference rate has the added benefit of increased transparency. The new reference rate will be set based on actual transactions and information on the rate will be more readily available to borrowers.

Interest on the outstanding principal balance is payable quarterly and due each February 1, May 1, August 1, and November 1. Principal payments are payable annually and are due each August 1 through maturity on August 1, 2036. The HUD Section 108 Loan contains a provision that states that in the event of default, an acceleration payment to the Fiscal Agent or the Trustee, as applicable, equal to the unpaid aggregate principal amount of the note, together with accrued and unpaid interest thereon to such acceleration payment date or interest due date, as applicable will become due. In the event that any such acceleration payment is made from sources other than funds pledged by the Borrower as security under the Contract (or other Borrower funds), the amounts paid on behalf of the Borrower shall be deemed to be immediately due and payable to the Secretary. The outstanding balance of the Section 108 loan as of September 30, 2023, is $2,509,000.

NOTE 12. LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

C. HUD Section 108 Loan-Direct Borrowing (Continued)

Debt Service Requirements to Maturity

	Principal	(1) Interest	Total
Fiscal year ending September 30:			
2024	$ 193,000	$ 145,179	$ 338,179
2025	193,000	133,867	326,867
2026	193,000	122,554	315,554
2027	193,000	111,241	304,241
2028	193,000	99,929	292,929
2029-2033	965,000	329,953	1,294,953
2034-2036	579,000	62,220	641,220
	$ 2,509,000	$ 1,004,943	$ 3,513,943

(1) Computed at 5.86149%, which is 20 basis points above 90 day LIBOR rate @ 9/30/2023 of 5.66149% times amount outstanding.

D. New City Hall Loan-Capital Improvement Refunding Note, Series 2021-Direct Borrowing

On June 16, 2021, the City Council adopted a Resolution authorizing the issuance of a capital improvement refunding note in the amount not to exceed $8,090,000 for the purpose of refinancing the previous loan for the New City Hall, and awarded the note to Regions Capital Advantage, Inc to provide the refinancing.

The interest rate is fixed at 1.85% for a 14-year term and a maturity date of September 1, 2035. Principal is payable annually through September 1, 2035 in the amounts ranging from $527,410 to $654,355. Interest is payable semi-annually on March 1 and September 1.

NOTE 12. LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

D. New City Hall Loan-Capital Improvement Refunding Note, Series 2021-Direct Borrowing (Continued)

Debt Service Requirements to Maturity:

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	$ 527,410	$ 139,901	$ 667,311
2025	537,853	129,459	667,312
2026	548,502	118,809	667,311
2027	559,362	107,949	667,311
2028	570,438	96,873	667,311
2029-2033	3,026,148	310,407	3,336,555
2033-2035	1,296,005	38,617	1,334,622
	$ 7,065,718	$ 942,015	$ 8,007,733

E. CRA Tax Increment Revenue Note, Taxable Series 2023

On April 11, 2023, the City Council adopted Resolution No. R2023-04-48 authorizing the issuance by the Homestead Community Redevelopment Agency of a taxable tax increment revenue note not to exceed $4,500,000 for the purpose of financing the cost of acquisition, relocation, clearing, construction and/or rehabilitation of properties and other redevelopment activities permitted under the act, and paying costs of issuance of the note.

Principal is payable through April 1, 2043 in the amounts ranging from $134,000 to $337,000. The interest rate is fixed at 4.70% for a 20-year term and a maturity date of April 01, 2043. Principal and interest are payable semi-annually on April 1 and October 1, commencing on October 1, 2023 until maturity.

NOTE 12. LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

E. CRA Tax Increment Revenue Note, Taxable Series 2023 *(Continued)*

Debt Service Requirements to Maturity:

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	$ 134,000	$ 208,351	$ 342,351
2025	147,000	201,747	348,747
2026	154,000	194,674	348,674
2027	161,000	187,272	348,272
2028	169,000	179,517	348,517
2029-2033	972,000	767,745	1,739,745
2034-2038	1,224,000	510,799	1,734,799
2039-2043	1,539,000	187,554	1,726,554
	$ 4,500,000	$ 2,437,660	$ 6,937,660

F. Equipment Financing-Direct Borrowing

The City enters into financing agreements periodically to finance the purchase of City vehicles and other equipment such as computers. The value of capital assets acquired under new equipment financing during fiscal year 2023 for governmental activities totaled $308,801. The capital assets acquired under the equipment financing remain as collateral for repayment of the outstanding principal obligations. Upon the occurrence of an event of default, the lender shall have the right, at its option and without any further demand or notice, to declare all payments payable under the agreement through the end of the City's fiscal year, to be immediately due and payable by the City, whereupon such payments shall be immediately due and payable. The lender may also terminate the agreement and repossess any or all of the equipment subject to the agreement by giving the City written notice to deliver such equipment in the manner provided in the agreement.

At September 30, 2023, the City had outstanding borrowings with three financial institutions.

NOTE 12. LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

***F. Equipment Financing-Direct Borrowing** (Continued)*

Future minimum payments at September 30, 2023 are as follows:

Governmental Equipment Financing:

Fiscal year ending September 30:

	Principal	Interest	Total
2024	$ 1,033,280	$ 60,367	$ 1,093,647
2025	589,420	36,785	626,205
2026	415,163	22,616	437,779
2027	263,804	11,009	274,813
2028	108,766	1,796	110,562
Total minimum payments	$ 2,410,433	$ 132,573	$ 2,543,006

Capital assets acquired through governmental equipment financings above are as follows:

Furniture, fixtures and equipment	$ 4,992,953
Accumulated depreciation	(3,452,030)
Total	$ 1,540,923

NOTE 12. LONG-TERM LIABILITIES (Continued)

Business-type Activities

The following is a summary of changes in business-type long-term liabilities at September 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Loans and notes payable:					
Electric FMPA pooled loan 2021**	$ 8,229,401	-	351,352	7,878,049	358,236
Electric FMPA pooled loan 2022**	-	6,500,000	-	6,500,000	600,708
Notes payable (1)	35,233,183	715,128	-	35,948,311	333,460
Total bonds, loans and notes payable	43,462,584	7,215,128	351,352	50,326,360	1,292,404
Compensated absences	1,721,943	1,228,853	979,620	1,971,176	591,353
Equipment financing obligation**	2,268,480	1,270,495	712,876	2,826,099	595,791
Net pension liability	-	8,318,118	-	8,318,118	-
Total OPEB obligation	4,216,329	-	1,149,043	3,067,286	95,478
Buiness-type activities long-term liabilities	$ 51,669,336	$ 18,032,594	$ 3,192,891	$ 66,509,039	$ 2,575,026

**Direct Borrowings

(1) The $35,948,311 notes payable is NMTC-related and represents the balance at June 30, 2023 per the QALICB's separately issued financial statements. Please refer to those statements for additional information.

NOTE 12. LONG-TERM LIABILITIES (Continued)

Business-type Activities (Continued)

A. Florida Municipal Power Agency (FMPA) Initial Pooled Loan Project, Series 2021-Direct Borrowing

On June 16, 2021, the City Council adopted a Resolution authorizing the issuance of a note in an amount not to exceed $8,700,000 to secure a loan from the FMPA to provide funding to build a new electric utility substation, for the costs of undergrounding electric utility lines, and to refinance the Series 2019 Electric Bonds.

The interest rate is fixed at 2.06% for a 10-year term and a maturity date of June 30, 2031. Principal and interest are payable semi-annually on April 1 and October 1, with a balloon payment of approximately $5 million to be refinanced or paid on June 30, 2031.

Debt Service Requirements to Maturity:

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	$ 358,236	$ 151,884	$ 510,120
2025	365,256	144,864	510,120
2026	372,413	137,707	510,120
2027	379,711	130,409	510,120
2028	387,151	122,969	510,120
2029-2031	6,015,282	299,063	6,314,345
Total	$ 7,878,049	$ 986,896	$ 8,864,945

NOTE 12. LONG-TERM LIABILITIES (Continued)

Business-type Activities (Continued)

B. Florida Municipal Power Agency (FMPA) Initial Pooled Loan Project, Series 2022-Direct Borrowing

On November 08, 2022, the City Council adopted Resolution No. R2022-11-116 authorizing the issuance of a note in an amount not to exceed $6,500,000 to secure a loan from the FMPA for the purpose of financing a portion of the cost of the Ring Bus Expansion at Renaissance Electrical Substation and to provide funding for contract labor to supplement the internal labor workforce for the FEMA Storm Hardening "406" Project, together with any other necessary electric utility facilities.

The interest rate is fixed at 4.60% for a 10-year term and a maturity date of October 01, 2032. Principal and interest are payable semi-annually on April 1 and October 1, commencing April 1, 2023 until maturity.

Debt Service Requirements to Maturity:

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	$ 600,708	$ 292,171	$ 892,879
2025	628,659	264,220	892,879
2026	657,910	234,969	892,879
2027	688,521	204,358	892,879
2028	720,558	172,321	892,880
2029-2032	3,203,644	338,049	3,541,693
Total	$ 6,500,000	$ 1,506,088	$ 8,006,089

NOTE 12. LONG-TERM LIABILITIES (Continued)

Business-type Activities (Continued)

C. Equipment Financing-Direct Borrowing

The value of capital assets acquired under new equipment financing during fiscal year 2023 for business-type activities totaled $1,368,733. The capital assets acquired under the previous equipment financing remain as collateral for repayment of the outstanding principal obligations. Upon the occurrence of an event of default, the lender shall have the right, at its option and without any further demand or notice, to declare all payments payable under the agreement through the end of the City's fiscal year, to be immediately due and payable by the City, whereupon such payments shall be immediately due and payable. The lender may also terminate the agreement and repossess any or all of the equipment subject to the agreement by giving the City written notice to deliver such equipment in the manner provided in the agreement.

At September 30, 2023, the City had outstanding borrowings with two financial institutions.

Future minimum payments at September 30, 2023 are as follows:

Business Equipment Financing:

Fiscal year ending September 30:

	Principal	Interest	Total
2024	$ 595,791	$ 80,991	$ 676,782
2025	536,615	65,053	601,668
2026	457,288	50,636	507,924
2027	419,925	38,129	458,054
2028	371,072	26,222	397,294
2029-2031	445,408	20,812	466,220
Total minimum payments	$ 2,826,099	$ 281,843	$ 3,107,942

Capital assets acquired through business-type equipment financing above are as follows:

Furniture, fixtures and equipment	$ 4,968,162
Accumulated depreciation	(1,561,931)
Total	$ 3,406,231

NOTE 12. LONG-TERM LIABILITIES (Continued)

Pledged Revenues

The City issues debt that is secured by a pledge of specific revenues. Total pledged revenue that collateralizes the repayment of principal and interest on the debt as of September 30, 2023 are as follows:

Governmental Activities:

General Obligation Bonds, Series 2014	
Source of Revenue Pledged	Voted debt millage
Description of debt	General Obligation Bonds, Series 2014
Purpose of debt	Construction of New Police Building and the renovation of Seminole Theatre
Current revenue pledged	$1,474,854
Total debt service to maturity (1)	$32,387,727
Term of commitment	2014-2044
Current year debt service	$1,483,188
Percentage of debt service to pledged revenues (current year)	101%

Taxable Transportation System Revenue Bonds, Series 2017	
Source of Revenue Pledged	Transportation System Sales Surtax ("Surtax") and Covenant to Budget and Appropriate Non Ad-Valorem Revenues
Description of debt	Taxable Transportation System Revenue Bonds, Series 2017
Purpose of debt	Construction of Multimodal Transit Center
Current revenue pledged	$4,908,490 (Surtax portion only)
Total debt service to maturity (1)	$43,142,631
Term of commitment	2017-2047
Current year debt service	$1,795,346
Percentage of debt service to pledged revenues (current year)	37%

NOTE 12. LONG-TERM LIABILITIES (Continued)

Pledged Revenues (Continued)

Governmental Activities *(continued):*

HUD Section 108 Loan

Source of Revenue Pledged	Yearly revenue from the City's Community Development Block Grant (CDBG)
Description of debt	Department of Housing and Urban Development (HUD) Section 108 Loan
Purpose of debt	Cybrarium Project partial funding source
Current revenue pledged	$779,036
Total debt service to maturity (1)	$3,513,943
Term of commitment	2017-2036
Current year debt service	$328,737
Percentage of debt service to pledged revenues (current year)	42%

NCH Capital Improvement Refunding Notes, Series 2021

Source of Revenue Pledged	Legally available Non-Advalorem Revenues
Description of debt	NCH Capital Improvement Refunding Notes, Series 2021
Purpose of debt	Refinancing the balloon payment of the old $10M New City Halll Loan
Current revenue pledged	$43,188,948
Total debt service to maturity (1)	$8,007,733
Term of commitment	2021-2035
Current year debt service	$667,312
Percentage of debt service to pledged revenues (current year)	2%

CRA Tax Increment Revenue Note, Taxable Series 2023

Source of Revenue Pledged	TIF Revenues
Description of debt	CRA Tax Increment Revenue Note, Taxable Series 2023
Purpose of debt	Financing the cost of acquisition, relocation, clearing, construction and/or rehabilitation of properties and other redevelopment activities.
Current revenue pledged	$7,130,487
Total debt service to maturity (1)	$6,937,660
Term of commitment	2023-2043
Current year debt service	$94,588
Percentage of debt service to pledged revenues (current year)	1%

(1) Total future principal and interest payments.

NOTE 12. LONG-TERM LIABILITIES (Continued)

Pledged Revenues (Continued)

Business-Type Activities:

Electric Utility FMPA Pooled Loan, Series 2021

Source of Revenue Pledged	Net Electric Utility Revenues
Description of debt	Electric Utility FMPA Pooled Loan 2021
Purpose of debt	New substation, undergrounding electric utility lines, and refinancing of Sereis 2019 Electric Utility Bonds
Current revenue pledged	$7,751,469
Total debt service to maturity (1)	$8,864,945
Term of commitment	2021-2031
Current year debt service	$510,120
Percentage of debt service to pledged revenues (current year)	6.58%

Electric Utility FMPA Pooled Loan, Series 2022

Source of Revenue Pledged	Net Electric Utility Revenues
Description of debt	Electric Utility FMPA Pooled Loan 2022
Purpose of debt	Financing the ring bus expansion at Renaissance Substation and storm hardening mitigation project.
Current revenue pledged	$7,751,469
Total debt service to maturity (1)	$8,006,089
Term of commitment	2023-2032
Current year debt service	$259,964
Percentage of debt service to pledged revenues (current year)	3.35%

(1) Total future principal and interest payments.

NOTE 12. LONG-TERM LIABILITIES (Continued)

Compensated Absences

Compensated absences represent the portion of the applicable funds' total estimated liability for employees' compensation for future absences. The estimated liability includes an accrual for salary related costs (employer's share of the social security and medicare taxes).

The estimated liability is measured using rates in effect at the balance sheet date; benefits are computed at the current salary rates at the time of payment. Upon separation from the City service, vacation leave is paid at 100% up to 360 hours for regular employees and 380 hours for police. Sick leave is paid at 50% to 100% depending on years of service (for years of services equal to or greater than 15 years), up to 800 hours for regular employees and 880 hours for police. The General Fund has primarily been used in prior years to liquidate the liability for compensated absences for governmental activities.

At September 30, 2023, the liability for compensated absences was as follows:

Governmental Activities	$	3,949,375
Business-type Activities		1,971,176
	$	5,920,551

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS

The City is the sponsor of five single-employer Public Employee Retirement Systems (PERS) that are administered by the City to provide pension benefits to its employees. The City contributes to the General Employees' Retirement Plan (GERP), the Police Officers' Retirement Plan (PORP), the Firefighters' Retirement System (HFRS), the Elected Officials' Retirement Plan (EORP), and the New Elected Officials' and Senior Management Retirement System (NEOSMRS), which are all defined benefit pension plans.

The information reported below is a brief summary of information reported in more detail in the independently published financial statements for each pension plan. Separate financial statements for each of these Plans may be obtained by contacting the Board of Trustees c/o City of Homestead, 100 Civic Court, Homestead, FL 33030.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

Basis of Accounting

The financial statements of each Plan are prepared using the accrual basis of accounting. Employee and employer contributions to the Plans are recognized when due rather than when incurred and the employer has made a formal commitment to provide the contributions. Expenses incurred, benefits and refunds owed are recognized when due and payable in accordance with the terms of the Plans rather than when paid.

Plan Membership Information

As of the various dates of the latest actuarial valuation for each of the Plans, the membership consisted of:

	General Employees' Retirement Plan*	Police Officers' Retirement Plan	Elected Officials' Retirement Plan*	New Elected Officials' and Senior Management Retirement System	Firefighters' Retirement System*
Inactive plan members or beneficiaries currently receiving benefits	225	106	7	5	8
Inactive plan members entitled to but not yet receiving benefits	40	3	-	4	-
Active plan members	78	102	1	6	-
Total	343	211	8	15	8

Note: * Plans are closed to new members.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

A. GENERAL EMPLOYEES' RETIREMENT PLAN (GERP)

Plan Description

The City maintains a single employer defined benefit pension system established by City Ordinance No. 85-11-107 dated December 3, 1985, as amended, which covers substantially all of the City employees except for elected officials, senior management, and police officers. Membership begins on the date of hire. GERP provides retirement, disability and death benefits to members and beneficiaries. A more detailed description of the Plan and its provisions appear in ordinances constituting the Plan and in the summary plan description. The Plan year end is September 30, 2023. The Plan issues a publicly available financial statement that includes fiduciary financial statements and required supplementary information. The financial statements may be obtained by writing to: Board of Trustees – General Employees' Retirement Plan, c/o City of Homestead, Finance Department, 100 Civic Court, Homestead, FL 33030.

Eligibility

All regular full-time employees of the City who agree to make employee contributions plus hospital employees who elected to stay in the Plan in 1990 are eligible. Part-time employees are not covered. Participation was mandatory for all employees hired on and after July 1, 2000. The City Council adopted Ordinance No. 2009-04-13 to close membership to new employees hired on or after April 1, 2009.

Service Retirement Benefits

Upon normal retirement, a participant will receive a monthly pension of 3% of the final average earnings (FAE), which is the base salary and longevity during the last sixty (60) months of continuous employment times the number of years and completed months of continuous service as a participant. There is no cap on maximum benefits.

Early Retirement

A member may retire early after attaining age 55 and completing 10 years of service. Benefits are reduced by 1/6% for each month prior to normal retirement date.

Disability Benefits

A participant is eligible for disability benefits after ten (10) or more years of credited service and if totally and permanently disabled. Disability benefits include the accrued benefit or 35% of FAE, whichever is greater, subject to a cap of 100% of FAE on benefits from this Plan including social security, worker's compensation, or other similar benefits.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

A. GENERAL EMPLOYEES' RETIREMENT PLAN (GERP) (Continued)

Funding Policy

The City is required to contribute an actuarially determined amount that, when combined with participants' contributions, will fully provide for all benefits as they become payable. The funding policy can only be amended by authorization of the City Council. Participants are required to contribute 4% of annual earnings. The City's required contribution is based on the actuarial report using the percentage of covered payroll.

Investments

The Board of Trustees has developed certain investment guidelines and has retained investment managers to implement the investment objectives. The investment managers are expected to maximize the return on the investment portfolio and may make transactions consistent with that expectation pursuant to the Board's guidelines.

The investment balances held by the Plan as of September 30, 2023 are as follows:

Investment Type	Fair Value	Less than One Year	1-5 Years	6-10 Years	More than 10 Years
Cash and short-term investments	$ 1,473,252	$ 1,473,252	$ -	$ -	$ -
Fixed income: Municipal obligations	11,601,683	1,298,455	4,106,352	4,698,846	1,498,030
Fixed income: Foreign Bonds Notes & Debuntures	439,736	-	439,736	-	-
Fixed income: Corporate bonds	19,433,928	1,227,324	14,318,232	3,782,743	105,629
Sub-total	32,948,599	$ 3,999,031	$ 18,864,320	$ 8,481,589	$ 1,603,659
Hedge funds	298,280				
Mutual funds-equity	16,435,920				
Common Stocks	35,890,125				
Limited partnerships	5,607,570				
Total cash and investments	$ 91,180,494				

Interest Rate Risk – Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. Interest rate risk disclosures are required for all debt investments as well as investments in mutual funds, external investment pools, and other pooled investments that do not meet the definition of a 2a7-like pool. The Plan's investment policy established benchmarks based on credit quality and duration. The benchmarks are monitored and changed when warranted by the investment market environment. Fixed income portfolios are structured and managed to produce returns based on risk inherent in the selected benchmarks.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

A. GENERAL EMPLOYEES' RETIREMENT PLAN (GERP) (Continued)

***Investments** (Continued)*

The Plan's investment policy currently does not allow for investments in fixed income securities with a maturity in excess of 30 years. As of September 30, 2023, the weighted average maturity of the fixed income portfolio was 4.76 years.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The Plan limits its credit risk by limiting its purchases of investments in fixed income securities to U.S. Government and agency securities or corporate bonds which meet or exceed a credit rating of BBB for Standard & Poor's or Fitch or a Baa2 for Moody's. However, the investment policy does not force an investment sale in the event that there is a credit rating cut by either of the rating agencies. The investments in the portfolio that are currently rated below BBB had a rating in compliance with the policy at the time of purchase.

The following table provides a summary of the fixed income investment balances by credit rating.

S&P Rating	Fair value	Percentage of Fixed Income
AAA	$ 389,583	1.24%
AA+	656,038	2.08%
AA	6,280,658	19.96%
AA-	2,162,355	6.87%
A+	793,316	2.52%
A	1,098,649	3.49%
A-	1,955,318	6.21%
BBB+	2,076,379	6.60%
BBB	6,876,932	21.85%
BBB-	6,498,884	20.65%
BB	366,328	1.16%
B	9,395	0.03%
B-	472,503	1.50%
NR	1,839,009	5.84%
Total	$ 31,475,347	100.00%

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

A. GENERAL EMPLOYEES' RETIREMENT PLAN (GERP) (Continued)

***Investments** (Continued)*

Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of investments or collateral securities that are held by the counterparty. The Plan has third party custodian arrangements with financial institutions to accept securities on a delivery vs payment basis for direct purchase agreements. All securities purchased by the Plan are designated as an asset of the Plan in the Plan's name and are held in safekeeping by the Plan's custodian bank or a third-party custodian institution.

Concentration of Credit Risk – GASB standards require disclosure of investments in any one issuer that represents five percent (5%) or more of the total of the Plan's investment. The Plan's investment policy places investment limitations and provides target allocations to its investment managers to limit credit risk due to concentration. The Plan's investment policy limits investments in any one government agency should not exceed 30% of the total assets to no more than 60% of the total Plan's total assets are permitted in corporate bonds. No more than 20% of the portfolio is permitted in mortgage and asset backed securities and collateralized mortgage obligations. As of September 30, 2023, none of the Plan's investments were held with any single issuer that represents 5% or more of the Plan's investment.

Fair Value Measurements – Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

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

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

- Hedge funds are valued based on the net asset value per share, without further adjustment. Net asset value is based upon the fair value of the underlying investment.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

A. GENERAL EMPLOYEES' RETIREMENT PLAN (GERP) (Continued)

***Investments** (Continued)*

- Money market funds are valued at amortized cost which approximated fair value.

The Plan has the following recurring fair value measurements as of September 30, 2023:

		Fair Value Measurements Using	
Investments Type	Fair Value as of 9/30/2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Equity securities:			
Common stocks	$ 31,458,712	$ 31,458,712	$ -
Foreign stocks	4,431,413	3,228,840	1,202,573
Mutual funds/equity	16,435,920	16,435,920	-
Total equity securities	52,326,045	51,123,472	1,202,573
Fixed-income securities:			
Municipal obligations	11,601,683	-	11,601,683
Corporate bonds	19,433,928	-	19,433,928
Foreign bonds notes & debentures	439,736	-	439,736
Total fixed-income securities	31,475,347	-	31,475,347
Total fair value	83,801,392	$ 51,123,472	$ 32,677,920
Investment measured at net asset value (NAV) (a)			
Hedge funds	298,280		
Limited partnerships	5,607,570		
Total investments @NAV	5,905,850		
Total investments	$ 89,707,242		

(a) As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value heirarchy to the total investment line item in the Statement of Fiduciary Net Position.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

A. GENERAL EMPLOYEES' RETIREMENT PLAN (GERP) (Continued)

***Investments** (Continued)*

The following table summarizes investments that use NAV per share to value investments, including unfunded commitments and restrictions:

		Net Asset Value Measurement at Reporting Date			
Investments Type		Value as of 9/30/2022	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge Funds	(1)	$ 298,280	$ -	N/A	N/A
Limited Partnerships	(2)	$ 5,607,570	$ 1,346,679	N/A	N/A

(1) Investments in private investment companies (the "investee funds"), are valued, as a practical expedient, utilizing the net asset valuations provided by the underlying investee fund without adjustment, when the net asset valuations of the investments are calculated (or adjusted by the fund if necessary) in a manner consistent with GAAP for investment companies. The fund applies the practical expedient to its investments in investee funds on an investment-by-investment basis, and consistently with the fund's entire position in a particular investment, unless it is probable that the fund will sell a portion of an investment at an amount different from the net asset valuation. If it is probable that the fund will sell an investment at an amount different from the net asset valuation or in other situations where the practical expedient is not available, the fund considers other factors in addition to the net asset valuation, such as features of the investment, including subscription and redemption rights, expected discounted cash flows, transactions in secondary markets, bids received from potential buyers, and overall market conditions in its determination of fair value.

The underlying investee funds value securities and other financial instruments on a mark-to-market or other estimated fair value basis. The estimated fair values of substantially all of the investments of the underlying investee funds, which may include securities for which prices are not readily available, are determined by the general partner or management of the respective underlying investee funds and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Accordingly, the estimated fair value may differ from the values that would have been used had a ready market existed for these investments.

(2) Portfolio Advisors Private Equity Fund IX, L.P. (the "Domestic Fund") and Portfolio Advisors Private Equity Fund IX (Offshore), L.P. (the "Offshore Fund") seek to offer their investors participation in high quality private equity funds and co-investments managed by leading private equity fund managers. The terms of the Domestic Fund and the Offshore Fund are generally the same, except where noted, and references to the "Fund" in this Confidential Private Placement Memorandum (the "Memorandum") should be understood as referring to the terms of, or other disclosures that relate to, each of the Domestic Fund, the Offshore Fund and Portfolio Advisors.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

A. GENERAL EMPLOYEES' RETIREMENT PLAN (GERP) (Continued)

***Investments** (Continued)*

Private Equity Fund IX Intermediate, L.P. (the "Intermediate Partnership"), as the context requires. The Fund is sponsored by Portfolio Advisors, LLC ("Portfolio Advisors" or, together with its affiliates, the "Investment Manager"), which may also sponsor and manage certain alternative parallel and/or special purpose feeder vehicles that invest in or alongside the Fund, including, but not limited to a special purpose vehicle organized in Ireland. Portfolio Advisors Private Equity Fund IX (Offshore) investes in global private equity partnerships focused on buyouts, venture capital, and special situations. Portfolio Advisors Private Equity Fund X invests in private equity partnerships focused on buyouts, venture capital, and special situations, as well as in affiliated secondary aggregator funds (more than 45% of the portfolio at 12/31/2022).

Net Pension Liability (Asset)

The City's net pension liability was measured by the actuarial valuation as of October 1, 2021 and rolled forward to the September 30, 2022 (measurement date). The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Methods and assumption used to determine net pension liability:

Actuarial Cost Method	Entry Age Normal
Salary increases	5.0%
Investment rate of return	6.75%
Retirement Age	Experience-base table of rates that are specific to the type of eligibility condition.
Mortality	The PUB-2010 Headcount Weighted General Below Median Employee Mortality Table (for pre-retirement mortality) and The PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table (for post-retirement mortality), with separate rates for males and females and ages set back one year for males, with mortality improvements projected to all future years after 2010 using scale MP-2018. For disables retirees, PUB-2010 Headcount Weighted General Disabled Retiree Male and Female Tables, with a 3-year set forward for both males and females, with no provision being made for mortality improvements. These are the same rates used for Regular Class members in the July 1, 2020 actuarial valuation of the Florida Retirement System (FRS) Pension Plan in accordance with Florida Statutes Chapter 112.63.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

A. GENERAL EMPLOYEES' RETIREMENT PLAN (GERP) (Continued)

Net Pension Liability (Asset) *(Continued)*

Long-term expected rate of return: The long-term expected rate of return on pension plan investments was determined using estimates of forward-looking average annual returns across all asset classes. These projections were developed using a 10-year forward-looking time horizon, interest rates, inflation, the equity risk premium, and the relative out performance of certain asset classes. Based on the Monte Carlo simulations, the best estimates of real return for each asset class included in the pension plan's target allocation as of September 30, 2023 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%
Alternative Assets	5.45%

Discount rate: A single discount rate of 6.75% was used to measure the total pension liability. This single discount rate was based on the expected rate on pension plan investments of 6.75%. The projection of cash flows used to determine this single discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.75%) was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

A. GENERAL EMPLOYEES' RETIREMENT PLAN (GERP) (Continued)

Net Pension Liability (Asset) *(Continued)*

Changes in Net Pension Liability (Asset):

	General Employees' Retirement Plan Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (asset) (a) - (b)
Total pension liability (asset) - beginning	$ 100,575,989	$ 105,508,555	$ (4,932,566)
Changes for the year:			
Service Cost	1,133,469	-	1,133,469
Interest on the total pension liability	6,704,144	-	6,704,144
Difference between expected and actual experience of the total pension liability	(2,144,586)	-	(2,144,586)
Changes of assumptions	-		-
Contributions - employer	-	1,771,698	(1,771,698)
Contributions - employee	-	253,281	(253,281)
Net investment income	-	(13,772,902)	13,772,902
Benefit payments	(4,777,613)	(4,777,613)	-
Refunds	-	-	-
Pension plan administrative expense	-	(127,789)	127,789
Net change in total pension liability (asset)	915,414	(16,653,325)	17,568,739
Total pension liability (asset) - ending	$ 101,491,403	$ 88,855,230	$ 12,636,173

Sensitivity of the net pension liability (asset) to changes in the discount rate: The following *presents* the net pension liability (asset) of the City calculated using the current discount rates (6.75%) and the liability (asset) using discount rates that are one percentage point lower (5.75%) and one percentage point higher (7.75%) than the current rates:

	General Employees' Retirement Plan		
	1% Decrease 5.75%	Current discount rate 6.75%	1% Increase 7.75%
Net pension liability	$ 23,771,417	$ 12,636,173	$ 3,333,287

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

A. GENERAL EMPLOYEES' RETIREMENT PLAN (GERP) (Continued)

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

For the fiscal year ended September 30, 2023 but based on a measurement date of September 30, 2022, the City recognized a reduction to GERP pension expense of $386,844. This amount is included as a reduction to personal services expenses within the functional program activities.

At September 30, 2023, the City reports deferred outflows and inflows of resources related to the GERP as follows:

	General Employees' Retirement Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 194,962
Net difference between projected and actual earnings on pension plan investments	10,563,669	-
Total	$ 10,563,669	$ 194,962
Net Deferred Outflows/ (Inflows)		$ 10,368,707

Net difference between projected and actual earnings on pension plan investments has a deferred outflows of resources of $17,542,035 and deferred inflows of resources of $6,978,366, resulting in the net outflows of resources of $10,563,669. The City also has contributions subsequent to the measurement date of $1,147,568 will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2023.

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

Year Ending September 30,	Net Deferred Outflows of Resources
2024	$ 1,933,731
2025	2,363,743
2026	1,911,730
2027	4,159,503
	$ 10,368,707

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, are presented as Required Supplementary Information (RSI) following the notes the financial statements, provides additional information about the net pension liability, plan assets and contribution.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

B. POLICE OFFICERS' RETIREMENT PLAN (PORP)

Plan Description

The City maintains a single-employer defined benefit pension Plan established by City Ordinance No. 87-06-38 as amended for the police officers of the City. Membership begins on the date of hire. PORP provides retirement, disability and death benefits to police officers of the City. A more detailed description of the Plan and its provisions appear in ordinances constituting the Plan and in the summary plan description. The Plan year end is September 30, 2023. The Plan issues a publicly available financial statement that includes fiduciary financial statements and required supplementary information. The financial statements may be obtained by writing to: Board of Trustees – Police Officers' Retirement Plan, c/o City of Homestead, Finance Department, 100 Civic Court, Homestead, FL 33030.

Eligibility

All regular permanent City of Homestead employees classified as police personnel.

Service Retirement Benefits

Upon normal retirement, a participant will receive 3.5% of the average of compensation during the highest 5 years out of the last 10 years of credited service prior to termination or retirement, multiplied by years of credited service to a maximum of 80% of average final compensation. Compensation used for the calculation of benefits under the Plan includes (1) base pay, (2) workers' compensation benefits and supplements, (3) longevity pay, (4) accumulated leave pay not to exceed 5% of an employee's base pay during the highest 5 years of employment prior to retirement, and (5) up to 254 hours for overtime compensation received during the highest 5 years of employment prior to retirement.

Early Retirement

A member may retire early after attaining age 50 and completing 10 years of service.

Disability Benefits

A participant with more than 5 years of credited service who becomes totally and permanently disabled in the line of duty and unable to render useful and efficient service as a police officer is eligible for a disability benefit equal to the participant's normal retirement benefits calculated in accordance with section 22.5-68.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

B. POLICE OFFICERS' RETIREMENT PLAN (PORP) (Continued)

Funding Policy

The City is required to contribute an actuarially determined amount that, when combined with participants' contributions and contributions from the State of Florida, will fully provide for all benefits as they become payable. The State of Florida contributions are recorded as revenues and expenditures in the City of Homestead's General Fund. Members of the Plan are required to contribute 7.65% of their base salary and overtime of up to two hundred fifty-four (254) hours.

Investments

The Board of Trustees has developed certain investment guidelines and has retained investment managers to implement the investment objectives. The investment managers are expected to maximize the return on the investment portfolio and may make transactions consistent with that expectation pursuant to the Board's guidelines. The investment balances held by the Plan as of September 30, 2023 are as follows:

Investment Type	Fair Value	Less than One Year	1-5 Years	6-10 Years
Cash and short-term investments	$ 8,315,822	$ 8,315,822	$ -	$ -
Mutual funds-fixed income	34,713,744	-	9,289,117	25,424,627
Sub-total	43,029,566	$ 8,315,822	$ 9,289,117	$ 25,424,627
Stocks	76,639,050			
Real Estate	3,979,083			
Total cash and investments	$ 123,647,699			

Interest Rate Risk – Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. Interest rate risk disclosures are required for all debt investments as well as investments in mutual funds, external investment pools, and other pooled investments that do not meet the definition of a 2a7-like pool. The Plan's investment policy established benchmarks based on credit quality and duration. The benchmarks are monitored and changed when warranted by the investment market environment. Fixed income portfolios are structured and managed to produce returns based on risk inherent in the selected benchmarks.

The Plan's investment policy currently does not allow for investments in fixed income securities with a maturity in excess of 30 years. As of September 30, 2023 the weighted average maturity of the fixed income portfolio was 7.11 years.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The Plan limits its credit risk by limiting its purchases of investments in fixed income securities to U.S. Government and agency securities or a maximum of 20% of the portfolio in securities rated below BBB by Standard and Poor's.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

B. POLICE OFFICERS' RETIREMENT PLAN (PORP) (Continued)

***Investments** (Continued)*

The following table provides a summary of the fixed income investment balances by credit rating.

		Fair value	Percentage of Portfolio
Quality rating of credit risk debt securities:			
N/A	$	34,713,744	100.00%
Total credit risk debt securities		34,713,744	100.01%
Total fixed income securities	$	34,713,744	100.01%

Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event failure of counterparty, the Plan will not be able to recover the value of its investment or collateral securities that are held by the counterparty The Plan has third party custodian arrangements with financial institutions to accept securities on a delivery vs payment basis for direct purchase agreements. All securities purchased by the Plan are deposited as an asset of the Plan in the Plan's name and held in safekeeping by the Plan's custodian bank or a third-party custodian institution.

Concentration of Credit Risk – GASB Standards require disclosure of investments in any one issuer that represents 5% or more of the total of the Plan's investments. The Plan's investment policy places investment limitations and provides target allocations to its investment managers to limit credit risks due to concentration. The Plan's investment policy limits investments in any one issuer of common stock or corporate bond to no more than 5% of the Plan's total assets. However, there are no limitations in government securities. As of September 30, 2023, none of Plan's investments were held with any single issuer that represents 5% or more of the Plan's investments.

Fair Value Measurements – Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

- Cash equivalents which consist of investments with original maturities of three (3) months or less are reported at cost which approximates fair value.

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

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

B. POLICE OFFICERS' RETIREMENT PLAN (PORP) (Continued)

***Investments** (Continued)*

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

The Plan has the following recurring fair value measurements as of September 30, 2023:

		Fair Value Measurements Using
Investments Type	Fair Value as of 9/30/2023	Quoted Prices in Active Markets for Identical Assets (Level 1)
Foreign stock	$ 1,859,790	$ 1,859,790
Common stocks	74,779,260	74,779,260
Total investmenst at fair value	$ 76,639,050	$ 76,639,050
Investment measured at net asset value (NAV)		
Mutual fund-fixed income	34,713,744	
Real estate fund	3,979,088	
Total investments measured @NAV	38,692,832	
Total investments	$ 115,331,882	

Plans valuation methods for investments measured at the net asset value ("NAV") per share (or its equivalent) as of September 30, 2023 are as follows:

Investment measured at net asset value (NAV)	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Mutual fund-fixed income	34,713,744	-	Upon request	N/A
Real estate fund	3,979,088	-	Quarterly	30 days
Total investments measured @NAV	$ 38,692,832	$ -		

The mutual fund – fixed income fund invests assets primarily in fixed income securities. Fund investments also include corporate, asset-backed, and mortgage-backed securities, bank instruments, repurchase agreements, ,and United States government securities. The fair value of the investment in the fund is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

The real estate fund invests in a variety of value-added real estate opportunities throughout the U.S., including, but not limited to, improved properties that have significant appreciation potential through lease-up, new development, redevelopment, repositioning and re-merchandising situations. The fair value of the investment in the fund is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)u

B. POLICE OFFICERS' RETIREMENT PLAN (PORP) (Continued)

Net Pension Liability

The City's net pension liability was measured by the actuarial valuation as of October 1, 2021 and rolled forward to the September 30, 2022 (measurement date). The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Methods and assumption used to determine net pension liability:

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Salary increases	5.75% to 10.50% depending on service
Investment rate of return	7.00%
Retirement Age	Upon eligibility
Mortality	Pre-retirement: PUB-2010 Headcount Weighted Safety Below Median Employee Male Table, set forward one year, and the PUB-2010 Headcount Weighted Safety Employee Female Table, set forward one year. Post-retirement: PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table, set forward one year, and the PUB-2010 Headcount Weighted Safety Healthy Retiree Female Table, set forward one year. Mortality improvements are being made for each year after 2010 using gender-specific MP-2018 projection scales. The mortality assumption is the same as used for Special Risk Members of the Florida Retirement System (FRS) in the July 1, 2020 actuarial valuation, in compliance with Florida Statutes.

Long-term expected rate of return: The long-term expected rate of return on pension plan investments was determined using the long-term nominal building block data less the long-term inflation assumption of 2.50%. The building block long-term real return projections were developed considering the long-term historic capital market returns, 10-15 year expected capital market return assumptions, as well as, historical, current, and expected inflation data.

Best estimates of arithmetic real return for each asset class included in the pension plan's target allocation as of September 30, 2023 are summarized in the following table:

Asset Group	Long-Term Expected Real rate of return
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
Real Estate	4.50%

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

B. POLICE OFFICERS' RETIREMENT PLAN (PORP) (Continued)

***Net Pension Liability** (Continued)*

Discount rate: A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate on pension plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (7.00%) was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability:

	Police Officers' Retirement Plan Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Total pension liability - beginning	$ 130,622,066	$ 124,307,392	$ 6,314,674
Changes for the year:			
Service Cost	3,874,949	-	3,874,949
Interest on the total pension liability	9,528,407	-	9,528,407
Difference between expected and actual experience of the total pension liability	301,167	-	301,167
Changes of assumptions	3,880,678		3,880,678
Contributions - employer	-	5,282,800	(5,282,800)
Contributions - employer (from state)	-	742,896	(742,896)
Contributions - employee	-	840,517	(840,517)
Net investment income	-	(16,074,029)	16,074,029
Benefit payments	(6,137,390)	(6,137,390)	-
Refunds	(4,042)	(4,042)	-
Pension plan administrative expense	-	(153,052)	153,052
Net change in total pension liability	11,443,769	(15,502,300)	26,946,069
Total pension liability - ending	$ 142,065,835	$ 108,805,092	$ 33,260,743

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

B. POLICE OFFICERS' RETIREMENT PLAN (PORP) (Continued)

***Net Pension Liability** (Continued)*

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City calculated as of September 30, 2022 measurement date, using the current discount rate (7.00%) and the liability using discount rates that are one percentage point lower (6.00%) and one percentage point higher (8.00%) than the current rates:

	Police Officers' Retirement Plan		
	1% Decrease 6.00%	Current discount rate 7.00%	1% Increase 8.00%
Net pension liability	$ 51,125,945	$ 33,260,743	$ 18,649,562

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

For the fiscal year ended September 30, 2023 but based on a measurement date of September 30, 2022, the City recognized an increase to the Plan's pension expense of $2,078,432. This amount is included as an increase to personal services expenses within the functional program activities.

At September 30, 2023, the City reports deferred outflows and inflows of resources related to the PORP as follows:

	Police Officers' Retirement Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 244,170	$ -
Change in assumptions	2,739,302	-
Net difference between projected and actual earnings on pension plan investments	11,702,676	-
Total	$ 14,686,148	$ -
Net Deferred Outflows/ (Inflows)		$ 14,686,148

Net difference between projected and actual earnings on pension plan investments has a deferred outflows of resources of $20,764,042, and deferred inflows of resources of $9,061,366, resulting in the net outflows of resources of $11,702,676. Contributions from City and State subsequent to the measurement date of $6,170,091 will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2023.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

B. POLICE OFFICERS' RETIREMENT PLAN (PORP) (Continued)

Pension Expense, Deferred Outflows and Deferred Inflows of Resources Related to Pension *(Continued)*

Other amounts reported as deferred outflows of resources and as deferred inflows of resources related to PORP will be recognized as pension expenses as follows:

Year Ending September 30,		Net Deferred Outflows of Resources
2024	$	3,828,081
2025		2,883,477
2026		3,015,477
2027		4,959,113
	$	14,686,148

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, are presented as Required Supplementary Information (RSI) following the notes to the financial statements, provides additional information about the net pension liability, plan assets and contributions.

C. ELECTED OFFICIALS' RETIREMENT PLAN (EORP)

Plan Description

The City maintains a single-employer defined benefit pension Plan established by City Ordinance 98-05-18 dated June 1, 1998 as amended, which was established to provide retirement benefits to elected officials. A more detailed description of the Plan and its provisions appears in the Ordinances constituting the Plan and in the summary plan description. The Plan year end is December 31, 2022. The Plan issues a publicly available financial statement that includes fiduciary financial statements and required supplementary information. The financial statements may be obtained by writing to: Board of Trustees - Elected Officials' Retirement Plan, c/o City of Homestead, Finance Department, 100 Civic Court, Homestead, FL 33030.

On February 18, 2002, the City established the City of Homestead Elected Officials and Senior Management Retirement Plan (NEW Plan), which included senior management employees effective March 21, 2005 and closed the EORP to new members. On December 1, 2005, the assets of the two plans were segregated to reflect the independence of the two plans.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

C. ELECTED OFFICIALS' RETIREMENT PLAN (EORP) (Continued)

Eligibility

Elected officials of the City of Homestead elected prior to February 18, 2002. No new participants entered the Plan after February 18, 2002.

Service Retirement Benefits

Upon normal retirement, a participant will receive an annual pension benefit equal to 20% of the annual average compensation paid during the highest three years of service. For any service beyond the four years required to vest in the retirement system, the pension shall be increased by 5% of annual average compensation for each and every year of service to a maximum of twenty years and an annual pension equal to 100% of annual average compensation. Said benefit shall increase by 3% as of January 1 of each year after the elected official has been retired for one year. Retirement age is 55 and 4 years of service.

Disability Benefits

Under the Plan, a participant with more than 10 years of credited service who is determined to be totally and permanently disabled and who no longer serves in office shall receive a disability retirement benefit equal to regular retirement benefits or 35% of final average compensation, whichever is greater. In addition, there is a death benefit under the Plan that entitles participants' beneficiaries to a lump sum pay-out if the participant was not vested and a monthly benefit if the participant was vested.

Funding Policy

The City is required to contribute an actuarially determined amount that will fully provide for all benefits as they become payable. The funding policy can only be amended by authorization of the City Council. Participants are not required to contribute to the Plan.

Effective May 30, 2012, the Division of Retirement mandated that local governments confer with the Plan's actuary to select and maintain a method (percentage of payroll or fixed dollar contributions) that best fits the funding requirements of the Plan. The Plan determined to use the "percentage of payroll contribution" method for the year ended December 31, 2022. The actual contribution from the City for active members was actuarially determined using the latest actuarial valuation dated January 1, 2022 for the years ended December 31, 2022 and December 31, 2021.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

C. ELECTED OFFICIALS' RETIREMENT PLAN (EORP) (Continued)

Investments (*Continued)*

The Board of Trustees has developed certain investment guidelines and has retained an investment manager. The investment manager is expected to maximize the return on the investment portfolio and may make transactions consistent with that expectation within the Board's guidelines.

The investment balances held by the Plan as of December 31, 2022 are as follows:

Investment Type	Fair Value	0-12 Months	1-5 Years
Fixed income-corporate bonds	$ 933,715	$ 266,050	$ 667,665
Fixed income-foreign bonds	143,974	99,047	44,927
Sub-total Fixed Income	1,077,689	$ 365,097	$ 712,592
Common stock	1,211,658		
Preferred stock	40,666		
Foreign stock	190,745		
Mutual fund equities	270,922		
Partnerships	263,009		
Sub-total Equities	1,977,000		
Total Investments	$ 3,054,689		

Interest Rate Risk – Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. Interest rate risk disclosures are required for all debt investments as well as investments in mutual funds, external investment pools, and other pooled investments that do not meet the definition of a 2a7-like pool. The Plan's investment policy currently does not set a parameter on the duration of its fixed income securities. However, as of December 31, 2022 the weighted average maturity of the fixed income portfolio was 2.18 years.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The Plan limits its credit risk by limiting its purchases of investments in fixed income securities to U.S. Government and agency securities or corporate bonds which meet or exceed a credit rating of BBB for Standard & Poor's or a Baa for Moody's.

The following table provides a summary of the fixed income investment balances by credit rating.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

C. ELECTED OFFICIALS' RETIREMENT PLAN (EORP) (Continued)

Investments (*Continued)*

S&P Rating		Fair Value	Percentage of Fixed Income
A+	$	99,047	9.19%
A		192,049	17.82%
A-		93,361	8.66%
BBB+		435,003	40.37%
BBB		121,047	11.23%
BBB-		137,182	12.73%
	$	1,077,689	100.00%

The credit ratings for investment purchases must be at least BBB by Standard & Poor's or Baa by Moody's. However, the investment policy does not force an investment sale in the event that there is a credit rating cut by either of the rating agencies. The investments in the portfolio that are currently rated below BBB or Baa, had a credit rating in compliance with the policy at the time of purchase.

Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are held by the counterparty. The Plan has a third-party custodian agreement with a financial institution to accept securities on a delivery vs payment basis for direct purchase agreements. All securities purchased by the Plan are designated as an asset of the Plan in the Plan's name and are held in safekeeping by the Plan's custodian bank or a third-party custodian institution.

Concentration of Credit Risk – GASB Standards require disclosure of investments in any one issuer that represents 5% or more of the total of the Plan's investments. The Plan's investment policy places investment limitations and provides target allocations to its investment manager to limit credit risk due to concentration. The Plan's investment policy limits investments in any issuer of common stock or corporate bonds to no more than 5% and 5% of the Plan's total assets, respectively. However, there are no limitations in government securities. As of December 31, 2022 no investment by any one issuer was above the 5% threshold required for disclosure.

Fair Value Measurements – Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Plan does not have any investments that are categorized as Level 3.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

C. ELECTED OFFICIALS' RETIREMENT PLAN (EORP) (Continued)

Investments (*Continued)*

The following is a description of the valuation methodologies used for the Plan's investments measured at fair value. Level 1 and Level 2, prices are obtained from various pricing sources by the Plan's custodian.

- Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This includes common stock, foreign stock, preferred stock, mutual fund equities, and partnerships.

- Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity (Level 2). This includes corporate bonds, foreign bonds and certificates of deposits.

The Plan has the following recurring fair value measurements as of December 31, 2022.

		Fair Value Measurements Using	
Investments Type	Value as of 12/31/2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Debt securities:			
Corporate and foreign bonds	$ 1,077,689	$ -	$ 1,077,689
Total debt securities	1,077,689	-	1,077,689
Equity securities:			
Common stock	1,211,658	1,211,658	-
Foreign stock	190,745	142,546	48,199
Preferred stock	40,666	40,666	-
Mutual fund equities	270,922	270,922	-
Partnerships	263,009	263,009	-
Total equity securities	1,977,000	1,928,801	48,199
Total investments at fair value	$ 3,054,689	$ 1,928,801	$ 1,125,888

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

C. ELECTED OFFICIALS' RETIREMENT PLAN (EORP) (Continued)

Net Pension Liability (Asset)

The City's net pension liability was measured by the actuarial valuation as of January 1, 2022 and rolled forward to the December 31, 2022 (measurement date). The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Methods and assumption used to determine net pension liability:

Actuarial Cost Method	Entry Age Normal
Salary increases	7.0%
Investment rate of return	6.75% per year, net investment expenses
Retirement Age	100% when first eligible for retirement
Mortality	PUB-2010 Headcount Weighted Below-Median Employee Mortality Table, set back one year for males (pre-retirement) and the PUB-2010 Headcount Weighted Below-Median Healthy Retiree tables, set back one year for males (post-retirement), with mortality improvements projected to each future year after 2010 using Scale MP-2018. These are the same mortality tables used for Regular Class members of the Florida Retirement System (FRS) in the July 1, 2020 actuarial valuation.

Long-term expected rate of return: The long-term expected rate of return on pension plan investment was determined for equities using estimates of a *current risk-free* component that is the same for all asset classes and an *asset-class premium* component that varies by each asset class due to the differences in expected risk for each class. The *current risk-free rate* is estimated using a 20-year forward looking time horizon of the yield of 20-year U.S. Treasury bonds. The *asset-class premium component* was estimated considering historical return on large-cap stocks, interest rates and inflation data, adjusted for the historical income return provided by the risk-free asset. The long-term return for the fixed income securities was determined using the yield-to-maturity on the Bloomberg adjusted for the 15-year horizon premium. The best estimates of arithmetic real return for each asset class included in the pension plan's target allocation as of December 31, 2022 are summarized in the following table:

Asset Group	Long-Term Expected Real Rate of Return
Equities	5.74%
Fixed Income	2.27%

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

C. ELECTED OFFICIALS' RETIREMENT PLAN (EORP) (Continued)

Net Pension Liability (Asset) *(Continued)*

Discount rate: A single discount rate of 6.75% was used to measure the total pension liability. This single discount rate was based on the expected rate on pension plan investments of 6.75%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.75%) was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset):

	Elected Officials Retirement Plan Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (asset) (a) - (b)
Total pension liability (asset) - beginning 12/31/2021	$ 2,861,473	$ 3,888,434	$ (1,026,961)
Changes for the year:			
Service Cost	37,046	-	37,046
Interest on the total pension liability	189,023	-	189,023
Difference between expected and actual experience of the total pension liability	24,794	-	24,794
Contributions - employer	-	69,210	(69,210)
Net investment income	-	(306,932)	306,932
Benefit payments	(196,352)	(196,352)	-
Pension plan administrative expense	-	(35,434)	35,434
Net change in total pension liability (asset)	54,511	(469,508)	524,019
Total pension liability (asset) - ending 12/31/2022	$ 2,915,984	$ 3,418,926	$ (502,942)

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

C. ELECTED OFFICIALS' RETIREMENT PLAN (EORP) (Continued)

Net Pension Liability (Asset) *(Continued)*

Sensitivity of the net pension liability (asset) to changes in the discount rate: The following *presents* the net pension liability (asset) of the City calculated using the current discount rates (6.75%) and the liability (asset) using discount rates that are one percentage point lower (5.75%) and one percentage point higher (7.75%) than the current rates:

	Elected Officials Retirement Plan		
	1% Decrease 5.75%	Current discount rate 6.75%	1% Increase 7.75%
Net pension liability (asset)	$ (177,132)	$ (502,942)	$ (776,048)

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

For the fiscal year ended September 30, 2023 but based on a measurement date of December 31, 2022, the City recognized an increase in the Plan's pension expense of $31,527. This amount is included as an increase to personal services expenses within the functional program activities.

At September 30, 2023, the City reports deferred outflows and inflows of resources related to the EORP as follows:

	Elected Officials Retirement Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	231,446	-
Total	$ 231,446	$ -
Net Deferred Outflows/ (Inflows)		$ 231,446

Net difference between projected and actual earnings on pension plan investments has a deferred outflows of resources of $525,653 and deferred inflows of resources of $294,207, resulting in the net outflows of resources of $231,446. The City also has contributions subsequent to the measurement date of $69,210, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2023.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

C. ELECTED OFFICIALS' RETIREMENT PLAN (EORP) (Continued)

Other amounts reported as deferred outflows of resources related to EORP will be recognized as a reduction of pension expense as follows:

Year Ending September 30,		Net Deferred Outflows of Resources
2024	$	14,175
2025		70,874
2026		33,615
2027		112,782
	$	231,446

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, are presented as Required Supplementary Information (RSI) following the notes to the financial statements, provides additional information about the net pension liability, plan assets and contributions.

D. NEW ELECTED OFFICIALS' AND SENIOR MANAGEMENT RETIREMENT SYSTEM (NEOSMRS)

Plan Description

The City maintains a single-employer defined benefit pension plan established by City Ordinance 2002-02-06 dated February 18, 2002 as amended. The Plan was created to provide retirement benefits to all elected officials of the City of Homestead elected on or after February 18, 2002 and senior management. The Plan is administered by a pension board. The Board has the ability to make recommendations on establishing and amending pension plan provisions which can only be authorized by the City Council. During 2009, a unanimous decision was made to change the Plan year to a calendar year. Therefore, the presentation in these financial statements is as of year ending December 31. A more detailed description of the Plan and its provisions appears in the Ordinances constituting the Plan and in the summary plan description. The Plan year end is December 31, 2022. The Plan issues a publicly available financial statement that includes fiduciary financial statements and required supplementary information. The financial statements may be obtained by writing to: Board of Trustees – New Elected Officials' and Senior Management Retirement Plan, c/o City of Homestead, Finance Department, 100 Civic Court, Homestead, FL 33030.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

D. NEW ELECTED OFFICIALS' AND SENIOR MANAGEMENT RETIREMENT SYSTEM (NEOSMRS) (Continued)

Eligibility

Elected Officials elected on or after February 18, 2002, and the following senior managers if hired on or after January 1, 2005 and prior to April 20, 2009: City Manager, Assistant City Manager or Deputy City Manager.

Pension Benefits

Upon normal retirement, a participant will receive a minimum of 20% of the average compensation paid during the highest three years of service subject to a maximum of 80%. Retirement age is 55 and 5 years of service. The benefits are increased by 2% each year on January 1st beginning after the elected official has been retired for at least five years. Under the Plan, a participant with more than 10 years of credited service who is determined to be totally and permanently disabled and who no longer serves in office shall receive a disability retirement benefit equal to regular retirement benefits or 35% of the participant's final average compensation, whichever is greater. In addition, there is a death benefit under the Plan that entitles participants' beneficiaries to a lump sum pay-out if the participant was not vested and a monthly benefit if the participant was vested.

Funding Policy

The City is required to contribute an actuarially determined amount that will fully provide for all benefits as they become payable. The funding policy can only be amended by authorization of the City Council. Participants are not required to contribute to the Plan, while the City is required to contribute an actuarially determined amount necessary to pay the annual normal cost of the Plan plus the additional amount needed to amortize any unfunded accrued liability.

Effective May 30, 2012, the Division of Retirement mandated that local governments confer with the Plan's actuary to select and maintain a method (percentage of payroll or fixed dollar contributions) that best fits the funding requirements of the Plan. The Plan determined to use the "percentage of payroll contribution" method for the year ended December 31, 2022. The actual contribution from the City for active members was actuarially determined using the latest actuarial valuation dated January 1, 2022.

Investments

The Board of Trustees has developed certain investment guidelines and has retained investment managers to implement the investment objectives. The investment managers are expected to maximize the return on the investment portfolio and may make transactions consistent with that expectation pursuant to the Board's guidelines.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

D. NEW ELECTED OFFICIALS' AND SENIOR MANAGEMENT RETIREMENT SYSTEM (NEOSMRS) (Continued)

Investments (Continued)

The Plan had investment balances as of December 31, 2022:

Investment Type	Fair Value	0-12 Months	1-5 Years	6-10 Years
Bond Mutual funds	$ 693,369	$ -	$ -	$ 693,369
Sub-total	693,369	$ -	$ -	$ 693,369
Mutual funds - equity	3,307,756			
Real Estate Fund	660,547			
Total Investments at fair value	$ 4,661,672			

Interest Rate Risk – Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. Interest rate risk disclosures are required for all debt investments as well as investments in mutual funds, external investment pools, and other pooled investments that do not meet the definition of a 2a7-like pool. The Plan's investment policy currently does not set a parameter on the duration of its fixed income securities. As of December 31, 2022 the weighted average maturity of the fixed income portfolio was 8.48 years.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment.

The following table provides a summary of the fixed income investment balances by credit rating:

S&P Rating	Fair Value	Percentage of Fixed Income
N/R	$ 693,369	100.00%
	$ 693,369	100.00%

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

D. NEW ELECTED OFFICIALS' AND SENIOR MANAGEMENT RETIREMENT SYSTEM (NEOSMRS) (Continued)

Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of investments or collateral securities that are held by the counterparty. The Plan has third party custodian arrangements with financial institutions to accept securities on a delivery vs payment basis for direct purchase agreements. All securities purchased by the Plan are designated as an asset of the Plan in the Plan's name and are held in safekeeping by the Plan's custodian bank or a third-party custodian institution.

Concentration of Credit Risk – GASB Standards require disclosure of investments in any one issuer that represents 5% or more of the total of the Plan's investments. The Plan's investment policy places investment limitations and provides target allocations to its investment managers to limit credit risk due to concentration. The Plan's investment policy limits investments in any one issuer of common stock or corporate bonds to no more than 5% and 10% of the Plan's total assets, respectively. However, there are no limitations in government securities. As of December 31, 2022, no investment by any one issuer was above the 5% threshold required for disclosure.

Fair Value Measurements – Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Plan does not have any investments that are categorized as Level 2 or Level 3.

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

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

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

D. NEW ELECTED OFFICIALS' AND SENIOR MANAGEMENT RETIREMENT SYSTEM (NEOSMRS) (Continued)

***Investments** (Continued)*

The Plan has the following fair value measurements as of December 31, 2022:

		Fair Value Measurements Using
Investments by fair value level:	Value as of 12/31/2022	Quoted Prices in Active Markets for Identical Assets (Level 1)
Bond Mutual funds	$ 693,369	$ 693,369
Total debt securities	693,369	693,369
Equity securities:		
Mutual Funds - equity	3,307,756	3,307,756
Total equity securities	3,307,756	3,307,756
Total investments at fair value	4,001,125	$ 4,001,125
Investments measured at the net asset value ("NAV")		
Real estate fund	660,547	
Total investments	$ 4,661,672	

The Plan valuation methods for investments measured at the net asset value ("NAV") per share (or its equivalent) as of December 31, 2022 are as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currenty Eligible)	Redemption Notice Period
Real estate fund (1)	$ 660,547	$ -	Quarterly	10 business days
Total investments measured at NAV	$ 660,547			

(1) Real Estate Fund: This fund is an open-end diversified core real estate commingled fund whose primary objective is to provide returns that are attractive relative to other asset classes with stable income and the potential for market appreciation. The core fund invests primarily in core institutional, quality industrial, multifamily office, and retail properties located throughout the United States, and is diversified by product type, geographic region, and economic exposure in order to mitigate investment risk.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

D. NEW ELECTED OFFICIALS' AND SENIOR MANAGEMENT RETIREMENT SYSTEM (NEOSMRS) (Continued)

Net Pension Liability (Asset)

The City's net pension liability was measured by the actuarial valuation as of January 1, 2022 and rolled forward to the December 31, 2022 (measurement date). The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Methods and assumption used to determine net pension liability:

Actuarial Cost Method	Entry Age Normal
Salary increases	1.0%
Investment rate of return	6.75% per year, net investment expenses
Retirement Age	100% upon eligibility for retirement
Mortality	PUB-2010 Headcount Weighted Below-Median Employee Mortality Table, set back one year for males (pre-retirement) and the PUB-2010 Headcount Weighted Below-Median Healthy Retiree tables, set back one year for males (post-retirement), with mortality improvements projected to each future year after 2010 using Scale MP-2018. These are the same mortality tables used for Regular Class members of the Florida Retirement System (FRS) in the July 1, 2020 actuarial valuation.

Long-term expected rate of return: The long-term expected rate of return on pension plan investments was determined using the long-term nominal building block data less the long-term assumption of 2.5%. The building block long-term real return projections were developed considering the long-term historic capital market returns, 10-15 year expected capital market return assumptions, as well as, historical, current, and expected inflation data. Best estimates of arithmetic real return for each asset class included in the pension plan's target allocation as of December 31, 2022 are summarized in the following table:

Asset Group	Long-Term Expected Real rate of return
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

D. NEW ELECTED OFFICIALS' AND SENIOR MANAGEMENT RETIREMENT SYSTEM (NEOSMRS) (Continued)

Net Pension Liability (Asset) *(Continued)*

Discount rate: A single discount rate of 6.75% was used to measure the total pension liability. This single discount rate was based on the expected rate on pension plan investments of 6.75%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.75%) was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset):

	New Elected Officials' and Senior Management Retirement System Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (asset) (a) - (b)
Total pension liability (asset) - beginning 12/31/2021	$ 4,875,729	$ 5,896,492	$ (1,020,763)
Changes for the year:			
Service Cost	68,040	-	68,040
Interest on the total pension liability	322,051	-	322,051
Difference between expected and actual experience of the total pension liability	93,697	-	93,697
Contributions - employer	-	109,990	(109,990)
Net investment income	-	(834,062)	834,062
Benefit payments	(345,298)	(345,298)	-
Pension plan administrative expense	-	(47,746)	47,746
Net change in total pension liability (asset)	138,490	(1,117,116)	1,255,606
Total pension liability - ending 12/31/2022	$ 5,014,219	$ 4,779,376	$ 234,843

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

D. NEW ELECTED OFFICIALS' AND SENIOR MANAGEMENT RETIREMENT SYSTEM (NEOSMRS) (Continued)

Net Pension Liability (Asset) *(Continued)*

Sensitivity of the net pension liability (asset) to changes in the discount rate: The following *presents* the net pension liability (asset) of the City calculated using the current discount rates (6.75%) and the liability (asset) using discount rates that are one percentage point lower (5.75%) and one percentage point higher (7.75%) than the current rates:

	New Elected Officials' and Senior Management Retirement System		
	1% Decrease 5.75%	Current discount rate 6.75%	1% Increase 7.75%
Net pension liability (asset)	$ 809,349	$ 234,843	$ (242,521)

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

For the fiscal year ended September 30, 2023 but based on a measurement date of December 31, 2022, the City recognized an increase in the Plan's pension expense of $10,314. This amount is included as an increase to personal services expenses within the functional program activities.

At September 30, 2023, the City reports deferred outflows and inflows of resources related to the Plan as follows:

	New Elected Officials' and Senior Management Retirement System	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 81,343	$ -
Changes in assumptions	-	49,106
Net difference between projected and actual earnings on pension plan investments	418,481	-
Total	$ 499,824	$ 49,106
Net Deferred Outflows/ (Inflows)		$ 450,718

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

D. NEW ELECTED OFFICIALS' AND SENIOR MANAGEMENT RETIREMENT SYSTEM (NEOSMRS) (Continued)

Net difference between projected and actual earnings on pension plan investments has a deferred outflows of resources of $1,059,361 and deferred inflows of resources of $608,643, resulting in the net outflows of resources of $450,718. The City also has contributions subsequent to the measurement date of $111,098, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2023.

Other amounts reported as deferred outflows of resources related to NEOSMRS will be recognized as a reduction of pension expense as follows:

Year Ending September 30,		Net Deferred Outflows of Resources
2024	$	(37,344)
2025		82,627
2026		160,929
2027		244,506
	$	450,718

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, are presented as Required Supplementary Information (RSI) following the notes to the financial statements, provides additional information about the net pension liability, plan assets and contributions.

E. FIREFIGHTERS' RETIREMENT SYSTEM (HFRS)

Plan Description

The following description of the City of Homestead Firefighters' Retirement System is provided for general information only. Participants should refer to the Plan agreement for more complete information. The Plan year end is December 31, 2022. The Plan issues a publicly available financial statement that includes fiduciary financial statements and required supplementary information. The financial statements may be obtained by writing to: Board of Trustees – Firefighters' Retirement System, C/O City of Homestead, Finance Department., 100 Civic Court, FL 33030.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

E. FIREFIGHTERS' RETIREMENT SYSTEM (HFRS) (Continued)

Eligibility

The Plan is a single-employer defined benefit pension plan, covering members of the City of Homestead Firefighters. No new participants entered the Plan after 1978.

Pension Benefits

Participants are entitled to monthly pension benefits beginning at normal retirement age (55). Normal retirement benefit is in the form of an annuity equal to the lesser of 3% of average compensation multiplied by the number of years of service or to a maximum 80% of average compensation.

Disability Benefits

A member who becomes permanently and totally disabled and has at least five years of credited service is entitled to receive a monthly benefit based upon the accrued benefit at date of disability reduced to reflect an early commencement date. Under all circumstances it will not be less than 50% of average compensation.

Termination Benefits

If a vested participant is terminated, the participant is entitled to receive (a) a monthly benefit commencing on the normal retirement date or (b) a reduced early benefit on the date of eligibility for an early retirement benefit.

Death Benefit

The Plan provides a pre-retirement death benefit. The benefit payable for members with 10 or more years of credited service is equal to the amount the member would have received under early or normal retirement. Members with less than 10 years of credited service, the pre-retirement death benefit is payable in a lump sum amount equal to the participants contribution account.

Funding Policy

Contributions to the Plan are provided by the State of Florida and the City. The City is required to contribute an actuarially determined amount. State of Florida contributions are recorded as revenues and expenditures in the City of Homestead's General Fund.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

E. FIREFIGHTERS' RETIREMENT SYSTEM (HFRS) (Continued)

State of Florida Excess Contributions

Florida Statutes outline minimum Plan benefits. Costs associated with making benefit improvements are required only to the extent that additional State contributions (premium tax revenue) are available. Premium tax revenue is determined as the excess of tax revenues earned subsequent to December 31, 1997 over the tax revenue earned for 1997. Excess revenues must be used to fund benefits in addition to or greater than those provided to participants.

Investments

The Board of Trustees has engaged outside investment professionals to manage Plan assets. Firms registered with the Securities and Exchange Commission as investment advisors manage fixed income and equity assets of the Plan. The investment custodian is responsible for the activity and safeguarding of the investment assets. The Board also utilizes an investment consultant to provide advice on manager performance and investment policy amendments and benchmarks.

The Plan investments are managed by Highland Capital Management LLC. Plan assets are held in custodial accounts with Salem Trust.

The Plan had investment balances as of December 31, 2022:

Investment Type	Fair Value	0-12 Months	1-5 Years	6-9 Years	10 + Years
Fixed income securities	$ 4,133,237	$ 181,609	$ 1,933,072	$ 753,864	$ 1,264,692
Sub-total : fixed income	4,133,237	$ 181,609	$ 1,933,072	$ 753,864	$ 1,264,692
Common stocks	1,748,618				
Mutual Funds equity	460,688				
Total Investments at fair value	$ 6,342,543				

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

E. FIREFIGHTERS' RETIREMENT SYSTEM (HFRS) (Continued)

***Investments** (Continued)*

Interest Rate Risk – Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. Interest rate risk disclosures are required for all debt investments as well as investments in mutual funds, external investment pools, and other pooled investments that do not meet the definition of a 2a7-like pool. The Plan does not have a written policy that limits investment maturities as a means of managing its exposure to losses arising from interest rate fluctuations. The Plan evaluates its portfolio to determine if based on the interest rate environment, other investment vehicles would provide higher yields that lower the cost of risk.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The Plan limits its credit risk by limiting its investments in fixed income securities to U.S. Government and agency securities or corporate bonds which meet or exceed a credit rating of BBB for Standard & Poor's or Baa for Moody's. As of December 31, 2022, the Plan's corporate bonds were rated between A1 and Baa3 by Moody's Investor Services.

Moody's Rating	Corporate Bonds Fair Value	Percentage of Fixed Income
Between A1 and Baa3	$ 1,713,492	41.46%

Custodial Credit Risk – The custodial credit risk for investments is the risk that investment securities are uninsured, are not registered in the name of the Plan and are held by a counterparty or the counterparty's trust department or agent but not in the Plan's name. The custodial risk, is that, in the event of failure of the counterparty to a transaction, the Plan will not be able to recover the value of the investment that is in the possession of an outside party.

Consistent with the Plan's investment policy, the investments are held by a third-party custodian. Investments held by the custodian are registered in the custodian's name as nominee. The Plan requires that the custodian insure all Plan investments in accordance with terms of the custodial agreement.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

E. FIREFIGHTERS' RETIREMENT SYSTEM (HFRS) (Continued)

***Investments** (Continued)*

Concentration of Credit Risk – GASB Standards require disclosure of investments in any one issuer that represents 5% or more of its total investments. The Plan's investment policy places investment limitations and provides target allocations to its investment managers to limit credit risk due to concentration.

As of December 31, 2022, investments in Vanguard 500 Index Fund of $451,213 exceeded 5% of the Plan's total investments.

Fair Value Measurements – Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Plan does not have any investments that are categorized as Level 3.

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

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

- Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This includes common stock, and American depository receipts and mutual fund equities.

- Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity (Level 2). This includes U.S. Treasury bonds and notes, inflation-indexed bonds, U.S federal agencies, mortgage-backed and collateralized securities, municipal bonds, mutual bond funds and corporate obligations, including asset-backed, foreign bonds and notes.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

E. FIREFIGHTERS' RETIREMENT SYSTEM (HFRS) (Continued)

***Investments** (Continued)*

The Plan has the following fair value measurements as of December 31, 2022:

		Fair Value Measurements Using	
Investments Type	Value as of 12/31/2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Equity securities	$ 1,748,618	$ 1,525,418	$ 223,200
Mutual Funds	460,688	460,688	-
Corporate bonds	1,713,492	-	1,713,492
Government securities	2,081,685	37,814	2,043,871
Municipal obligations	237,433	-	237,433
Certificate of deposit	100,627	-	100,627
Total fair value	$ 6,342,543	$ 2,023,920	$ 4,318,623

Net Pension Liability (Asset)

The City's net pension liability was measured by the actuarial valuation as of January 1, 2022 and rolled forward to the December 31, 2022 (measurement date). The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Methods and assumption used to determine net pension liability:

Actuarial Cost Method	Entry Age Normal
Inflation	2.0%
Salary increases	N/A
Investment rate of return	3.50% net of investment related expenses
Retirement Age	N/A
Mortality	The same mortality tables and improvement scales used by the Florida Retirement System (FRS) for Special Risk Class members in the July 1, 2020 actuarial valuation, in compliance with Florida Statutes Chapter 112.63(1)(f), which mandates use of same mortality assumptions from one of the two most recently published FRS actuarial valuation reports.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

E. FIREFIGHTERS' RETIREMENT SYSTEM (HFRS) (Continued)

Net Pension Liability (Asset) *(Continued)*

Discount rate: A single discount rate of 3.50% was used to measure the total pension liability. This single discount rate was based on the expected rate on pension plan investments of 3.50%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (3.50%) was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term expected rate of return: The long-term expected rate of return on pension plan investments was determined using the long-term nominal building block data less the long-term inflation assumption of 2.5%. The building block long-term real return projections were developed through a evaluation process overseen by the AndCo Investment Policy Committee. The Committee considered many factors, including but not limited to, the intellectual capital of tenured professionals, long-term historic capital market returns, 10-15 year expected capital market return assumptions, as well as, historical, current, and expected inflation data. The projection of long-term real returns for the plan's target allocation as of December 31, 2022 are summarized in the following table:

Asset Group	Long-Term Expected Real Rate of Return
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

E. FIREFIGHTERS' RETIREMENT SYSTEM (HFRS) (Continued)

Net Pension Liability (Asset) *(Continued)*

Changes in Net Pension Liability (asset):

	Firefighters Retirement system Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (asset) (a) - (b)
Total pension liability (asset) - beginning 12/31/2021	$ 7,210,010	$ 7,980,551	$ (770,541)
Changes for the year:			
Interest on the total pension liability	242,913	-	242,913
Difference between expected and actual experience of the total pension liability	146,844	-	146,844
Contributions - employer (from state)	-	276,231	(276,231)
Net investment income	-	(856,298)	856,298
Benefit payments	(744,665)	(744,665)	-
Pension plan administrative expense	-	(89,200)	89,200
Other (change in share plan reserve)	205,409	-	205,409
Net change in total pension liability (asset)	(149,499)	(1,413,932)	1,264,433
Total pension liability - ending 12/31/2022	$ 7,060,511	$ 6,566,619	$ 493,892

Sensitivity of the net pension liability (asset) to changes in the discount rate: The following presents the net pension liability (asset) of the City calculated using the current discount rates (3.50%) and the liability (asset) using discount rates that are one percentage point lower (2.50%) and one percentage point higher (4.50%) than the current rates:

	Firefighters Retirement System		
	1% Decrease 2.50%	Current discount rate 3.50%	1% Increase 4.50%
Net pension liability (asset)	$ 1,209,717	$ 493,892	$ (103,094)

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

E. FIREFIGHTERS' RETIREMENT SYSTEM (HFRS) (Continued)

Net Pension Liability (Asset) *(Continued)*

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

For the fiscal year ended September 30, 2023 but based on a measurement date of December 31, 2021, the City recognized an increase in the Plan's pension expense of $222,719. This amount is included as an increase to personal services expenses within the functional program activities. At September 30, 2023, the City reports deferred outflows and inflows of resources related to the Plan as follows:

	Firefighters Retirement System	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on pension plan investments	$ 417,001	$ -
Total	$ 417,001	$ -
Net Deferred Outflows/ (Inflows)		$ 417,001

Net difference between projected and actual earnings on pension plan investments has a deferred outflows of resources of $900,687 and deferred inflows of resources of $483,686, resulting in the net outflows of resources of $417,001. The City also has contributions from the State subsequent to the measurement date of $70,822, which will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2023.

Amounts reported as deferred outflows of resources related to HFRS will be recognized as a reduction of pension expense as follows:

Year Ending September 30,	Net Deferred Outflows of Resources
2024	$ (80,000)
2025	117,631
2026	154,199
2027	225,171
	$ 417,001

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, are presented as Required Supplementary Information (RSI) following the notes of the financial statements, provides additional information about the net pension liability, plan assets and contributions.

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

The following table summarized the aggregate amount for all five pension plans presented above for the period as of the indicated measurement date:

	Measurement Date	Net Pension Asset	Net Pension (liability)	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/(Inflows) of Resources	Pension Expense (income)
General Employees' Retirement Plan	9/30/2022	$ -	$ (12,636,173)	$ 17,542,035	$ (7,173,328)	$ 10,368,707	$ (386,844)
Police Officers' Retirement Plan	9/30/2022	-	(33,260,743)	23,747,514	(9,061,366)	14,686,148	2,078,432
Elected Officials' Retirement Plan	12/31/2022	502,942	-	525,653	(294,207)	231,446	31,527
New Elected Officials and Senior Management Retirement System	12/31/2022	-	(234,843)	1,059,361	(608,643)	450,718	10,314
Firefighters' Retirement System	12/31/2022	-	(493,892)	900,687	(483,686)	417,001	222,719
		$ 502,942	$ (46,625,651)	$ 43,775,250	$ (17,621,230)	$ 26,154,020	$ 1,956,148
By Activities type:							
Governmental Activities		$ 502,942	$ (38,307,533)	$ 32,227,710	$ (12,899,185)	$ 19,328,525	$ 2,194,167
Business-type Activities		-	(8,318,118)	11,547,540	(4,722,045)	6,825,495	(238,019)
Total:		$ 502,942	$ (46,625,651)	$ 43,775,250	$ (17,621,230)	$ 26,154,020	$ 1,956,148

Reconciliation of Deferred Outflows of Resources above to Statement of Net Position on page 25:

	Measurement Date	Deferred Outflows of Resources: Per GASB 68	Deferred Outflows of Resources: Contributions made after measurement date	Total Deferred Outflows Statement of Net Position (Page 25)
General Employees' Retirement Plan	9/30/2022	$ 17,542,035	$ 1,147,568	$ 18,689,603
Police Officers' Retirement Plan	9/30/2022	23,747,514	6,170,091	29,917,605
Elected Officials' Retirement Plan	12/31/2022	525,653	69,210	594,863
New Elected Officials and Senior Management Retirement System	12/31/2022	1,059,361	111,098	1,170,459
Firefighters' Retirement System	12/31/2022	900,687	70,822	971,509
		$ 43,775,250	$ 7,568,789	$ 51,344,039
By Activities type:				
Governmental Activities		$ 32,227,710	$ 6,813,370	$ 39,041,080
Business-type Activities		11,547,540	755,419	12,302,959
Total:		$ 43,775,250	$ 7,568,789	$ 51,344,039

NOTE 13. MUNICIPAL EMPLOYEES RETIREMENT PLANS (Continued)

F. DEFINED CONTRIBUTION PLAN

City Managers' Defined Contribution Plan

The City offers a defined contribution plan for the City Manager created in accordance with Internal Revenue Service Code Section 401(a) and Ordinance Number 97-01-06 dated January 21, 1997. The Plan covers only the City Manager. The City contributes 18% of salary. Plan provisions may be amended by the City Council. The Plan is held in a trust for the exclusive benefit of the participant and the participants' beneficiaries by a third-party administrator. Consequently, the City has no fiduciary responsibility, and therefore, the assets of the Plan are not included in the City's financial statements. The City made no contribution to the Plan for the fiscal year ended September 30, 2023.

Executive Employees' Defined Contribution Plan

The City offers a defined contribution plan for department directors, assistant directors, and assistant city managers created in accordance with Internal Revenue Service Code Section 401(a) and Ordinance Number 97-03-15 dated April 1, 1997. At September 30, 2023 there were 11 Plan members. Plan members are required to contribute 5% to the Plan and are fully vested after one year of service. The City is required to contribute 13% of the participants' earnings. Plan provisions may be amended by the City Council. The Plan is held in a trust for the exclusive benefit of the participants and the participants' beneficiaries by a third-party administrator. Consequently, the City has no fiduciary responsibility, and therefore, the assets of the Plan are not included in the City's financial statements. The City contributed totaling $236,609 to the Plan for the fiscal year ended September 30, 2023.

General Employees' Defined Contribution Plan

As of April 1, 2009, general employees have the option of participating in the General Employees' defined contribution plan. The Plan was created in accordance with Internal Revenue Service Code Section 401(a) and Resolution Number R2009-03-37. The City will match employee contributions up to 8% of pay. Plan provisions may be amended by the City Council. The Plan is held in a trust for the exclusive benefit of the participants and the participants' beneficiaries by a third-party administrator. Consequently, the City has no fiduciary responsibility, and therefore, the assets of the Plan are not included in the City's financial statements. The City contributed $638,428 to the Plan for the fiscal year ended September 30, 2023.

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

The City administered a single-employer defined benefit plan (the "OPEB Plan") that provides medical and life insurance benefits to eligible retired employees and their beneficiaries. The City presently offers retired employees the opportunity to retain post-employment health and life insurance at the same premium charged to regular employees. The Plan is not accounted for as a trust fund since an irrevocable trust has not been established to fund the plan. The Plan has no assets and does not issue a separate financial report.

At September 30, 2023, the OPEB Plan covered 195 active employees and 40 retirees for health insurance.

Except for elected officials in the EORP Pension Plan, the City does not provide funding for any portion of the premiums after retirement; however, the City recognizes that there is an implicit subsidy arising as a result of the blended rate premium since retiree health care costs, on the average, are higher than active employee health costs.

Funding Policy

The City currently funds this benefit on a pay-as-you-go basis and intends to continue this practice.

Total OPEB Liability

Valuation Date:	10/01/2021
Measurement Date:	10/01/2022
Reporting date:	09/30/2023

At September 30, 2023, the City reported the following:

Total OPEB liability:	$ 8,675,164
Total covered payroll:	$ 31,269,142
OPEB liability as a percentage of covered payroll:	28%.

Methods and assumption used to determine Total OPEB liability:

Actuarial Cost Method	Entry Age Normal
Discount Rate	3.87%
HealthCare Cost Trend Rates	6.0% for 2024; 5.5% for 2025; 5.0% 2026 to later years
Mortality Rate	RF-2017 mortality table (combined healthy lives) with projected mortality

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Total OPEB Liability *(Continued)*

Changes in Total OPEB Liability:

	OPEB Liability
Total OPEB liability- beginning 9/30/2022	$ 11,622,958
Changes for the year:	
Service cost	225,494
Interest cost	257,082
Changes of benefit terms	-
Difference between expected and actual experience	(1,259,692)
Change of assumptions	(1,964,634)
Benefit payments	(206,044)
Net change in OPEB liability	(2,947,794)
Total OPEB liability- ending 9/30/2023	$ 8,675,164
By Activities type:	
Governmental Activities	$ 5,607,878
Business-type Activities	3,067,286
Total:	$ 8,675,164

Sensitivity of OPEB liability to changes in the discount rate: The following presents the OPEB liability of the City, as well as what the City's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	Sensitivity Testing to change in interest discount assumption		
	1% Decrease	Selected discount rate	1% Increase
Discount rate assumption	2.87%	3.87%	4.87%
Total OPEB liability	$ 9,774,106	$ 8,675,164	$ 7,776,141

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

***Total OPEB Liability** (Continued)*

Sensitivity of OPEB liability to changes in medical costs trend rate: The following presents the OPEB liability of the City, as well as what the City's OPEB liability would be if it were calculated using a medical costs trend rate that is 1-percentage-point lower (5.5%) or 1-percentage-point higher (7.5%) than the current medical costs trend rate:

	Sensitivity Testing to change in medical costs trend assumption		
	1% Decrease	Selected Trend rate	1% Increase
Medical costs trend assumption	5.5%	6.5%	7.5%
Total OPEB liability	$ 7,779,203	$ 8,675,164	$ 9,747,132

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

For the fiscal year ended September 30, 2023 but based on a measurement date of October 1, 2022, the City recognized a reduction to the Plan's OPEB expense of $1,483,957. This amount is included as a decrease to personal services expenses within the functional program activities.

At September 30, 2023, the City reports deferred outflows and inflows of resources related to the Plan as follows:

	OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 6,001,192
Changes in assumptions	-	3,931,340
Expected benefit payments subsequent to the measurement date of 10/1/2022	187,345	-
Total	$ 187,345	$ 9,932,532
By Activities type:		
Governmental Activities	$ 121,106	$ 6,420,675
Business-Type Activities	66,239	3,511,857
Total	$ 187,345	$ 9,932,532

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB *(Continued)*

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

Year Ending September 30,	Net Deferred Inflows of Resources
2024	$ (1,779,187)
2025	(1,779,187)
2026	(1,779,187)
2027	(1,308,747)
2028	(1,321,097)
2029+	(1,965,127)
	$ (9,932,532)

The schedule of changes in the City's total OPEB liability and related ratios presented as Required Supplementary Information (RSI) following the notes to the financial statements, provides additional information about the OPEB liability.

NOTE 15. SELF-INSURANCE PROGRAMS

The City is exposed to various risks of loss including public liability, workers' compensation and property and casualty. The City administers its self-insurance program through two internal service funds, the Workers' Compensation Fund and the Self-Insurance Fund, which are combined for financial statement presentation. All operating departments of the City participate in the program and make payments to the self-insurance funds. The self-insurance funds allocate the cost of providing claims servicing and claims payment by charging these departments a pro rata share of these costs, based on a percentage of each operating departments estimated current year payroll and also by the actual property insurance paid by the Self-Insurance Fund.

The self-insurance fund liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but have not been reported. Because actual claims liabilities depend on a number of factors, the process used in computing claims liability does not result in an exact amount. Claims liabilities are re-evaluated annually to incorporate claims settlements, court decisions and additional information as determined by a self-insurance actuarial review performed by outside consultants.

NOTE 15. SELF-INSURANCE PROGRAMS (Continued)

A claims liability of approximately $4,963,000 was actuarially determined by an outside actuary at September 30, 2023. Changes in liabilities during the years ended September 30, 2023 and 2022 are presented in the following table:

	Liability at Beginning Year	Current Year Claims	Claim Payments	Liability at End of Year	Due within One Year
2023					
Worker's compensation	$ 1,489,093	$ 1,171,751	$ 1,131,016	$ 1,529,828	$ 411,940
General and auto liabilities	3,416,544	997,871	981,296	3,433,119	816,388
2023 Total	$ 4,905,637	$ 2,169,622	$ 2,112,312	$ 4,962,947	$ 1,228,328
2022					
Worker's compensation	$ 1,508,120	$ 667,930	$ 686,957	$ 1,489,093	$ 334,629
General and auto liabilities	3,019,829	1,238,628	841,913	3,416,544	818,123
20221 Total	$ 4,527,949	$ 1,906,558	$ 1,528,870	$ 4,905,637	$ 1,152,752

The Self-Insurance Fund accounts for the following lines of coverage:

Workers' Compensation – Since 1985, the City has provided workers' compensation coverage through self-insurance and purchased excess insurance commercially. The City's self-insured retention has been $250,000 per claim since October 2014.

General and Automobile Liabilities – The City's primary policy for its liability risks has a $6,000,000 general aggregate with a $100,000 self-insured retention deductible per occurrence, with the exception of the self-insurance retention deductible for the law enforcement liability which is $200,000. There have been no judgments or settlement of claims during the past three years that have exceeded the City's commercial insurance limits. This self-insurance program was created in 1977 and is subject to the limitations of sovereign immunity.

NOTE 16. COMMITMENTS AND CONTINGENCIES

a. Litigation

The City is currently a defendant in multiple lawsuits. While the results of these lawsuits cannot be determined at this time, City Management and Legal Counsel believe that the settlement of most of these cases, except for two, is unlikely to have a material adverse effect on the financial condition of the City.

NOTE 16. COMMITMENTS AND CONTINGENCIES (Continued)

The City faces two litigation issues with unpredictable results and indeterminable amounts, which could have a financial impact exceeding $750,000 either separately, or in the aggregate. This potential impact requires disclosure, not accrual, in accordance with generally accepted accounting principles, as the probability of future events confirming the loss is more than remote yet not probable.

The following two cases are noted as pending or threatened claims and assessments:

(1) A plaintiff has filed a lawsuit against the City and four of its police officers. The case is being vigorously defended. Should the plaintiff prevail and the City be deemed liable, the plaintiff's attorney may be entitled to attorney's fees. The City possesses insurance coverage for the claim.

(2) The second case involves a lawsuit stemming from a vehicular accident resulting in three fatalities, with allegations of negligence against an officer and the City for hiring and retaining the officer. The case is currently in the discovery stage. While the full value of all of the claims are in excess of the statutory cap, state law limits any recovery in excess of $300,000 in the aggregate absent a special legislative claims bill which is a long and arduous process. In the event of a legislative claims bill, the Preferred Government Insurance Trust policy will indemnify the City for the full amount of the policy limits.

b. Compliance Audits

Amounts received or receivable from granting agencies are subject to audit and adjustment by Federal and State grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount 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 insignificant.

c. Florida Petroleum Reprocessors Superfund Site

In the late 1990s, the United States Environmental Protection Agency (EPA) identified the City, together with several hundred other entities, as a potentially responsible party (PRP) with respect to the Florida Petroleum Reprocessors Superfund Site (FPR site). According to the EPA, the City is jointly and severally liable for all necessary costs of response incurred in connection with the cleanup of the FPR site. The PRP group, including the City, have finalized a consent decree with the EPA to share the costs of undertaking the assessment of the FPR site and a cleanup of a portion of the site. The consent decree was entered as a final order by the United States District Court for the Southern District of Florida on January 23, 2006. The City has contributed $68,475 toward that effort to date. While a part of the cleanup has been completed (the onsite soil and groundwater), a large plume of contaminated groundwater extends offsite. The PRP group is responsible for the cleanup of the plume. The FPR site will remain on the U.S. EPA list of Superfund sites for at least several more years. Cleanup of the offsite groundwater contamination, which is being accomplished through "natural attenuation," is ongoing and no estimated completion date has been identified.

NOTE 16. COMMITMENTS AND CONTINGENCIES (Continued)

d. Power Sales Contracts

In connection with the City's participation in certain Florida Municipal Power Agency projects, the City is committed to purchase its entitlement share of capacity and must take energy generation of these projects as defined in the power sales contracts. The City's cost of power purchased under these power sales contracts, which extend through 2042, total approximately $223 million plus interest imputed at annual rate at 5%. The City intends to meet its obligations under these agreements. Purchased power during fiscal 2023 was sufficient to meet the City's commitment under the power sales contracts.

Required purchase commitments under these contracts for future fiscal years are approximately as follows:

Fiscal year ending September 30:	
2024	$ 16,508,000
2025	16,838,000
2026	17,175,000
2027	17,074,000
2028	17,265,000
2029 - 2033	45,856,000
2034 - 2038	44,063,000
2039 - 2043	48,649,000
Total	223,428,000
Less amount representing interest	69,232,000
Total present value	$ 154,196,000

e. Homestead Miami Speedway

The City of Homestead is a party in a long-term Management and Operations agreement with Homestead Miami Speedway, LLC to manage and operate the Homestead Miami Speedway. The agreement provides for the City to receive annual City base payments through its expiration on December 31, 2032. Future base City payments are as follows:

Fiscal year ending September 30:	
2024	$ 1,000,000
2025	1,000,000
2026	1,000,000
2027	1,000,000
2028	1,000,000
2029 - 2032	4,000,000
Total	$ 9,000,000

NOTE 17. HOMESTEAD COMMUNITY REDEVELOPMENT AGENCY (CRA)

For fiscal year 2023 total property tax revenues for the CRA amounted to $4,800,446. Of the total amount, $2,069,594 was from property taxes levied by Miami-Dade County and $2,730,892 was from property taxes levied by the City.

The following projects were completed, ongoing or planned during fiscal year ending September 30, 2023:

Projects completed in fiscal year 2023:

1. Acquired three (3) four-unit apartment buildings and one duplex to be demolished.
2. Started Phase 1 Dumpster Enclosure Project.
3. Released RFP for Mixed-use Transit Oriented Development.
4. Land/Property acquisition.
5. Held groundbreaking for four (4) new homes for First Time Homebuyers.
6. Completed Phase I of SW 4th Street Beautification Project.
7. Implemented "Rock the Block" Beautification Project on SW 6th Street.
8. Sponsored and hosted a Pathways to Homeownership initiative for first-time homebuyers.
9. Host one (1) Small Business Clinic.
10. Awarded three (3) Business Incentive Grant to increase economic development.
11. Awarded five (5) Residential Improvement grants.
12. Purchase of 204/220/230 Krome Avenue and 28 & 32 NW 2nd Street for new food hall and entertainment venue.
13. Awarded one $10,000 First-time Homebuyer grant.

Projects planned for fiscal year 2024:

1. Demolish unsafe structures.
2. Start and complete Phase II Dumpster Enclosure Project.
3. Pending negotiations with Developer on the Mixed-use Transit Oriented Development.
4. Continuing Land/Property acquisitions.
5. Construct four (4) new homes for First Time Homebuyers.
6. Start Phase II of SW 4th Street Beautification Project.
7. Host two (2) "Rock the Block" Beautification Projects.
8. Continuing to Sponsor and host additional Pathways to Homeownership initiatives for first-time homebuyers.
9. Award $1.5 million in Business Incentive Grants to increase property values and economic development throughout the CRA area.
10. Award ten (10) Residential Improvement grants.
11. Renovate 204/220/230 Krome Avenue and 28 & 32 NW 2nd Street (parking lot) and open a new food hall and entertainment venue.
12. Award five (5) $10,000 First-time Homebuyer grants.
13. Hold preconstruction groundbreaking for Triangle Project.
14. Complete site plan for Homestead LIVE. Release RFP for operator.
15. Break-ground on Flagler Flats.

NOTE 17. HOMESTEAD COMMUNITY REDEVELOPMENT AGENCY (CRA) (Continued)

Expenditures incurred during fiscal year 2023 related to these projects are as follows:

	Expenditures
General government	$ 2,425,793
Public safety	458,490
Public works	426,700
Parks & recreation	374,310
Capital outlay	6,352,946
Interest Expense	56,000
Total Expenditures	$ 10,094,239

A separated independently published financial statements for the CRA may be obtained by contacting: CRA Director, 212 NW, 1st Avenue, Homestead, Florida 33030.

NOTE 18. AMERICAN RESCUE PLAN ACT OF 2021 (ARPA)

On March 11, 2021, the American Rescue Plan Act of 2021 ("ARPA") was signed into law which provides for additional funding for state and local governments to help in the nation's recovery from the public health and economic impacts of the COVID-19 pandemic, as well as to equip cities and towns with the tools necessary to start building a stronger and more equitable future over the next decade.

On May 19, 2021, the City received the first tranche of ARPA funding of $9,596,043 and on June 4, 2022, the City received the final tranche of $9,596,043. The City expended $ 9,000 of ARPA funds in FY 2021, $800,109 in FY 2022, and $2,801,190 in FY 2023 and is also currently determining which projects will be completed and funded from the remaining ARPA funds.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

GENERAL FUND

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes:				
Property taxes	$ 22,718,680	$ 22,718,680	$ 22,766,110	$ 47,430
Fuel taxes	1,239,624	1,239,624	1,449,845	210,221
Franchise taxes	48,000	48,000	195,172	147,172
Utility taxes	1,722,389	1,722,389	1,653,882	(68,507)
Communication service taxes	1,601,704	1,601,704	1,764,066	162,362
Half cent sales taxes	6,708,408	6,708,408	8,687,352	1,978,944
Total taxes	34,038,805	34,038,805	36,516,427	2,477,622
Licenses and permits	2,507,500	2,507,500	2,289,553	(217,947)
Intergovernmental:				
State revenue sharing	4,007,228	4,007,228	5,211,075	1,203,847
State insurance premium taxes	1,012,126	1,012,126	1,767,041	754,915
County revenue sharing	75,000	75,000	106,625	31,625
Total intergovernmental	5,094,354	5,094,354	7,084,741	1,990,387
Charges for services:				
Recreation fees	272,266	272,266	273,611	1,345
Other fees	892,395	892,395	1,229,978	337,583
Total charges for services	1,164,661	1,164,661	1,503,589	338,928
Fines and forfeitures	390,000	390,000	249,883	(140,117)
Investment income (loss)	180,000	180,000	1,379,030	1,199,030
Payments in lieu of taxes	7,890,456	7,890,456	7,890,456	-
Rentals and other revenues	8,593,961	8,593,961	9,041,379	447,418
Total other revenues	17,054,417	17,054,417	18,560,748	1,506,331
Total revenues	$ 59,859,737	$ 59,859,737	$ 65,955,058	$ 6,095,321

(Continued)

See note to budgetary comparison schedule.

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

GENERAL FUND

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Expenditures:				
General government:				
Mayor and Council	$ 1,070,539	$ 1,070,539	$ 1,005,588	$ 64,951
City Attorney	1,000,000	1,260,000	1,249,277	10,723
City Manager	815,971	854,971	839,192	15,779
City Clerk	732,831	732,831	703,743	29,088
Planning & Zoning	2,135,877	2,245,877	2,226,224	19,653
Finance	2,085,770	2,085,770	2,061,496	24,274
Procurement	1,045,093	1,161,882	1,110,560	51,322
ITS	1,240,965	1,265,965	1,250,897	15,068
General Administration	4,735,591	2,988,059	2,278,077	709,982
Human resources	577,738	630,738	615,642	15,096
Total general government	15,440,375	14,296,632	13,340,696	955,936
Public safety:				
Police & Insurance Premium Tax (Pass-thru)	32,930,322	32,810,986	32,621,949	189,037
Fire - Insurance Premium Tax (Pass-thru)	299,229	299,229	861,783	(562,554)
Building department	1,968,656	1,968,656	1,832,242	136,414
Total public safety	35,198,207	35,078,871	35,315,974	(237,103)
Public works and services:				
Streets	1,408,394	1,567,677	1,541,397	26,280
Total public works	1,408,394	1,567,677	1,541,397	26,280
Parks, recreation and facility maintenance	6,769,176	6,750,676	6,604,384	146,292
Total parks and recreation	6,769,176	6,750,676	6,604,384	146,292
Capital outlay	1,432,765	2,334,469	2,323,948	10,521
Debt service:				
Principal	517,170	561,343	710,035	(148,692)
Interest and fiscal charges	150,142	326,561	332,425	(5,864)
Total expenditures	60,916,229	60,916,229	60,168,859	747,370
Excess (deficiency) of revenues over expenditures	(1,056,492)	(1,056,492)	5,786,199	6,842,691
Other financing sources (uses):				
Issuance of debt (equipment financing)	-	-	900,638	900,638
Proceed from other long-term debt (SBITA)	-	-	1,088,293	1,088,293
Transfers in	526,355	526,355	1,659,413	1,133,058
Transfers out	(2,040,392)	(2,040,392)	(2,040,392)	-
Appropriation of prior years' fund balance	2,570,529	2,570,529	-	(2,570,529)
Total other financing sources (uses)	1,056,492	1,056,492	1,607,952	551,460
Change in fund balance	$ -	$ -	7,394,151	$ 7,394,151
Fund balance - beginning			53,808,304	
Fund balance - ending			$ 61,202,455	

See note to budgetary comparison schedule.

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HOMESTEAD COMMUNITY REDEVELOPMENT AGENCY
FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 4,800,446	$ 4,800,446	$ 6,846,150	$ 2,045,704
Investment income (loss)	26,000	26,000	261,440	235,440
Other revenue	-	-	22,897	22,897
Total revenues	4,826,446	4,826,446	7,130,487	2,304,041
Expenditures:				
Current:				
General government	4,597,772	4,809,705	2,425,793	2,383,912
Public safety	446,196	449,778	458,490	(8,712)
Public works and services	1,235,450	1,360,450	426,700	933,750
Parks & recreation	483,710	474,366	374,310	100,056
Capital outlays	708,905	5,013,009	6,352,946	(1,339,937)
Debt service :				
Interest and fiscal charges	-	57,000	56,000	1,000
Total expenditures	7,472,033	12,164,308	10,094,239	2,070,069
Excess (deficiency) of revenues over expenditures	(2,645,587)	(7,337,862)	(2,963,752)	4,374,110
Other financing sources:				
Issuance of debt (tax increment revenue note)	-	4,500,000	4,500,000	-
Transfers out	(428,929)	(236,654)	(128,929)	107,725
Appropriation of prior years' fund balance	3,074,516	3,074,516	-	(3,074,516)
Total other financing sources (uses)	2,645,587	7,337,862	4,371,071	(2,966,791)
Change in fund balance	$ -	$ -	1,407,319	$ 1,407,319
Fund balances, beginning			3,731,460	
Fund balance - ending			$ 5,138,779	

See note to budgetary comparison schedule.

CITY OF HOMESTEAD, FLORIDA

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 1. BUDGETS AND BUDGETARY INFORMATION

The State of Florida requires that all units of local government prepare, adopt and execute an annual budget for such funds as may be required by law or by sound financial practices and accounting principles generally accepted in the United States. Accordingly, the City has established the following procedures for the budgeting process:

1. During the beginning of September, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means to finance them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to September 30, the budget is legally enacted through the passage of an ordinance.
4. The City Manager is authorized to make budgetary transfers and amendments within any department. Any revisions that alter the total expenditures of a department or fund must be approved by the City Council. The legal level of budgetary control is at the fund level except for General Fund which is at the department level. Unencumbered appropriations in the annual operating budget lapse at fiscal year-end.
5. The City budgets revenues and expenditures for the General Fund and the Homestead Community Redevelopment Agency Fund on the basis consistent with accounting principles generally accepted in the United States.
6. The General Fund and the Homestead Community Redevelopment Agency annual budgets are adopted through an ordinance.
   Encumbrances represent commitments related to unperformed contracts and purchase orders issued for goods and services. Encumbrances (primarily for capital items) outstanding at year end are reported as assigned fund balance as appropriations for subsequent year's budget and do not constitute expenditures or liabilities under accounting principles generally accepted in the United States.
7. The General Fund had no supplemental appropriations in fiscal year 2023.
8. General Fund-Fire-Premium Tax (Pass Thru)-Negative Variance $562,554:
   Annually the City receives state insurance premium tax monies that are treated as a pass-thru to the City's Police and Fire Pension Plans. Although the City no longer has a Fire department (the County provides fire services in the City), it does still pass on these monies to the City Firefighter's Pension Plan (Refer to Note 13E for additional information). For FY2023, the City anticipated $299,229, which was budgeted as intergovernmental revenue and a public safety expenditure. The actual amount received and pass-thru to the pension plan was $861,783, creating the negative $562,554 variance for Fire, and an overall public safety negative variance of $237,103. This did not have a negative impact on the General Fund, as the intergovernmental revenues reflect a positive variance of $754,915 for the state insurance premium taxes. This is not deemed a violation of the budget, as the pass-thru monies received must be passed on to the plan. Historically the "Fire" is budgeted as part of General Administration (non-departmental) and that has a positive variance of $709,982.
9. General Fund-Debt Service-Negative Variance $154,556:
   Due to the implementation of GASB 96 (SBITA), what was originally budgeted as an operating expenditure, required the City to record the transactions as a payment of principal and interest, thus creating the budget variance at the debt service level. This did not have a negative impact on the General Fund, as the expenditures were included at the department's operating budget level.
10. Homestead Community Redevelopment Agency (CRA)-Capital Outlay-Negative Variance $1,339,937:
    During FY2023, both the CRA and the City agreed to fund the purchase of land for the CRA to use in a redevelopment project, as an American Rescue Plan Act (ARPA) funded project. However, it was subsequently determined that the capital outlay should be reported at the CRA, with an offsetting intergovernmental revenue from the ARPA fund (as a subrecipient award to the CRA). This is not a negative impact to the CRA, as the intergovernmental revenues reflect a positive variance of $2,045,704 as a result of the ARPA funding.

CITY OF HOMESTEAD, FLORIDA

REQUIRED SUPPLMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

GENERAL EMPLOYEES' RETIREMENT PLAN

Measurement date September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
A. Total pension liability									
Service Cost	$ 1,133,469	$ 1,298,106	$ 1,414,901	$ 1,493,602	$ 1,643,498	$ 1,667,916	$ 1,653,360	$ 1,693,876	$ 1,749,000
Interest on the total pension liability	6,704,144	6,647,938	6,523,098	6,275,331	6,090,423	5,674,844	5,618,813	5,415,394	5,207,957
Difference between expected and actual experience of the total pension liability	(2,144,586)	254,817	(1,085,959)	282,792	(740,698)	557,519	(807,532)	57,471	(588,885)
Changes of assumptions	-	(2,208,866)	-	-	-	1,956,133	-	-	-
Benefit payments	(4,777,613)	(5,150,088)	(4,544,982)	(4,037,075)	(4,128,538)	(3,157,304)	(3,721,862)	(2,900,572)	(3,626,962)
Refunds	-	(61,649)	(14,818)	(7,903)	(34,398)	(30,307)	(57,959)	(30,096)	(256,423)
Net change in total pension liability	915,414	780,258	2,292,240	4,006,747	2,830,287	6,668,801	2,684,820	4,236,073	2,484,687
Total pension liability - beginning	100,575,989	99,795,731	97,503,491	93,496,744	90,666,457	83,997,656	81,312,836	77,076,763	74,592,076
Total pension liability - ending	$ 101,491,403	$ 100,575,989	$ 99,795,731	$ 97,503,491	$ 93,496,744	$ 90,666,457	$ 83,997,656	$ 81,312,836	$ 77,076,763
B. Plan fiduciary net position									
Contributions - employer	$ 1,771,698	$ 2,155,733	$ 2,476,457	$ 2,613,899	$ 2,794,643	$ 2,505,891	$ 2,725,022	$ 2,834,656	$ 2,874,430
Contributions - employee	253,281	267,599	294,602	311,611	336,745	360,501	353,824	360,333	368,500
Net investment income	(13,772,902)	17,292,229	3,706,972	6,791,312	4,307,216	6,830,581	7,438,130	1,652,437	5,985,552
Benefit payments	(4,777,613)	(5,150,088)	(4,544,982)	(4,037,075)	(4,128,538)	(3,157,304)	(3,721,862)	(2,900,572)	(3,626,962)
Refunds	-	(61,649)	(14,818)	(7,903)	(34,398)	(30,307)	(57,959)	(30,096)	(256,423)
Pension plan administrative expense	(127,789)	(138,111)	(140,437)	(134,505)	(114,953)	(114,280)	(121,737)	(94,114)	(115,419)
Net change in plan fiduciary net position	(16,653,325)	14,365,713	1,777,794	5,537,339	3,160,715	6,395,082	6,615,418	1,822,644	5,229,678
Plan fiduciary net position - beginning	105,508,555	91,142,842	89,365,048	83,827,709	80,666,994	74,271,912	67,656,494	65,833,850	60,604,172
Plan fiduciary net position - ending	$ 88,855,230	$ 105,508,555	$ 91,142,842	$ 89,365,048	$ 83,827,709	$ 80,666,994	$ 74,271,912	$ 67,656,494	$ 65,833,850
C. Net pension liability (asset) (A-B)	$ 12,636,173	$ (4,932,566)	$ 8,652,889	$ 8,138,443	$ 9,669,035	$ 9,999,463	$ 9,725,744	$ 13,656,342	$ 11,242,913
D. Plan fiduciary net position as a percentage of the total pension liability	**87.55%**	**104.90%**	**91.33%**	**91.65%**	**89.66%**	**88.97%**	**88.42%**	**83.21%**	**85.41%**
E. Covered payroll *	**$ 6,332,025**	**$ 6,689,975**	**$ 7,365,050**	**$ 7,790,275**	**$ 8,403,325**	**$ 9,012,525**	**$ 8,845,600**	**$ 9,008,325**	**$ 11,891,551**
F. Net pension liability (asset) as a percentage of covered payroll	**199.56%**	**-73.73%**	**117.49%**	**104.47%**	**115.06%**	**110.95%**	**109.95%**	**151.60%**	**94.55%**

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

* Covered payroll was calculated by dividing the member contributions (excluding buyback contributions) for the fiscal year by the member contribution rate of 4.0%.

CITY OF HOMESTEAD, FLORIDA

REQUIRED SUPPLMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

POLICE OFFICERS' RETIREMENT PLAN

Measurement date September 30,	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
A. Total pension liability									
Service Cost	$ 3,874,949	$ 3,622,468	$ 3,106,405	$ 2,861,164	$ 2,555,719	$ 2,457,445	$ 2,303,862	$ 2,038,250	$ 1,867,237
Interest on the total pension liability	9,528,407	9,034,911	8,875,260	8,589,530	8,362,811	7,779,407	7,467,998	6,996,689	6,697,302
Changes of benefit terms	-	-	-	-	-	-	-	-	(636,892)
Difference between expected and actual experience of the total pension liability	301,167	80,172	206,308	1,302,913	147,491	(1,061,534)	2,137,361	9,760	868,752
Changes of assumptions	3,880,678	-	601,956	-	1,221,370	3,284,117	994,053	909,574	-
Benefit payments	(6,137,390)	(6,223,701)	(7,821,731)	(9,997,832)	(6,176,595)	(3,546,301)	(5,950,632)	(5,450,397)	(5,292,181)
Refunds	(4,042)	(1,249)	-	(14,319)	(16,764)	(23,031)	-	-	(27,559)
Other: Change in state sontribution reveived	-	-	-	(272,163)	-	-	208,166	204,003	136,996
Net change in total pension liability	11,443,769	6,512,601	4,968,198	2,469,293	6,094,032	8,890,103	7,160,808	4,707,879	3,613,655
Total pension liability - beginning	130,622,066	124,109,465	119,141,267	116,671,974	110,577,942	101,687,839	94,527,031	89,819,152	86,205,497
Total pension liability - ending	$ 142,065,835	$ 130,622,066	$ 124,109,465	$ 119,141,267	$ 116,671,974	$ 110,577,942	$ 101,687,839	$ 94,527,031	$ 89,819,152
B. Plan fiduciary net position									
Contributions - employer	$ 5,282,800	$ 5,088,182	$ 4,442,521	$ 3,917,203	$ 3,233,825	$ 3,996,869	$ 3,726,793	$ 3,816,076	$ 4,057,242
Contributions - employer (from state)	742,896	677,154	665,319	605,683	652,393	577,817	532,808	528,645	461,638
Contributions - employee	840,517	823,898	859,818	740,591	723,982	663,039	665,451	580,028	680,063
Net investment income	(16,074,029)	19,751,840	11,215,703	2,501,251	6,130,868	9,517,349	6,354,619	498,007	10,520,035
Benefit payments	(6,137,390)	(6,223,701)	(7,821,731)	(9,997,832)	(6,176,595)	(3,546,301)	(5,950,632)	(5,450,397)	(5,292,181)
Refunds	(4,042)	(1,249)	-	(14,319)	(16,764)	(23,031)	-	-	(27,559)
Pension plan administrative expense	(153,052)	(184,982)	(221,615)	(161,057)	(113,859)	(103,626)	(108,083)	(84,733)	(82,376)
Other	-	-	1	(1)	347,365	-	-	-	-
Net change in plan fiduciary net position	(15,502,300)	19,931,142	9,140,016	(2,408,481)	4,781,215	11,082,116	5,220,956	(112,374)	10,316,862
Plan fiduciary net position - beginning	124,307,392	104,376,250	95,236,234	97,644,715	92,863,500	81,781,384	76,560,428	76,672,802	66,355,940
Plan fiduciary net position - ending	$ 108,805,092	$ 124,307,392	$ 104,376,250	$ 95,236,234	$ 97,644,715	$ 92,863,500	$ 81,781,384	$ 76,560,428	$ 76,672,802
C. Net pension liability (A-B)	$ 33,260,743	$ 6,314,674	$ 19,733,215	$ 23,905,033	$ 19,027,259	$ 17,714,442	$ 19,906,455	$ 17,966,603	$ 13,146,350
D. Plan fiduciary net position as a percentage of the total pension liability	**76.59%**	**95.17%**	**84.10%**	**79.94%**	**83.69%**	**83.98%**	**80.42%**	**80.99%**	**85.36%**
E. Covered payroll *	**$ 10,387,703**	**$ 9,613,516**	**$ 9,917,948**	**$ 8,821,373**	**$ 8,151,843**	**$ 7,858,654**	**$ 7,394,222**	**$ 7,145,922**	**$ 6,411,046**
F. Net pension liability as a percentage of covered payroll	**320.19%**	**65.69%**	**198.96%**	**270.99%**	**233.41%**	**225.41%**	**269.22%**	**251.42%**	**205.06%**

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

* Covered payroll was calculated by dividing the member contributions (excluding buyback contributions) for the fiscal year by the member contribution rate of 7.65%.

CITY OF HOMESTEAD, FLORIDA

REQUIRED SUPPLMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

ELECTED OFFICIALS RETIREMENT PLAN

Measurement date December 31,	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
A. Total pension liability									
Service Cost	$ 37,046	$ 36,938	$ 37,445	$ 32,138	$ 32,016	$ 33,062	$ 30,899	$ 28,777	$ 28,777
Interest on the total pension liability	189,023	186,868	231,285	225,325	229,217	221,813	213,296	205,503	196,249
Difference between expected and actual experience of the total pension liability	24,794	-	(686,908)	-	(150,347)	-	(147,132)	-	-
Changes of assumptions	-	-	(56,606)	-	20	-	127,575	-	-
Benefit payments	(196,352)	(187,614)	(177,876)	(171,056)	(166,320)	(121,962)	(118,409)	(84,381)	(91,469)
Net change in total pension liability	54,511	36,192	(652,660)	86,407	(55,414)	132,913	106,229	149,899	133,557
Total pension liability - beginning	2,861,473	2,825,281	3,477,941	3,391,534	3,446,948	3,314,035	3,207,806	3,057,907	2,924,350
Total pension liability - ending	$ 2,915,984	$ 2,861,473	$ 2,825,281	$ 3,477,941	$ 3,391,534	$ 3,446,948	$ 3,314,035	$ 3,207,806	$ 3,057,907
B. Plan fiduciary net position									
Contributions - employer (from City)	$ 69,210	$ 78,774	$ 78,774	$ 259,658	$ 259,658	$ 297,864	$ 297,864	$ 136,611	$ 221,576
Net investment income (loss)	(306,932)	620,754	44,562	484,381	(82,743)	203,238	162,124	(254,296)	3,474
Benefit payments	(196,352)	(187,614)	(177,876)	(171,056)	(166,320)	(121,962)	(118,409)	(84,381)	(91,469)
Refunds							-	-	-
Pension plan administrative expense	(35,434)	(19,809)	(37,952)	(31,620)	(62,218)	(23,577)	(31,711)	(19,095)	(33,313)
Other	-	-	3	-	-	-	-	-	-
Net change in plan fiduciary net position	(469,508)	492,105	(92,489)	541,363	(51,623)	355,563	309,868	(221,161)	100,268
Plan fiduciary net position - beginning	3,888,434	3,396,329	3,488,818	2,947,455	2,999,078	2,643,515	2,333,647	2,554,808	2,454,540
Plan fiduciary net position - ending	$ 3,418,926	$ 3,888,434	$ 3,396,329	$ 3,488,818	$ 2,947,455	$ 2,999,078	$ 2,643,515	$ 2,333,647	$ 2,554,808
C. Net pension liability (asset) (A-B)	$ (502,942)	$ (1,026,961)	$ (571,048)	$ (10,877)	$ 444,079	$ 447,870	$ 670,520	$ 874,159	$ 503,099
D. Plan fiduciary net position as a percentage of the total pension liability	**117.25%**	**135.89%**	**120.21%**	**100.31%**	**86.91%**	**87.01%**	**79.77%**	**72.75%**	**83.55%**
E. Covered payroll	**$ 35,524**	**$ 33,200**	**$ 33,200**	**$ 33,200**	**$ 33,200**	**$ 33,200**	**$ 34,363**	**$ 56,167**	**$ 32,100**
F. Net pension liability (asset) as a percentage of covered payroll	**-1415.78%**	**-3093.26%**	**-1720.02%**	**-32.76%**	**1337.59%**	**1349.01%**	**1951.28%**	**1556.36%**	**1567.29%**

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

CITY OF HOMESTEAD, FLORIDA

REQUIRED SUPPLMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

NEW ELECTED OFFICIALS AND SENIOR MANAGEMENT RETIREMENT SYSTEM

Measurement date December 31,	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
A. Total pension liability									
Service Cost	$ 68,040	$ 62,057	$ 63,256	$ 62,683	$ 62,110	$ 58,646	$ 58,065	$ 44,342	$ 43,903
Interest on the total pension liability	322,051	318,800	321,611	317,262	311,494	306,336	301,228	288,559	284,923
Difference between expected and actual experience of the total pension liability	93,697	-	34,588	-	15,577	-	20,951	-	-
Changes of assumptions	-	-	(130,952)	-	(2,652)	-	100,119	-	-
Benefit payments	(345,298)	(332,081)	(325,799)	(306,374)	(296,941)	(287,120)	(281,288)	(278,718)	(272,069)
Net change in total pension liability	138,490	48,776	(37,296)	73,571	89,588	77,862	199,075	54,183	56,757
Total pension liability - beginning	4,875,729	4,826,953	4,864,249	4,790,678	4,701,090	4,623,228	4,424,153	4,369,970	4,313,213
Total pension liability - ending	$ 5,014,219	$ 4,875,729	$ 4,826,953	$ 4,864,249	$ 4,790,678	$ 4,701,090	$ 4,623,228	$ 4,424,153	$ 4,369,970
B. Plan fiduciary net position									
Contributions - employer	$ 109,990	$ 94,435	$ 93,505	$ 106,700	$ 105,641	$ 108,151	$ 107,073	$ 54,580	$ 108,622
Net investment income (loss)	(834,062)	855,761	671,544	861,401	(194,291)	660,067	162,088	(64,059)	390,121
Benefit payments	(345,298)	(332,081)	(325,799)	(306,374)	(296,941)	(287,120)	(281,288)	(278,718)	(272,069)
Pension plan administrative expense	(47,746)	(29,605)	(45,324)	(39,620)	(47,118)	(66,113)	(47,988)	(29,472)	(31,358)
Other	-	-	-	-	-	(1,527)	-	-	-
Net change in plan fiduciary net position	(1,117,116)	588,510	393,926	622,107	(432,709)	413,458	(60,115)	(317,669)	195,316
Plan fiduciary net position - beginning	5,896,492	5,307,982	4,914,056	4,291,949	4,724,658	4,311,200	4,371,315	4,688,984	4,493,668
Plan fiduciary net position - ending	$ 4,779,376	$ 5,896,492	$ 5,307,982	$ 4,914,056	$ 4,291,949	$ 4,724,658	$ 4,311,200	$ 4,371,315	$ 4,688,984
C. Net pension liability (asset) (A-B)	$ 234,843	$ (1,020,763)	$ (481,029)	$ (49,807)	$ 498,729	$ (23,568)	$ 312,028	$ 52,838	$ (319,014)
D. Plan fiduciary net position as a percentage of the total pension liability	**95.32%**	**120.94%**	**109.97%**	**101.02%**	**89.59%**	**100.50%**	**93.25%**	**98.81%**	**107.30%**
E. Covered payroll	**$ 183,820**	**$ 180,000**	**$ 180,000**	**$ 202,427**	**$ 180,000**	**$ 175,611**	**$ 181,800**	**$ 154,744**	**$ 151,500**
F. Net pension liability (asset) as a percentage of covered payroll	**127.76%**	**-567.09%**	**-267.24%**	**-24.60%**	**277.07%**	**-13.42%**	**171.63%**	**34.15%**	**-210.57%**

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

CITY OF HOMESTEAD, FLORIDA

REQUIRED SUPPLMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

FIREFIGHTERS RETIREMENT SYSTEM

Measurement date December 31,	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
A. Total pension liability									
Interest on the total pension liability	$ 242,913	$ 347,365	$ 386,794	$ 447,154	$ 468,435	$ 477,065	$ 520,113	$ 511,447	$ 500,515
Difference between expected and actual experience of the total pension liability	146,844	(423,971)	98,587	(860,624)	109,911	113,721	(314,459)	-	87,812
Changes of assumptions	-	617,389	587,083	-	307,181	-	(61,905)	433,681	-
Benefit payments	(744,665)	(744,301)	(738,208)	(735,220)	(808,468)	(888,166)	(993,410)	(1,031,456)	(1,000,057)
Other: Change in share plan reserve	205,409	188,144	150,912	137,468	126,894	122,635	146,910	254,332	302,968
Net change in total pension liability	(149,499)	(15,374)	485,168	(1,011,222)	203,953	(174,745)	(702,751)	168,004	(108,762)
Total pension liability - beginning	7,210,010	7,225,384	6,740,216	7,751,438	7,547,485	7,722,230	8,424,981	8,256,977	8,365,739
Total pension liability - ending	$ 7,060,511	$ 7,210,010	$ 7,225,384	$ 6,740,216	$ 7,751,438	$ 7,547,485	$ 7,722,230	$ 8,424,981	$ 8,256,977
B. Plan fiduciary net position									
Contributions - employer	$ -	$ -	$ 76,407	$ 19,311	$ 302,000	$ 188,587	$ 181,617	$ 289,941	$ 195,529
Contributions - employer (from state)	276,231	251,963	217,787	201,287	180,355	215,060	239,335	346,757	395,393
Net investment income (loss)	(856,298)	731,853	630,592	1,386,147	(367,995)	1,047,585	475,187	3,173	381,316
Benefit payments	(744,665)	(744,301)	(738,208)	(735,220)	(808,468)	(888,166)	(993,410)	(1,031,456)	(1,000,057)
Pension plan administrative expense	(89,200)	(90,109)	(79,480)	(76,003)	(88,289)	(72,089)	(58,793)	(61,629)	(54,920)
Net change in plan fiduciary net position	(1,413,932)	149,406	107,098	795,522	(782,397)	490,977	(156,064)	(453,214)	(82,739)
Plan fiduciary net position - beginning	7,980,551	7,831,145	7,724,047	6,928,525	7,710,922	7,219,945	7,376,009	7,829,223	7,911,962
Plan fiduciary net position - ending	$ 6,566,619	$ 7,980,551	$ 7,831,145	$ 7,724,047	$ 6,928,525	$ 7,710,922	$ 7,219,945	$ 7,376,009	$ 7,829,223
C. Net pension liability (asset) (A-B)	$ 493,892	$ (770,541)	$ (605,761)	$ (983,831)	$ 822,913	$ (163,437)	$ 502,285	$ 1,048,972	$ 427,754
D. Plan fiduciary net position as a percentage of the total pension liability	**93.00%**	**110.69%**	**108.38%**	**114.60%**	**89.38%**	**102.17%**	**93.50%**	**87.55%**	**94.82%**
E. Covered payroll	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
F. Net pension liability (asset) as a percentage of covered payroll	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

CITY OF HOMESTEAD, FLORIDA

REQUIRED SUPPLMENTARY INFORMATION

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

	Measurement date October 1,	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
	Total OPEB Liability:						
A.	Service cost	$ 225,494	$ 259,767	$ 721,421	$ 1,183,074	$ 764,962	$ 1,040,917
B.	Interest cost	257,082	254,345	356,320	357,805	524,308	421,901
C.	Difference due to changes in benefit terms	-	-	-	5,045,956	-	-
D.	Difference between actual and expected experience	(1,259,692)	-	(4,016,426)	-	(5,045,546)	-
E.	Total difference due to changes in assumptions	(1,964,634)	74,104	1,193,783	(4,181,097)	561,410	(850,170)
F.	Benefit payments	(206,044)	(179,169)	(151,940)	(124,710)	(73,317)	(52,936)
G.	Net change in Total OPEB liability	(2,947,794)	409,047	(1,896,842)	2,281,028	(3,268,183)	559,712
H.	Total OPEB liability - beginning	11,622,958	11,213,911	13,110,753	10,829,725	14,097,908	13,538,196
I.	Total OPEB liability - ending	$ 8,675,164	$ 11,622,958	$ 11,213,911	$ 13,110,753	$ 10,829,725	$ 14,097,908
J.	Assets *	-	-	-	-	-	-
K.	**Total OPEB liability - ending**	$ 8,675,164	$ 11,622,958	$ 11,213,911	$ 13,110,753	$ 10,829,725	$ 14,097,908
	Covered-employee payroll	**$ 31,269,142**	**$ 28,231,945**	**$ 26,312,509**	**$ 26,751,423**	**$ 25,697,804**	**$ 24,961,866**
	Total OPEB liability as a percentage of covered payroll	**27.74%**	**41.17%**	**42.62%**	**49.01%**	**42.14%**	**56.48%**

Note: This schedule is intended to have ten years of data.
Implementation of GASB No. 75 occurred in fiscal year 2018.
Additional data to be compiled as information becomes available.
* There is no assets accumulated in a trust since this is an unfunded plan.

CITY OF HOMESTEAD, FLORIDA

REQUIRED SUPPLMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

LAST TEN YEARS

City's Fiscal Year Ended	Actuarially Determined Contribution	Employer Contribution		Contribution Deficiency (Excess)		Covered Payroll *	Actual contribution as a % of covered payroll		
General Employees' Retirement Plan									
09/30/23	$ 1,147,568	$ 1,147,568		$ -		$ 6,495,650	17.67%	Valuation date	10/1/2021
09/30/22	1,771,698	1,771,698		-		6,332,025	27.98%	Actuarial cost method	Entry age normal
09/30/21	2,155,733	2,155,733		-		6,689,975	32.22%	Amortization method	level dollar amount, closed
09/30/20	2,476,457	2,476,457		-		7,365,050	33.62%	Remaining amortization period	10 years
09/30/19	2,613,899	2,613,899		-		7,790,275	33.55%	Asset valuation method	4-year smoothed market
09/30/18	2,794,643	2,794,643		-		8,403,325	33.26%	Salary increases	5.0% including inflation
09/30/17	2,505,891	2,505,891		-		9,012,525	27.80%	Investment rate of return	6.75%
09/30/16	2,725,022	2,725,022		-		8,845,600	30.81%	Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
09/30/15	2,834,656	2,834,656		-		9,008,325	31.47%	Mortality	The PUB-2010 Headcount Weighted General Below Median Employee Mortality Table
09/30/14	2,874,430	2,874,430		-		9,212,500	31.20%		(for pre-retirement mortality) and the PUB-2010 Headcount Weighted General Below median. Healthy Retiree Mortality Table (for post - retirement mortality), with separate rates for males and females and ages set back one year for males, with mortality improvements projected to all future years after 2010 using Scale MP-2018. For disables retirees, PUB-2010 Headcount Weighted General Disables Retiree Male and Female Tables, with a 3-year setforward for both males and females, with no provision being made for mortality improvements. These are the same rates used for Regular Class members in the July 1, 2020 actuarial valuation of the Florida Retirement System (FRS) Pension Plan (based on the 2019 FRS experience study report), in accordance with Florida Statutes Chapter 112.63.
Police Officers' Retirement Plan									
09/30/23	$ 6,170,091	$ 6,170,091		$ -		$ 10,922,362	56.49%	Valuation date	10/1/2021
09/30/22	6,025,696	6,025,696		-		10,387,703	58.01%	Actuarial cost method	Entry age normal
09/30/21	5,765,336	5,765,336		-		9,613,516	59.97%	Amortization method	Level dollar, closed
09/30/20	5,107,840	5,107,840		-		9,917,948	51.50%	Remaining amortization period	18 years
09/30/19	4,776,061	4,522,886		253,175	**	8,821,373	51.27%	Asset valuation method	4-year smoothed market
09/30/18	4,648,788	3,886,218		762,570	**	8,151,843	47.67%	Salary increases	5.75% to 10.50% depaending on service
09/30/17	4,321,511	4,574,686	***	(253,175)		7,858,654	58.21%	Investment rate of return	7.00%
09/30/16	4,051,435	4,259,601	***	(208,166)		7,394,222	57.61%	Retirement age	Upon eligibility
09/30/15	4,076,435	4,344,721	***	(268,286)		7,145,922	60.80%	Mortality	Pre-retirement: PUB-2010 Headcount Weighted Safety Below Median Employee Male Table,
09/30/14	4,381,884	4,518,880	***	(136,996)		6,411,046	70.49%		set forward one year, and the PUB-2010 Headcount Weighted Safety Employee Female Table, set forward one year. Post-retirement: PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table, set forward one year, and the PUB-2010 Headcount Weighted Safety Healthy Retiree Female Table, set forward one year. Mortality improvements are being made for each year after 2010 using gender-specific MP-2018 projection scales. The mortality assumption is the same as used for Special Risk Members of the Florida Retirement System (FRS) in the July 1, 2020 actuarial valuation, in compliance with Florida Statutes.

Notes to the schedule of contributions:

Note 1 Actuarially determined contribution amounts are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

* Covered employee payroll was calculated by dividing total member contributions (excluding buyback contributions) for the fiscal year by the member contribution rate of 4% fot the General Employees' Retirement Plan and 7.65% for the Police Officers' Retirement Plan.

** Pursuant to Senate Bill 172, the City and Plan members mutually consented to use of the State contribution reserve of $762,570 as an offset to the City's contribution requirement for fiscal year ending September 30, 2018 and $253,175 for the fiscal year ending September 30, 2019.

*** Restated to reflect contributions of excess state insurance tax premium monies previously made but not recognized until mutually consented by the City and the Plan members.

CITY OF HOMESTEAD, FLORIDA

REQUIRED SUPPLMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

LAST TEN YEARS

Pension Plan YE	City's Fiscal Year Ended	Actuarially Determined Contribution	Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll **		Actual contribution as a % of covered payroll		
Elected Officials Retirement Plan									
12/31/22	09/30/23	$ 69,210	$ 69,210	$ -	$ 35,524		194.83%	Valuation date	1/1/2022
12/31/21	09/30/22	78,774	78,774	-	33,200		237.27%	Actuarial cost method	Entry age, normal
12/31/20	09/30/21	78,774	78,774	-	33,200		237.27%	Amortization method	level dollar, closed
12/31/19	09/30/20	259,658	259,658	-	33,200		782.10%	Remaining amortization period	4 years
12/31/18	09/30/19	259,658	259,658	-	33,200		782.10%	Asset valuation method	Market value of assets
12/31/17	09/30/18	297,864	297,864	-	33,200		897.18%	Salary increases	7.00%
12/31/16	09/30/17	297,864	297,864	-	34,363		866.82%	Investment rate of return	6.75%
12/31/15	09/30/16	136,611	136,611	-	56,167	*	243.22%	Retirement age	100% when first eligible for normal retirement
12/31/14	09/30/15	136,611	221,576	(84,965)	32,100		690.27%	Mortality	PUB-2010 Headcount Weighted Below-Median Employee Mortality Tables, set
12/31/13	09/30/14	221,576	221,576	-	94,267		235.05%		back 1 year for males (pre-retirement) and the PUB-2010 Headcount Weighted Below-Median Healthy Retiree Tables, set back 1 year for males (post-retirement), with mortality improvements projected to each future year after 2010 using Scale MP-2018. These are the same mortality tables used for Regular Class members of the Florida Retirement System (FRS) in the July 1, 2020 actuarial valuation.
New Elected Officials and Senior Management Retirement System									
12/31/22	09/30/23	$ 109,990	$ 109,990	$ -	$ 183,820		59.84%	Valuation date	1/1/2022
12/31/21	09/30/22	94,435	94,435	-	180,000		52.46%	Actuarial cost method	Aggregate
12/31/20	09/30/21	93,505	93,505	-	180,000		51.95%	Amortization method	N/A
12/31/19	09/30/20	106,700	106,700	-	202,427		52.71%	Remaining amortization period	N/A
12/31/18	09/30/19	105,641	105,641	-	180,000		58.69%	Asset valuation method	Market value of assets
12/31/17	09/30/18	108,151	108,151	-	175,611		61.59%	Salary increases	1% per year
12/31/16	09/30/17	107,073	107,073	-	181,800		58.90%	Investment rate of return	6.75%
12/31/15	09/30/16	54,580	54,580	-	154,744		35.27%	Retirement age	100% when first eligible for normal retirement
12/31/14	09/30/15	54,042	108,622	(54,580)	151,500		71.70%	Mortality	PUB-2010 Headcount Weighted Below-Median Employee Mortality Tables, set
12/31/13	09/30/14	129,129	196,245	(67,116)	151,500		129.53%		back 1 year for males (pre-retirement) and the PUB-2010 Headcount Weighted Below-Median Healthy Retiree Tables, set back 1 year for males (post-retirement), with mortality improvements projected to each future year after 2010 using Scale MP-2018. These are the same mortality tables used for Regular Class members of the Florida Retirement System (FRS) in the July 1, 2020 actuarial valuation.

Notes to the schedule of contributions:

Notes : Actuarially determined contribution amounts are calculated as of January 1, which is one year prior to the end of the plan year in which contributions are reported. Valuations are performed every other year. Additional data to be compiled as information becomes available.

* Reflects total pay for a rehired active member and an active member who retired during the plan year.

** Covered payroll is estimated to be the covered payroll in the actuarial valuation except where otherwise noted.

CITY OF HOMESTEAD, FLORIDA

REQUIRED SUPPLMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

LAST TEN YEARS

Pension Plan YE	City's Fiscal Year Ended	Actuarially Determined Contribution	Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual contribution as a % of covered payroll
Firefighters Retirement System						
12/31/22	09/30/23	$ 38,832	$ 70,822	$ (31,990)	$ -	N/A
12/31/21	09/30/22	54,545	63,819	(9,274)	-	N/A
12/31/20	09/30/21	143,282	143,282	-	-	N/A
12/31/19	09/30/20	83,130	83,130	-	-	N/A
12/31/18	09/30/19	354,322	354,322	-	-	N/A
12/31/17	09/30/18	281,012	281,012	-	-	N/A
12/31/16	09/30/17	274,042	274,042	-	-	N/A
12/31/15	09/30/16	382,366	382,366	-	-	N/A
12/31/14	09/30/15	287,954	287,954	-	-	N/A
12/31/13	09/30/14	329,195	329,195	-	-	

Valuation date	1/1/2022
Actuarial cost method	Entry age normal actuarial cost method
Amortization method	level dollar, closed
Remaining amortization period	10 years
Asset valuation method	5-year smoothed market
Inflation	2.00%
Salary increases	N/A
Investment rate of return	3.0%, net of investment -related and administrative expenses
Retirement age	N/A
Mortality	The same mortality tables and improvement scales used by the Florida Retirement System (FRS) for Special Risk Class members in the July 1, 2020 actuarial valuation, in compliance with Florida Statutes Chapter 112.63(1)(f), which mandates use of the same mortality assumptions from one of the two published FRS actuarial valuation reports.

Notes to the schedule of contributions:

Notes : Actuarially determined contribution amounts are calculated as of January 1, which is one year prior to the end of the plan year in which contributions are reported.
Additional data to be compiled as information becomes available.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Impact Fees Fund – This fund was established to account for the receipt and expenditure of impact fees assessed on residential and non-residential new developments. This fund is also used to account for the receipt and expenditure of public art fees.

Sundries Grants – This fund is used to account for expenditures and revenues derived from various grants.

Community Development Block Grants – This fund was established to account for expenditures and revenues derived from Community Development Block Grants obtained from the Department of Housing and Urban Development (HUD), and other local agencies.

Confiscated Property Law Enforcement Fund – This fund is used to account for monies received from federal and state confiscated and forfeited property and from county surcharges of traffic violations. The federal and state equitable shared property are to be used in accordance with State of Florida Statutes, Chapter 932, the United States Department of Justice publication, *A Guide to Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies,* and the United States Treasury Department publication, *Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies,* which govern the use of confiscated and forfeited funds. The county funds are restricted to use on police training activities.

Disaster Relief Fund – This fund was established to account for expenditures and reimbursements related to natural disasters.

Homestead Miami Speedway – This fund is used to account for the lease rental income and the payments of property taxes. This fund was closed out at the end of fiscal year 2023.

Debt Service Funds

Debt service funds are used to account for the servicing of the certain governmental debt.

Taxable Transportation System Revenue Bonds Debt Service – This fund is used to account for the accumulation of resources for, and the payment of principal, interest, and related costs of the Taxable Transportation System Revenue Bonds, Series 2017.

CRA Tax Increment Revenue Note Debt Service – This fund was used to account for the accumulation of resources for, and the payment of principal, interest, and related costs of the Community Redevelopment Agency (CRA) Tax Increment Revenue Note, Series 2023.

NONMAJOR GOVERNMENTAL FUNDS
(Continued)

Debt Service Funds
(Continued)

GOB Debt Service – This fund is used to account for the accumulation of resources for, and the payment of principal, interest, and related costs of the General Obligation Bonds, Series 2014.

Capital Projects Funds

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

People's Transportation Plan – This fund is used to account for surtax revenues received from Miami-Dade County based on a one-half of one percent discretionary sales surtax on all transactions occurring in Miami-Dade County per an Interlocal agreement. At least 20% of the surtax revenue must be used for transit purposes such as buses, bus shelters and other transit-related infrastructure and the remainder be used for transportation.

Multimodal Transit Center Fund – This capital project fund is used to account for the costs associated with the construction of a parking garage/retail facility (Multimodal Transit Center) .

Capital Improvement Fund – This fund is used to account for various capital improvement projects for the General Fund, funded mostly from the equipment financing.

Cybrarium Fund – This fund is used to account for most of the costs associated with the construction of a new Cybrarium building, and the various sources of funding, including a HUD Section 108 Loan.

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CITY OF HOMESTEAD, FLORIDA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Special Revenue Funds						
	Impact Fees Funds	Sundries Grants	Community Development Block Grants	Confiscated Property	Disaster Relief	Homestead Miami Speedway	Total
ASSETS							
Cash and cash equivalents	$ 157,590	$ 83,199	$ 295,617	$ -	$ 402,128	$ -	$ 938,534
Investments	2,692,777	-	-	-	-	-	2,692,777
Interest receivable on investments	14,508	-	-	891	-	-	15,399
Account receivables, net	-	2,412,098	165,179	402	236,703	-	2,814,382
Restricted assets:							
Cash and cash equivalents	-	-	-	1,762,161	-	-	1,762,161
Investments	-	-	-	257,515	-	-	257,515
Asset available for sale	-	-	807,346	-	-	-	807,346
Total Assets	$ 2,864,875	$ 2,495,297	$ 1,268,142	$ 2,020,969	$ 638,831	$ -	$ 9,288,114
LIABILITIES							
Accounts payable and accrued liabilities	$ 442,910	$ 483,970	$ 50,970	$ 56,205	$ -	$ -	$ 1,034,055
Due to other funds	-	200,000	-	-	-	-	200,000
Unearned revenue	250,305	1,128,279	273,412	531,276	-	-	2,183,272
Total Liabilities	693,215	1,812,249	324,382	587,481	-	-	3,417,327
FUND BALANCES							
Restricted :							
Grants	-	683,048	-	-	-	-	683,048
Community development	-	-	943,760	-	-	-	943,760
Disaster relief	-	-	-	-	638,831	-	638,831
Parks and recreation	168,812	-	-	-	-	-	168,812
Law enforcement	165,110	-	-	1,433,488	-	-	1,598,598
Road improvements	643,072	-	-	-	-	-	643,072
Committed :							
Public art	1,149,829	-	-	-	-	-	1,149,829
Transportation	44,837	-	-	-	-	-	44,837
Total fund balances	2,171,660	683,048	943,760	1,433,488	638,831	-	5,870,787
Total liabilities and fund balances	$ 2,864,875	$ 2,495,297	$ 1,268,142	$ 2,020,969	$ 638,831	$ -	$ 9,288,114

(Continued)

CITY OF HOMESTEAD, FLORIDA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

SEPTEMBER 30, 2023

	Debt Service Funds			
	Taxable Transportation System Revenue Bonds	CRA Tax Increment Revenue Note	Genaral Obligation Bonds	Total
ASSETS				
Account receivables, net	$ -	$ -	$ 3,241	$ 3,241
Restricted assets:				
Cash and cash equivalents	461,020	40,353	82,920	584,293
Total Assets	$ 461,020	$ 40,353	$ 86,161	$ 587,534
FUND BALANCES				
Restricted :				
Debt service	461,020	40,353	86,161	587,534
Total fund balances	461,020	40,353	86,161	587,534
Total liabilities and fund balances	$ 461,020	$ 40,353	$ 86,161	$ 587,534

(Continued)

CITY OF HOMESTEAD, FLORIDA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

SEPTEMBER 30, 2023

	Capital Projects Funds					Total Other Governmental Funds
	People's Transportation Plan	Multimodal Transit Center Fund	Capital Improvement	Cybrarium	Total	
ASSETS						
Cash and cash equivalents	$ 2,804,369	$ 128,296	$ 430,669	$ 677,384	$ 4,040,718	$ 4,979,252
Investments	730,669	-	-	71,104	801,773	3,494,550
Interest receivable on investments	2,529	-	-	271	2,800	18,199
Account receivables, net	1,163,590	5,700,000	-	-	6,863,590	9,681,213
Due from other funds	1,000,000	-	-	-	1,000,000	1,000,000
Prepaid costs	-	-	2,104	-	2,104	2,104
Restricted assets:						
Cash and cash equivalents	-	-	69,174	-	69,174	2,415,628
Investments	-	-	-	7,275	7,275	264,790
Asset available for sale	-	-	-	-	-	807,346
Total Assets	$ 5,701,157	$ 5,828,296	$ 501,947	$ 756,034	$ 12,787,434	$ 22,663,082
LIABILITIES						
Accounts payable and accrued liabilities	153,960	-	-	62,240	216,200	1,250,255
Due to other funds	-	1,000,000	-	-	1,000,000	1,200,000
Unearned revenue	501,967	-	-	-	501,967	2,685,239
Total Liabilities	655,927	1,000,000	-	62,240	1,718,167	5,135,494
FUND BALANCES						
Restricted :						
Grants	-	-	-	-	-	683,048
Community development	-	-	-	-	-	943,760
Disaster relief	-	-	-	-	-	638,831
Parks and recreation	-	-	-	-	-	168,812
Law enforcement	-	-	-	-	-	1,598,598
Road improvements	-	-	-	-	-	643,072
Debt service	-	-	-	-	-	587,534
Capital Project	-	-	-	7,275	7,275	7,275
Transit and transportation	5,045,230	-	-	-	5,045,230	5,045,230
Committed :						
Public art	-	-	-	-	-	1,149,829
Transportation	-	-	-	-	-	44,837
Assigned :						
Capital Project	-	4,828,296	501,947	686,519	6,016,762	6,016,762
Total fund balances	5,045,230	4,828,296	501,947	693,794	11,069,267	17,527,588
Total liabilities and fund balances	$ 5,701,157	$ 5,828,296	$ 501,947	$ 756,034	$ 12,787,434	$ 22,663,082

CITY OF HOMESTEAD, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue Funds						
	Impact Fees Fund	Sundries Grants	Community Development Block Grants	Confiscated Property	Disaster Relief	Homestead Miami Speedway	Total
Revenues:							
Intergovernmental	$ 629,680	$ 3,621,100	$ 779,036	$ -	$ -	$ -	$ 5,029,816
Fines and forfeitures	-	18,407	-	739,185	-	-	757,592
Investment earnings (loss)	181,768	-	-	13,225	-	-	194,993
Other revenues	-	79,898	-	9,871	-	1,085,656	1,175,425
Total revenues	811,448	3,719,405	779,036	762,281	-	1,085,656	7,157,826
Expenditures:							
Current:							
General government	15,879	204,246	402,382	-	-	-	622,507
Public safety	82,084	2,074,377	-	195,726	-	-	2,352,187
Public works	-	378,652	-	-	-	-	378,652
Parks and recreation	-	160,095	-	-	-	645,380	805,475
Disaster relief	-		-	-	2,036		2,036
Capital outlay	2,486,775	883,179	47,917	144,625	-	-	3,562,496
Debt service:							
Principal	-	-	193,000	-	-	-	193,000
Interest and fiscal charges	-	-	135,737	-	-	-	135,737
Total expenditures	2,584,738	3,700,549	779,036	340,351	2,036	645,380	8,052,090
Excess (deficiency) of revenues over expenditures	(1,773,290)	18,856	-	421,930	(2,036)	440,276	(894,264)
Other financing uses:							
Transfers out	-	-	-	-	-	(715,355)	(715,355)
Total other financing sources	-	-	-	-	-	(715,355)	(715,355)
Change in fund balances	(1,773,290)	18,856	-	421,930	(2,036)	(275,079)	(1,609,619)
Fund balances, beginning	3,944,950	664,192	943,760	1,011,558	640,867	275,079	7,480,406
Fund balances, ending	$ 2,171,660	$ 683,048	$ 943,760	$ 1,433,488	$ 638,831	$ -	$ 5,870,787

(Continued)

CITY OF HOMESTEAD, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Debt Service Funds			
	Taxable Transportation System Revenue Bonds	CRA Tax Increment Revenue Note	Genaral Obligation Bonds	Total
Revenues:				
Property taxes	$ -	$ -	$ 1,474,854	$ 1,474,854
Total revenues	-	-	1,474,854	1,474,854
Expenditures:				
Debt service:				
Principal	700,000	-	590,000	1,290,000
Interest and fiscal charges	1,095,346	94,588	893,188	2,083,122
Total expenditures	1,795,346	94,588	1,483,188	3,373,122
Excess (deficiency) of revenues over expenditures	(1,795,346)	(94,588)	(8,334)	(1,898,268)
Other financing sources:				
Transfers in	1,800,000	-	-	1,800,000
Total other financing sources	1,800,000	-	-	1,800,000
Change in fund balances	4,654	(94,588)	(8,334)	(98,268)
Fund balances, beginning	456,366	134,941	94,495	685,802
Fund balances, ending	$ 461,020	$ 40,353	$ 86,161	$ 587,534

(Continued)

CITY OF HOMESTEAD, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Capital Projects Funds					Total Other Governmental Funds
	People's Transportation Plan	Multimodal Transit Center Fund	Capital Improvement	Cybrarium	Total	
Revenues:						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ 1,474,854
Intergovernmental	4,908,490	5,700,000	-	-	10,608,490	15,638,306
Fines and forfeitures	-	-	-	-	-	757,592
Investment income (loss)	34,444	-	4	4,512	38,960	233,953
Rentals and other revenues	-	-	-	-	-	1,175,425
Total revenues	4,942,934	5,700,000	4	4,512	10,647,450	19,280,130
Expenditures:						
Current:						
General government	-	-	186,299	-	186,299	808,806
Public safety	-	-	12,292	-	12,292	2,364,479
Public works	700,823	-	-	-	700,823	1,079,475
Parks and recreation	-	-	5,695	37,011	42,706	848,181
Disaster relief	-	-	-	-	-	2,036
Capital outlay	1,345,794	-	341,273	139,080	1,826,147	5,388,643
Debt service:						
Principal	-	-	-	-	-	1,483,000
Interest and fiscal charges	-	-	-	-	-	2,218,859
Total expenditures	2,046,617	-	545,559	176,091	2,768,267	14,193,479
Excess (deficiency) of revenues over expenditures	2,896,317	5,700,000	(545,555)	(171,579)	7,879,183	5,086,651
Other financing sources (uses):						
Issuance of debt (equipment financing)	-	-	87,104	-	87,104	87,104
Transfers in	-	-	396,581	-	396,581	2,196,581
Transfers out	(1,400,000)	(815,129)	-	-	(2,215,129)	(2,930,484)
Total other financing sources	(1,400,000)	(815,129)	483,685	-	(1,731,444)	(646,799)
Change in fund balances	1,496,317	4,884,871	(61,870)	(171,579)	6,147,739	4,439,852
Fund balances, beginning	3,548,913	(56,575)	563,817	865,373	4,921,528	13,087,736
Fund balances, ending	$ 5,045,230	$ 4,828,296	$ 501,947	$ 693,794	$ 11,069,267	$ 17,527,588

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue Funds							
	Impact Fees Fund				Confiscated Property			
	Budgeted Amounts			Variance with Final Budget - Positive	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)	Original	Final	Actual	(Negative)
Revenues:								
Intergovernmental	$ 2,140,305	$ 2,140,305	$ 629,680	$ (1,510,625)	$ -	$ -	$ -	$ -
Fines and forfeitures	-	-	-	-	-	-	739,185	739,185
Investment income (loss)	64,000	64,000	181,768	117,768	6,000	6,000	13,225	7,225
Rentals and other revenues	-	-	-	-	-	-	9,871	9,871
Total revenues	2,204,305	2,204,305	811,448	(1,392,857)	6,000	6,000	762,281	756,281
Expenditures:								
Current:								
General government	-	15,880	15,879	1	-	-	-	-
Public safety	82,084	82,084	82,084	-	696,812	734,018	195,726	538,292
Capital outlay	5,912,190	5,896,310	2,486,775	3,409,535	252,032	214,826	144,625	70,201
Total expenditures	5,994,274	5,994,274	2,584,738	3,409,536	948,844	948,844	340,351	608,493
Excess (deficiency) of revenues over expenditures	(3,789,969)	(3,789,969)	(1,773,290)	2,016,679	(942,844)	(942,844)	421,930	1,364,774
Other financing sources (uses):								
Appropriation of prior years' fund balance	3,789,969	3,789,969	-	(3,789,969)	942,844	942,844	-	(942,844)
Total other financing sources	3,789,969	3,789,969	-	(3,789,969)	942,844	942,844	-	(942,844)
Change in fund balance	$ -	$ -	(1,773,290)	$ (1,773,290)	$ -	$ -	421,930	$ 421,930
Fund balances, beginning			3,944,950				1,011,558	
Fund balance - ending			$ 2,171,660				$ 1,433,488	

(Continued)

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue Funds							
	Disaster Relief Fund				Homestead Miami Speedway			
	Budgeted Amounts			Variance with Final Budget - Positive	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)	Original	Final	Actual	(Negative)
Revenues:								
Rentals and other revenues	$ -	$ -	$ -	$ -	$ 1,082,426	$ 1,082,426	$ 1,085,656	$ 3,230
Total revenues	-	-	-	-	1,082,426	1,082,426	1,085,656	3,230
Expenditures:								
Current:								
Parks and recreation	-	-	-	-	685,000	645,380	645,380	-
Disaster relief	16,289	16,289	2,036	14,253	-	-	-	-
Total expenditures	16,289	16,289	2,036	14,253	685,000	645,380	645,380	-
Excess (deficiency) of revenues over expenditures	(16,289)	(16,289)	(2,036)	14,253	397,426	437,046	440,276	3,230
Other financing sources (uses):								
Transfers out	-	-	-	-	(397,426)	(715,355)	(715,355)	-
Appropriation of prior years' fund balance	16,289	16,289	-	(16,289)	-	278,309	-	(278,309)
Total other financing sources	16,289	16,289	-	(16,289)	(397,426)	(437,046)	(715,355)	(278,309)
Change in fund balance	$ -	$ -	(2,036)	$ (2,036)	$ -	$ -	(275,079)	$ (275,079)
Fund balance - beginning			640,867				275,079	
Fund balance - ending			$ 638,831				$ -	

(Continued)

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Debt Service Funds							
	Taxable Transportation System Revenue Bonds				CRA Tax Increment Revenue Note			
	Budgeted Amounts			Variance with Final Budget - Positive	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)	Original	Final	Actual	(Negative)
Revenues:								
Total revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Expenditures:								
Current:								
General government	4,654	4,654	-	4,654	300,000	205,412	-	205,412
Debt service:								
Principal	700,000	700,000	700,000	-	-	-	-	-
Interest and fiscal charges	1,095,346	1,095,346	1,095,346	-	-	94,588	94,588	-
Total expenditures	1,800,000	1,800,000	1,795,346	4,654	300,000	300,000	94,588	205,412
Excess (deficiency) of revenues over expenditures	(1,800,000)	(1,800,000)	(1,795,346)	4,654	(300,000)	(300,000)	(94,588)	205,412
Other financing sources (uses):								
Transfers in	1,800,000	1,800,000	1,800,000	-	300,000	300,000	-	(300,000)
Total other financing sources	1,800,000	1,800,000	1,800,000	-	300,000	300,000	-	(300,000)
Change in fund balance	$ -	$ -	4,654	$ 4,654	$ -	$ -	(94,588)	(94,588)
Fund balance - beginning			456,366				134,941	
Fund balance - ending			$ 461,020				$ 40,353	

(Continued)

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Debt Service Funds			
	General Obligation Bonds			
	Budgeted			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property taxes	$ 1,470,616	$ 1,470,616	$ 1,474,854	$ 4,238
Total revenues	1,470,616	1,470,616	1,474,854	4,238
Expenditures:				
Debt service:				
Principal	590,000	590,000	590,000	-
Interest and fiscal charges	894,238	894,238	893,188	1,050
Total expenditures	1,484,238	1,484,238	1,483,188	1,050
Excess (deficiency) of revenues over expenditures	(13,622)	(13,622)	(8,334)	5,288
Other financing sources (uses):				
Appropriation of prior years' fund balance	13,622	13,622	-	(13,622)
Total other financing sources	13,622	13,622	-	(13,622)
Change in fund balance	$ -	$ -	(8,334)	$ (8,334)
Fund balance - beginning			94,495	
Fund balance - ending			$ 86,161	

(Continued)

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Capital Project Fund							
	People's Transportation Plan				Multimodal Transit Center Fund			
	Budgeted Amounts			Variance with Final Budget - Positive	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)	Original	Final	Actual	(Negative)
Revenues:								
Intergovernmental	$ 4,892,645	$ 4,892,645	$ 4,908,490	$ 15,845	$ 815,129	$ 815,129	$ 5,700,000	$ 4,884,871
Investment income (loss)	5,000	5,000	34,444	29,444	-	-	-	-
Total revenues	4,897,645	4,897,645	4,942,934	45,289	815,129	815,129	5,700,000	4,884,871
Expenditures:								
Current:								
Public works	2,265,053	1,333,051	700,823	632,228	-	-	-	-
Capital outlay	2,363,727	3,295,729	1,345,794	1,949,935	815,129	815,129	-	815,129
Total expenditures	4,628,780	4,628,780	2,046,617	2,582,163	815,129	815,129	-	815,129
Excess (deficiency) of revenues over expenditures	268,865	268,865	2,896,317	2,627,452	-	-	5,700,000	5,700,000
Other financing sources::								
Transfers out	(1,400,000)	(1,400,000)	(1,400,000)	-	-	-	(815,129)	(815,129)
Appropriation of prior years' fund balance	1,131,135	1,131,135	-	(1,131,135)	-	-	-	-
Total other financing sources	(268,865)	(268,865)	(1,400,000)	(1,131,135)	-	-	(815,129)	(815,129)
Change in fund balance	$ -	$ -	1,496,317	$ 1,496,317	$ -	$ -	4,884,871	$ 4,884,871
Fund balances, beginning			3,548,913				(56,575)	
Fund balance - ending			$ 5,045,230				$ 4,828,296	

(Continued)

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Capital Project Funds							
	Capital Improvement				Cybrarium			
	Budgeted Amounts			Variance with Final Budget - Positive	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)	Original	Final	Actual	(Negative)
Revenues:								
Investment income	$ -	$ -	$ 4	$ 4	$ -	$ -	$ 4,512	$ 4,512
Total revenues	-	-	4	4	-	-	4,512	4,512
Expenditures:								
Current:								
General government	480,185	468,680	186,299	282,381	-	-	-	-
Public safety	12,293	12,293	12,292	1	-	-	-	-
Parks and recreation	5,695	5,695	5,695	-	32,710	37,738	37,011	727
Capital outlay	309,968	321,473	341,273	(19,800)	774,798	769,770	139,080	630,690
Total expenditures	808,141	808,141	545,559	262,582	807,508	807,508	176,091	631,417
Excess (deficiency) of revenues over expenditures	(808,141)	(808,141)	(545,555)	262,586	(807,508)	(807,508)	(171,579)	635,929
Other financing sources (uses):								
Issuance of debt (equipment financing)	-	-	87,104	87,104	-	-	-	-
Transfers in	396,581	396,581	396,581	-	-	-	-	-
Appropriation of prior years' fund balance	411,560	411,560	-	(411,560)	807,508	807,508	-	(807,508)
Total other financing sources	808,141	808,141	483,685	(324,456)	807,508	807,508	-	(807,508)
Change in fund balance	$ -	$ -	(61,870)	$ (61,870)	$ -	$ -	(171,579)	$ (171,579)
Fund balance - beginning			563,817				865,373	
Fund balance - ending			$ 501,947				$ 693,794	

NONMAJOR PROPRIETARY FUNDS

NONMAJOR PROPRIETARY FUNDS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the government's Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's Council has decided that periodic determination of net income is appropriate for accountability purposes.

Stormwater Fund - This fund accounts for the daily operating activities related to the Stormwater Utility.

Utilities Repair, Replacement and Improvement Fund – This fund accounts for the accumulation of assets to be utilized for the repair, replacement and improvements of the electric, water, sewer, and solid waste facilities of the City.



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CITY OF HOMESTEAD, FLORIDA

COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS

SEPTEMBER 30, 2023

	Stormwater	Utilities Repair Replacement and Improvements	Total Other Enterprise Funds
ASSETS			
Current assets:			
Cash and cash equivalents	$ 581,952	$ 105,344	$ 687,296
Investments	2,184,890	-	2,184,890
Interest receivable on investments	7,560	-	7,560
Account receivables, net	825,191	-	825,191
Due from other funds	-	1,800,000	1,800,000
Total current assets	3,599,593	1,905,344	5,504,937
Noncurrent assets:			
Capital assets being depreciated, net	385,024	-	385,024
Total noncurrent assets	385,024	-	385,024
Total assets	3,984,617	1,905,344	5,889,961
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows for pension	422,759	-	422,759
Deferred outflows for OPEB	4,093	-	4,093
Total deferred outflows of resources	426,852	-	426,852
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	37,853	-	37,853
Compensated absences	18,722	-	18,722
OPEB liability	5,899	-	5,899
Total current liabilities	62,474	-	62,474
Noncurrent liabilities:			
Compensated absences	43,684	-	43,684
Net pension liability	285,830	-	285,830
OPEB liability	183,620	-	183,620
Total noncurrent liabilities	513,134	-	513,134
Total liabilities	575,608	-	575,608
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows for pension	162,261	-	162,261
Deferred inflows for OPEB	216,988	-	216,988
Total deferred inflows of resources	379,249	-	379,249
NET POSITION			
Net investment in capital assets	385,024	-	385,024
Unrestricted	3,071,588	1,905,344	4,976,932
Total net position	$ 3,456,612	$ 1,905,344	$ 5,361,956

CITY OF HOMESTEAD, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Stormwater	Utilities Repair Replacement and Improvements	Total Other Enterprise Funds
Operating revenues:			
Charges for services	$ 1,730,509	$ -	$ 1,730,509
Total operating revenues	1,730,509	-	1,730,509
Operating expenses:			
Personnel services	965,674	-	965,674
Other operating expenses	612,444	-	612,444
Depreciation	91,500	-	91,500
Total expenditures	1,669,618	-	1,669,618
Operating income	60,891	-	60,891
Non-operating expense:			
Interest income	85,892	-	85,892
Total non-operating expense	85,892	-	85,892
Loss before transfers	146,783	-	146,783
Transfers out	(6,541)	-	(6,541)
Total transfers	(6,541)	-	(6,541)
Change in net position	140,242	-	140,242
Net position, beginning	3,316,370	1,905,344	5,221,714
Net position, ending	$ 3,456,612	$ 1,905,344	$ 5,361,956

CITY OF HOMESTEAD, FLORIDA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Stormwater	Utilities Repair Replacement and Improvements	Total Other Enterprise Funds
Cash flows from (used in) operating activities:			
Cash received from customers	$ 1,718,214	$ -	$ 1,718,214
Cash payments to suppliers	(592,852)	-	(592,852)
Cash payments from other funds	400,000	50,000	450,000
Cash payments to employees	(989,192)	-	(989,192)
Net cash provided by operating activities	536,170	50,000	586,170
Cash flows used in noncapital financing activities:			
Transfers to other funds	(6,541)	-	(6,541)
Net cash used in noncapital financing activities	(6,541)	-	(6,541)
Cash flows used in capital and related financing activities:			
Acquisition and construction of capital assets	(331,160)	-	(331,160)
Net cash used in capital and related financing activities	(331,160)	-	(331,160)
Cash flows from (used in) investing activities:			
Purchases of investments	(94,871)	-	(94,871)
Proceeds from sale of investments	13,561	-	13,561
Interest received on investments	85,892	-	85,892
Net cash provided by investing activities	4,582	-	4,582
Net increase in cash and cash equivalents	203,051	50,000	253,051
Cash and cash equivalents, beginning	378,901	55,344	434,245
Cash and cash equivalents, ending	$ 581,952	$ 105,344	$ 687,296
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 60,891	$ -	$ 60,891
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	91,500	-	91,500
Net changes in assets, liabilities, deferred outflows and deferred inflows:			
(Increase) decrease in:			
Interest receivable	(3,029)	-	(3,029)
Accounts receivables	(9,266)	-	(9,266)
Due from other funds	400,000	50,000	450,000
Net pension asset	76,857	-	76,857
Deferred outflows for pensions	(369,937)	-	(369,937)
Deferred outflows for OPEB	525	-	525
Increase (decrease) in:			
Accounts payable and accrued liabilities	19,592	-	19,592
Compensated Absences	18,346	-	18,346
Net pension liability	285,830	-	285,830
Total OPEB liability	(70,995)	-	(70,995)
Deferred inflows for pensions	9,104	-	9,104
Deferred inflows for OPEB	26,752	-	26,752
Total adjustments	475,279	50,000	525,279
Net cash provided by operating activities	$ 536,170	$ 50,000	$ 586,170
Non-cash investing, capital and financing activities:			
Change in fair value of investments	$ 24,999	$ -	$ 24,999



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INTERNAL SERVICE FUNDS

CITY OF HOMESTEAD, FLORIDA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

SEPTEMBER 30, 2023

	Governmental Activities				Business-type Activities	
	Health Self-Insurance	Other Self-Insurance	Fleet Management	Total Governmental Activities	Customer Service	Total Internal Service
ASSETS						
Current assets:						
Cash and cash equivalents	$ 133,551	$ 2,075,168	$ 449,490	$ 2,658,209	$ 1,458,572	$ 4,116,781
Account receivables, net	-	-	14,154	14,154	-	14,154
Due from other funds	-	3,100,000	-	3,100,000	-	3,100,000
Inventories	-	-	173,438	173,438	-	173,438
Total current assets	133,551	5,175,168	637,082	5,945,801	1,458,572	7,404,373
Noncurrent assets:						
Capital assets being depreciated, net	-	1,392	311,359	312,751	39,706	352,457
Total non current assets	-	1,392	311,359	312,751	39,706	352,457
Total assets	133,551	5,176,560	948,441	6,258,552	1,498,278	7,756,830
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows for pension	337,191	335,302	378,753	1,051,246	1,036,703	2,087,949
Deferred outflows for OPEB	823	778	3,823	5,424	11,694	17,118
Total deferred outflows of resources	338,014	336,080	382,576	1,056,670	1,048,397	2,105,067
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	7,687	88,385	488,246	584,318	139,232	723,550
Compensated absences	7,420	8,350	17,645	33,415	39,949	73,364
Equipmet financing	-	639	2,236	2,875	11,180	14,055
OPEB liability	1,186	1,122	5,510	7,818	16,855	24,673
Claims and judgements	-	1,228,328	-	1,228,328	-	1,228,328
Total current liabilities	16,293	1,326,824	513,637	1,856,754	207,216	2,063,970
Noncurrent liabilities:						
Compensated absences	17,314	19,483	41,172	77,969	93,214	171,183
Equipmet financing	-	162	566	728	2,831	3,559
Net pension liability	227,977	226,700	256,078	710,755	700,922	1,411,677
OPEB liability	36,926	34,907	171,513	243,346	524,627	767,973
Claims and judgements	-	3,734,619	-	3,734,619	-	3,734,619
Total noncurrent liabilities	282,217	4,015,871	469,329	4,767,417	1,321,594	6,089,011
Total liabilities	298,510	5,342,695	982,966	6,624,171	1,528,810	8,152,981
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows for pension	129,419	128,694	145,371	403,484	397,901	801,385
Deferred inflows for OPEB	43,636	41,251	202,680	287,567	619,964	907,531
Total deferred inflows of resources	173,055	169,945	348,051	691,051	1,017,865	1,708,916
NET POSITION						
Net investment in capital assets	-	591	308,557	309,148	25,695	334,843
Unrestricted	-	(591)	(308,557)	(309,148)	(25,695)	(334,843)
Total net position	$ -	$ -	$ -	$ -	$ -	$ -

CITY OF HOMESTEAD, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Governmental Activities				Business-type Activities	
	Health Self-Insurance	Other Self-Insurance	Fleet Management	Total Governmental Activities	Customer Service	Total Internal Service
Operating revenues:						
Charges for services	$ 9,125,120	$ 5,512,866	$ 5,574,464	$ 20,212,450	$ 3,410,885	$ 23,623,335
Other revenues	-	-	64,484	64,484	-	64,484
Total operating revenues	9,125,120	5,512,866	5,638,948	20,276,934	3,410,885	23,687,819
Operating expenses:						
Personnel services	221,753	219,307	875,906	1,316,966	1,928,256	3,245,222
Administration	79,828	1,068,311	-	1,148,139	-	1,148,139
Insurance and claims	8,823,539	4,204,660	-	13,028,199	-	13,028,199
Other operating expenses	-	-	4,717,478	4,717,478	1,419,221	6,136,699
Depreciation	-	563	45,476	46,039	36,805	82,844
Total operating expenses	9,125,120	5,492,841	5,638,860	20,256,821	3,384,282	23,641,103
Operating income	-	20,025	88	20,113	26,603	46,716
Non-operating expenses:						
Interest expense	-	(25)	(88)	(113)	(440)	(553)
Total non-operating expenses	-	(25)	(88)	(113)	(440)	(553)
Other financing uses:						
Transfer out	-	(20,000)	-	(20,000)	(26,163)	(46,163)
Total other financing uses	-	(20,000)	-	(20,000)	(26,163)	(46,163)
Change in net position	-	-	-	-	-	-
Net position, beginning	-	-	-	-	-	-
Net position, ending	$ -	$ -	$ -	$ -	$ -	$ -

CITY OF HOMESTEAD, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Governmental Activities				Business-type Activities	
	Health Self-Insurance	Other Self-Insurance	Fleet Management	Total Governmental Activities	Customer Service	Total Internal Service
Cash flows from (used in) operating activities:						
Cash payments to suppliers	$ (8,905,081)	$ (5,255,022)	$ (4,426,839)	$ (18,586,942)	$ (1,405,859)	$ (19,992,801)
Cash received from other funds	9,125,120	7,412,866	5,938,948	22,476,934	3,610,885	26,087,819
Cash payments to employees	(227,360)	(226,425)	(916,074)	(1,369,859)	(2,127,964)	(3,497,823)
Net cash provided by (used in) operating activities	(7,321)	1,931,419	596,035	2,520,133	77,062	2,597,195
Cash flows used in noncapital financing activities:						
Transfers to other funds	-	(20,000)	-	(20,000)	(26,163)	(46,163)
Net cash used in noncapital financing activies	-	(20,000)	-	(20,000)	(26,163)	(46,163)
Cash flows used in capital and related financing activities:						
Acquisition and construction of capital assets	-	-	(272,859)	(272,859)	-	(272,859)
Principal paid on long term debt	-	(625)	(2,190)	(2,815)	(10,947)	(13,762)
Interest paid on long term debt	-	(25)	(88)	(113)	(440)	(553)
Net cash used in capital and related financing activities	-	(650)	(275,137)	(275,787)	(11,387)	(287,174)
Net increase (decrease) in cash and cash equivalents	(7,321)	1,910,769	320,898	2,224,346	39,512	2,263,858
Cash and cash equivalents, beginning	140,872	164,399	128,592	433,863	1,419,060	1,852,923
Cash and cash equivalents, ending	$ 133,551	$ 2,075,168	$ 449,490	$ 2,658,209	$ 1,458,572	$ 4,116,781
Reconciliation of operating income to net cash provided by operating activities:						
Operating income	$ -	$ 20,025	$ 88	$ 20,113	$ 26,603	$ 46,716
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:						
Depreciation	-	563	45,476	46,039	36,805	82,844
Net changes in assets, liabilities, deferred outflows and deferred inflows:						
(Increase) decrease in:						
Account receivables	-	-	(2,992)	(2,992)	-	(2,992)
Due from other funds	-	1,900,000	300,000	2,200,000	200,000	2,400,000
Inventories	-	-	27,967	27,967	-	27,967
Net pension asset	51,180	77,292	103,223	231,695	282,296	513,991
Deferred outflows for pension	(302,016)	(282,181)	(307,811)	(892,008)	(842,689)	(1,734,697)
Deferred outflows for OPEB	106	99	491	696	1,501	2,197
Increase (decrease) in:						
Accounts payable and accrued liabilities	(1,714)	(39,361)	265,664	224,589	13,362	237,951
Compensated Absences	(1,386)	4,712	9,504	12,830	(50,687)	(37,857)
Net pension liability	227,977	226,700	256,078	710,755	700,922	1,411,677
Total OPEB liability	(14,277)	(13,497)	(66,315)	(94,089)	(202,846)	(296,935)
Claims and judgements	-	57,310	-	57,310	-	57,310
Deferred inflows for pension	27,429	(25,329)	(60,326)	(58,226)	(164,641)	(222,867)
Deferred inflows for OPEB	5,380	5,086	24,988	35,454	76,436	111,890
Total adjustments	(7,321)	1,911,394	595,947	2,500,020	50,459	2,550,479
Net cash provided by (used in) operating activities	$ (7,321)	$ 1,931,419	$ 596,035	$ 2,520,133	$ 77,062	$ 2,597,195



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FIDUCIARY FUNDS

CITY OF HOMESTEAD, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

SEPTEMBER 30, 2023

	General Employees' Retirement Plan	Police Officers' Retirement Plan	Elected Officials' Retirement Plan (1)	New Elected Officials' and Senior Management Retirement System (1)	Firefighters' Retirement System (1)	Totals
ASSETS						
Cash and cash equivalents	$ 1,473,252	$ 8,315,822	$ 359,667	$ 117,789	$ 346,086	$ 10,612,616
Receivables:						
Other receivables	10,232	-	-	-	-	10,232
Contributions	27,357	14,452	-	-	-	41,809
Due from broker	534,039	180,676	-	-	-	714,715
Accrued investment income	426,388	28,095	12,892	6,280	27,649	501,304
Total receivables	998,016	223,223	12,892	6,280	27,649	1,268,060
Other asset	-	9,101	-	1,630	-	10,731
Investments:						
U.S. Government Securities	-	-	-	-	2,081,685	2,081,685
Municipal obligations	11,601,683	-	-	-	237,433	11,839,116
Corporate bonds	19,873,664	-	1,077,689	-	1,713,492	22,664,845
Hedge funds	298,280	-	-	-	-	298,280
Preferred stock	-	-	40,666	-	-	40,666
Mutual funds - fixed income	-	34,713,744	-	693,369	460,688	35,867,801
Mutual funds - equities	16,435,920	-	270,922	3,307,756	-	20,014,598
Common stocks	35,890,125	76,639,050	1,402,403	-	1,748,618	115,680,196
Real estate	-	3,979,083	-	660,547	-	4,639,630
Certificate of deposit	-	-	-	-	100,627	100,627
Other	5,607,570	-	263,009	-	-	5,870,579
Total investments	89,707,242	115,331,877	3,054,689	4,661,672	6,342,543	219,098,023
TOTAL ASSETS	92,178,510	123,880,023	3,427,248	4,787,371	6,716,278	230,989,430
LIABILITIES						
DROP payable	742,969	-	-	-	-	742,969
Accounts payable	92,269	291,711	8,322	7,995	21,235	421,532
Due to broker	62,365	-	-	-	76,008	138,373
TOTAL LIABILITIES	897,603	291,711	8,322	7,995	97,243	1,302,874
DEFERRED INFLOWS OF RESOURCES						
Advance City contributions	-	-	-	-	52,416	52,416
Total deferred inflows of resources	-	-	-	-	52,416	52,416
NET POSITION RESTRICTED FOR PENSION BENEFITS	$ 91,280,907	$ 123,588,312	$ 3,418,926	$ 4,779,376	$ 6,566,619	$ 229,634,140

(1) Amounts reflected as of December 31, 2022, the date of the latest plan year.

CITY OF HOMESTEAD, FLORIDA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 2023

	General Employees' Retirement Plan	Police Officers' Retirement Plan	Elected Officials' Retirement Plan (1)	New Elected Officials' and Senior Management Retirement System (1)	Firefighters' Retirement System (1)	Totals
ADDITIONS						
Contributions:						
City	$ 1,147,568	$ 5,308,308	$ 69,210	$ 109,990	$ -	$ 6,635,076
Employees	259,826	879,637	-	-	-	1,139,463
State	-	861,783	-	-	276,231	1,138,014
Total contributions	1,407,394	7,049,728	69,210	109,990	276,231	8,912,553
Investment income:						
Investment earnings	3,126,693	2,320,114	154,213	175,115	258,346	6,034,481
Net appreciation (depreciation) in fair value of investments	5,078,512	11,780,910	(429,183)	(976,603)	(1,071,804)	14,381,832
Less investment expenses	(514,680)	(484,748)	(31,962)	(32,575)	(25,340)	(1,089,305)
Net investment income (loss)	7,690,525	13,616,276	(306,932)	(834,063)	(838,798)	19,327,008
Other revenues	4,401	-	-	-	-	4,401
Total additions (reductions)	9,102,320	20,666,004	(237,722)	(724,073)	(562,567)	28,243,962
DEDUCTIONS						
Pension benefits	5,154,031	5,651,804	196,352	345,298	744,665	12,092,150
DROP payments	1,365,931	-	-	-	-	1,365,931
Refunds	39,528	70,719	-	-	-	110,247
Administrative expenses	117,153	160,261	35,434	47,745	106,700	467,293
Total deductions	6,676,643	5,882,784	231,786	393,043	851,365	14,035,621
Change in net position	2,425,677	14,783,220	(469,508)	(1,117,116)	(1,413,932)	14,208,341
NET POSITION RESTRICTED FOR PENSION BENEFITS						
Beginning of year	88,855,230	108,805,092	3,888,434	5,896,492	7,980,551	215,425,799
End of year	$ 91,280,907	$ 123,588,312	$ 3,418,926	$ 4,779,376	$ 6,566,619	$ 229,634,140

(1) Amounts reflected as of December 31, 2022, the date of the latest plan year.

STATISTICAL SECTION

Statistical Section

This part of the City of Homestead's comprehensive annual financial report represents 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.

Contents **Page**

Financial Trends **175-179**

The information presented in this section is intended to assist users in understanding and assessing how a government's financial position has changed over time.

Revenue Capacity **180-184**

These information presented in this section is intended to assist users in understanding and assessing the City's two most significant local revenue sources, the property tax and the electric utility revenues.

Debt Capacity **185-189**

The information presented in this section is intended to assist users in understanding and assessing the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information **190-191**

The information presented in this section is intended to assist users in understanding the socioeconomic environment within which the City operates.

Operating Information **192-194**

The information presented in this section contains service and infrastructure data and is intended to help the reader understand how the information in the City's financial reports relates to the services the City provides and the activities it performs.

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



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Financial Trends Information

Page

The information presented in this section is intended to assist users in understanding and assessing how a government's financial position has changed over time. **175-179**



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CITY OF HOMESTEAD, FLORIDA

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
Net investment in capital assets	$ 182,289,521	$ 182,035,858	$ 182,857,637	$ 168,779,914	$ 171,873,549	$ 177,339,023	$ 191,173,910	$ 193,677,481	$ 197,273,126	$ 185,490,033
Restricted	18,721,837	20,752,108	17,886,488	14,726,787	14,980,268	17,404,061	13,992,265	13,803,772	13,390,211	14,940,715
Unrestricted	9,952,822	(3,732,770)	(11,947,991)	1,085,299	(521,798)	(5,692,542)	(1,908,807)	2,541,761	1,104,887	35,954,594
Total governmental activities net position	$ 210,964,180	$ 199,055,196	$ 188,796,134	$ 184,592,000	$ 186,332,019	$ 189,050,542	$ 203,257,368	$ 210,023,014	$ 211,768,224	$ 236,385,342
Business-type activities:										
Net investment in capital assets	$ 36,553,353	$ 37,344,075	$ 37,054,711	$ 38,354,236	$ 38,895,085	$ 34,074,210	$ 29,169,365	$ 29,643,262	$ 30,874,752	$ 32,798,643
Restricted	1,403,000	3,702,669	510,121	270,752	476,460	715,800	552,719	559,257	716,527	716,755
Unrestricted	6,255,960	(473,658)	(819,084)	(3,085,589)	(6,630,871)	(3,567,329)	2,242,034	13,332,705	22,098,736	32,275,597
Total business-type activities net position	$ 44,212,313	$ 40,573,086	$ 36,745,748	$ 35,539,399	$ 32,740,674	$ 31,222,681	$ 31,964,118	$ 43,535,224	$ 53,690,015	$ 65,790,995
Primary government:										
Net investment in capital assets	$ 218,842,874	$ 219,379,933	$ 219,912,348	$ 207,134,150	$ 210,768,634	$ 211,413,233	$ 220,343,275	$ 223,320,743	$ 228,147,878	$ 218,288,676
Restricted	20,124,837	24,454,777	18,396,609	14,997,539	15,456,728	18,119,861	14,544,984	14,363,029	14,106,738	15,657,470
Unrestricted	16,208,782	(4,206,428)	(12,767,075)	(2,000,290)	(7,152,669)	(9,259,871)	333,227	15,874,466	23,203,623	68,230,191
Total primary government net position	$ 255,176,493	$ 239,628,282	$ 225,541,882	$ 220,131,399	$ 219,072,693	$ 220,273,223	$ 235,221,486	$ 253,558,238	$ 265,458,239	$ 302,176,337

Source: City of Homestead ACFR for fiscal years ending September 30, 2014 through September 30, 2023.

CITY OF HOMESTEAD, FLORIDA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental activities:										
General government	$ 19,950,050	$ 15,249,170	$ 14,754,516	$ 16,070,707	$ 19,120,054	$ 21,003,043	$ 16,344,478	$ 17,246,402	$ 17,351,952	$ 14,561,575
Public safety	41,160,636	31,258,474	32,381,625	36,940,046	31,313,525	31,399,222	31,277,616	29,168,711	29,690,875	29,019,865
Public works	5,313,600	4,619,991	4,053,061	4,913,009	4,972,723	5,082,373	5,259,020	4,189,826	4,119,974	5,584,695
Parks and recreation	11,615,808	10,696,384	9,723,368	8,586,509	8,605,167	8,831,440	8,626,647	7,931,471	7,594,640	7,559,260
Disaster relief	2,036	216,809	230,593	1,656,340	1,494,954	4,774,725	5,784,058	-	-	-
Interest on long-term debt	2,561,476	2,335,423	2,250,655	2,309,156	2,566,298	2,533,914	1,914,467	1,278,725	1,315,178	655,807
Unallocated depreciation	2,183,664	2,299,641	2,436,921	2,438,939	2,537,794	2,605,333	2,614,783	2,728,555	2,663,535	2,708,565
Total governmental activities expenses	82,787,270	66,675,892	65,830,739	72,914,706	70,610,515	76,230,050	71,821,069	62,543,690	62,736,154	60,089,767
Business-type activities:										
Water & Sewer	23,202,247	21,142,394	19,558,048	19,829,160	18,630,219	18,327,873	19,568,630	20,517,653	16,957,507	17,081,653
Electric	67,810,025	69,865,504	54,539,331	57,349,765	65,511,531	63,631,753	63,978,883	62,909,804	60,464,609	60,900,056
Solid waste	15,307,063	14,329,271	13,590,850	13,696,451	12,444,373	12,618,609	12,151,517	12,433,778	10,933,920	10,656,568
Other enterprise funds	1,669,618	1,642,438	1,480,030	1,799,207	1,590,250	1,646,534	1,533,212	1,561,837	1,525,438	1,623,594
Homestead station QALICB	1,416,260	1,403,096	1,363,737	210,525	50,000	949,837	-	-	-	-
Total business-type activities expenses	109,405,213	108,382,703	90,531,996	92,885,108	98,226,373	97,174,606	97,232,242	97,423,072	89,881,474	90,261,871
Total primary government expenses	$ 192,192,483	$ 175,058,595	$ 156,362,735	$ 165,799,814	$ 168,836,888	$ 173,404,656	$ 169,053,311	$ 159,966,762	$ 152,617,628	$ 150,351,638
Program revenue:										
Governmental activities:										
Charge for services:										
General government	$ 11,255,145	$ 11,831,050	$ 12,316,849	$ 11,110,086	$ 11,129,438	$ 11,114,484	$ 10,116,159	$ 10,605,142	$ 9,730,932	$ 9,154,625
Public safety	1,126,868	1,253,225	1,477,930	1,141,759	1,544,241	2,725,547	1,935,293	1,680,681	1,420,610	1,626,143
Public works	18,439	64,933	119,768	103,148	106,176	116,645	103,850	132,364	95,848	63,091
Parks and recreation	1,588,528	1,994,553	1,931,257	1,509,470	2,765,675	3,127,406	3,393,329	4,163,420	4,090,198	3,740,144
Operating grants and contributions	7,381,119	3,754,209	4,642,906	12,823,167	4,266,401	3,850,681	2,231,928	1,999,080	3,822,973	4,253,120
Capital grants and contributions	14,241,442	8,130,812	4,729,811	3,868,007	5,779,524	4,674,927	4,600,091	3,382,844	4,240,088	3,612,918
Total governmental activities programs revenues	35,611,541	27,028,782	25,218,521	30,555,637	25,591,455	25,609,690	22,380,650	21,963,531	23,400,649	22,450,041
Business-type activities:										
Charge for services:										
Water & sewer	22,613,952	21,067,151	19,774,024	19,337,106	16,815,050	14,001,983	13,574,254	13,139,628	12,869,453	12,125,905
Electric	67,861,540	71,984,732	53,867,721	56,958,932	63,749,905	62,652,734	61,077,521	61,272,008	61,307,335	58,534,274
Solid waste	14,291,023	13,409,703	12,802,595	13,421,214	12,679,156	12,082,839	12,198,899	11,673,675	11,690,965	11,017,194
Other enterprise funds	1,730,509	1,686,643	1,516,562	2,172,199	1,653,240	901,505	1,666,635	1,639,976	1,693,618	1,572,786
Capital grants and contributions	359,704	-	-	620,368	2,428,044	3,936,372	217,088	-	-	-
Total business-type activities programs revenues	106,856,728	108,148,229	87,960,902	92,509,819	97,325,395	93,575,433	88,734,397	87,725,287	87,561,371	83,250,159
Total primary government program revenues	$ 142,468,269	$ 135,177,011	$ 113,179,423	$ 123,065,456	$ 122,916,850	$ 119,185,123	$ 111,115,047	$ 109,688,818	$ 110,962,020	$ 105,700,200
Net (expense) revenue:										
Governmental activities	$ (47,175,729)	$ (39,647,110)	$ (40,612,218)	$ (42,359,069)	$ (45,019,060)	$ (50,620,360)	$ (49,440,419)	$ (40,580,159)	$ (39,335,505)	$ (37,639,726)
Business-type activities	(2,548,485)	(234,474)	(2,571,094)	(375,289)	(900,978)	(3,599,173)	(8,497,845)	(9,697,785)	(2,320,103)	(7,011,712)
Total primary government net (expense) revenue	$ (49,724,214)	$ (39,881,584)	$ (43,183,312)	$ (42,734,358)	$ (45,920,038)	$ (54,219,533)	$ (57,938,264)	$ (50,277,944)	$ (41,655,608)	$ (44,651,438)

CITY OF HOMESTEAD, FLORIDA

CHANGES IN NET POSITION (continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General revenues and other changes in net position:										
Governmental activities:										
Property taxes	$ 29,041,411	$ 25,619,680	$ 23,886,305	$ 20,719,613	$ 18,835,686	$ 17,284,317	$ 15,571,327	$ 14,044,980	$ 13,507,112	$ 11,057,882
Fuel taxes	1,449,845	1,297,194	1,216,531	1,136,424	1,304,847	1,309,021	1,222,652	1,178,768	1,188,363	1,123,787
Franchise fees *	195,172	52,757	4,609,837	4,475,352	4,383,291	4,115,956	4,011,858	3,767,938	3,662,823	3,516,008
Utility taxes	1,653,882	1,579,957	1,566,050	1,554,248	1,558,004	1,491,902	1,532,625	1,614,804	1,608,427	1,593,944
Communication service taxes	1,764,066	1,576,166	1,598,216	1,383,144	1,343,577	1,518,228	1,525,106	2,069,644	1,590,006	1,902,060
Half cent sales taxes	8,687,352	7,793,915	6,364,097	5,024,707	5,845,264	5,631,661	5,280,732	5,143,347	4,853,152	4,556,584
Unrestricted intergovernmental revenue	5,317,700	5,501,415	3,697,777	3,036,391	3,391,630	3,328,071	3,024,983	2,727,254	2,556,091	2,177,574
Payment in lieu of taxes *	7,890,456	7,285,550	2,254,680	2,034,292	1,849,088	1,704,671	1,512,374	1,414,284	1,193,843	1,193,843
Other revenues	1,701,018	1,290,552	1,248,754	962,164	2,549,135	2,226,906	751,200	844,417	665,798	713,289
Gain on sale of assets	-	-	-	-	-	-	-	594,715	-	-
Unrestricted investment earnings (loss)	2,647,622	(997,203)	176,916	773,526	1,101,826	628,804	237,216	402,984	883,602	1,451,380
Cares Act **	-	-	-	604,000	-	-	-	-	-	-
Transfers	(1,263,811)	(1,093,811)	(1,802,811)	(1,084,811)	138,189	(745,500)	8,004,700	5,031,814	5,133,771	4,474,589
Total governmental activities	59,084,713	49,906,172	44,816,352	40,619,050	42,300,537	38,494,037	42,674,773	38,834,949	36,842,988	33,760,940
Business-type activities:										
Other revenues	4,187,616	2,867,357	1,967,396	1,907,506	2,449,147	2,916,645	4,898,995	4,355,998	2,067,761	2,074,862
Unrestricted investment earnings (loss)	736,285	100,644	7,236	104,600	108,013	37,928	32,444	218,810	470,857	741,584
Cares Act **	-	-	-	77,097	-	-	-	-	-	-
Transfers	1,263,811	1,093,811	1,802,811	1,084,811	(138,189)	745,500	(8,004,700)	(5,031,814)	(5,133,771)	(4,474,589)
Total business-type activities	6,187,712	4,061,812	3,777,443	3,174,014	2,418,971	3,700,073	(3,073,261)	(457,006)	(2,595,153)	(1,658,143)
Total primary government	$ 65,272,425	$ 53,967,984	$ 48,593,795	$ 43,793,064	$ 44,719,508	$ 42,194,110	$ 39,601,512	$ 38,377,943	$ 34,247,835	$ 32,102,797
Change in net position:										
Governmental activities	$ 11,908,984	$ 10,259,062	$ 4,204,134	$ (1,740,019)	$ (2,718,523)	$ (12,126,323)	$ (6,765,646)	$ (1,745,210)	$ (2,492,517)	$ (3,878,786)
Business-type activities	3,639,227	3,827,338	1,206,349	2,798,725	1,517,993	100,900	(11,571,106)	(10,154,791)	(4,915,256)	(8,669,855)
Total primary government	$ 15,548,211	$ 14,086,400	$ 5,410,483	$ 1,058,706	$ (1,200,530)	$ (12,025,423)	$ (18,336,752)	$ (11,900,001)	$ (7,407,773)	$ (12,548,641)

Source: City of Homestead ACFR for fiscal years ending September 30, 2014 through September 30, 2023.
Note : * Starting with FY 2022, certain fees charged to the City's other utilitties funds have been moved to include with payments in lieu of taxes instead of frnachise fees.
: ** For FY 2021 Cares Act revenues were included in operating grants and contributions for governmental activities. Business-type activities reveived no Cares Act revenue in FY 2021. .
In subsequent years Cares Act revenues were recorded in Intergovernmental.

CITY OF HOMESTEAD, FLORIDA

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General fund:										
Nonspendable :										
Prepaid costs	$ 198,198	$ 74,530	$ 19,298	$ 117,636	$ 7,179	$ 237,950	$ 1,824	$ 198,906	$ 371,951	$ 243,657
Long-term note receivable	31,506,233	30,691,104	30,536,505	30,493,770	28,264,033	10,841,000	-	-	1,704,572	1,704,572
Long-term interest on notes receivable	-	-	-	-	-	-	-	-	614,910	562,766
Restricted for:										
Fiber optic & rock pit security	1,555,665	1,555,665	1,555,665	100,000	100,000	100,000	100,000	100,000	100,000	100,000
HUD section 108 loan security	306,000	306,000	306,000	306,000	306,000	306,000	-	-	-	-
Committed to:										
Required reserve	6,175,594	5,530,750	5,222,610	5,041,946	4,791,848	4,958,948	4,807,159	4,576,236	4,472,930	4,043,243
Assigned to:										
Appropriations of subsequent year's budget	2,305,201	2,570,529	464,985	378,940	1,130,300	1,215,667	5,540,576	1,506,952	1,345,841	1,773,765
Unassigned :										
General fund	19,155,564	13,079,726	10,900,633	6,626,970	651,329	9,659,840	8,987,795	18,158,247	14,327,306	14,036,703
Total General fund	$ 61,202,455	$ 53,808,304	$ 49,005,696	$ 43,065,262	$ 35,250,689	$ 27,319,405	$ 19,437,354	$ 24,540,341	$ 22,937,510	$ 22,464,706
All other governmental funds:										
Nonspendable :										
Prepaid costs	$ -	$ 17,585	$ -	$ -	$ 798	$ 811,129	$ 813,680	$ 705	$ -	$ -
Restricted :										
Community redevelopment	5,138,779	3,730,125	2,884,936	1,689,568	2,126,663	1,617,889	1,232,375	1,514,383	-	454,815
Grants	2,529,099	1,737,043	1,552,064	1,540,431	1,356,523	1,299,069	1,502,578	1,334,221	1,343,737	541,078
Disaster relief	638,831	640,867	396,326	7,898	6,999	13,803				
Parks and recreation	168,812	1,698,068	4,849,039	6,686,342	6,743,389	7,334,454	6,210,608	5,337,151	2,927,388	3,455,413
Public safety	1,598,598	1,670,597	1,911,622	1,600,020	1,801,972	1,816,323	1,391,817	952,647	1,493,258	3,285,707
Public work	643,072	620,745	666,709	642,768	464,842	636,262	572,283	528,707	389,159	588,519
Debt service	587,534	685,802	678,586	662,636	988,278	2,326,352	1,943,526	2,126,806	3,001,657	2,365,573
Capital projects	7,275	7,266	7,264	105,285	672,340	24,470,390	29,205,881	3,819,621	17,089,440	24,026,258
Transit and transportation	5,045,230	3,548,913	1,427,703	446,609	1,085,602	1,953,909	1,039,078	1,909,857	4,135,012	4,149,610
Committed :										
Public art	1,149,829	878,696	740,931	1,328,412	1,752,057	1,489,868	1,110,345	734,932	204,000	184,416
Transportation	44,837	88,402	88,402	88,402	290,346	290,346	290,346	290,346	290,346	290,346
Assigned :										
Parks and recreation	-	258,829	200,414	150,941	91,482	686,075	920,288	1,163,674	1,021,878	619,963
Capital projects	6,016,762	1,421,924	1,626,876	4,669,667	6,033,116	1,561,030	1,843,364	844,806	734,178	14,715,076
Unassigned :										
Community redevelopment	-	-	-	-	-	-	-	-	(471,553)	-
Capital project	-	(56,575)	-	-	-	-	-	-	-	-
Disaster relief	-	-	-	-	-	-	(784,058)	-	-	-
Total all other governmental funds	$ 23,568,658	$ 16,948,287	$ 17,030,872	$ 19,618,979	$ 23,414,407	$ 46,306,899	$ 47,292,111	$ 20,557,856	$ 32,158,500	$ 54,676,774

Source: City of Homestead ACFR for fiscal years ending September 30, 2014 through September 30, 2023.

CITY OF HOMESTEAD, FLORIDA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues:										
Taxes	$ 37,991,281	$ 33,636,444	$ 35,323,983	$ 31,151,854	$ 30,529,687	$ 28,871,775	$ 26,866,132	$ 25,743,387	$ 24,591,361	$ 21,958,595
Licenses and permits	2,289,553	2,357,633	2,899,749	2,347,153	2,670,656	2,975,987	2,290,641	2,642,967	2,438,791	2,159,702
Intergovernmental	32,370,388	22,850,703	18,772,214	23,010,793	17,259,315	17,108,962	15,066,338	13,913,307	13,670,286	13,423,399
Charges for services	1,503,589	1,706,187	1,303,963	1,038,317	1,195,603	1,281,639	1,191,516	1,257,738	1,395,902	1,275,963
Fines and forfeitures	1,007,475	901,281	882,852	619,815	1,024,382	2,162,753	1,411,095	1,029,146	943,665	1,290,872
Investment income (loss)	2,647,622	(997,203)	176,916	773,526	1,101,826	628,804	237,216	402,984	883,602	1,451,380
Payment in lieu of taxes	7,890,456	7,285,550	2,254,680	2,034,292	1,849,088	1,704,671	1,512,374	1,414,284	1,193,843	1,193,843
Other revenues	10,239,701	10,288,170	10,223,327	10,679,748	11,038,578	10,085,131	8,423,407	10,949,231	9,959,984	8,851,988
Total revenues	95,940,065	78,028,765	71,837,684	71,655,498	66,669,135	64,819,722	56,998,719	57,353,044	55,077,434	51,605,742
Expenditures:										
General government	18,620,998	15,161,965	14,263,861	14,310,841	14,672,993	15,340,125	14,679,512	14,486,390	13,763,016	12,991,103
Public safety	38,138,943	34,735,231	31,965,828	31,423,383	28,936,300	29,707,966	29,256,336	28,488,480	29,049,243	27,081,896
Public works and services	3,047,572	2,772,287	2,095,558	2,583,804	2,655,675	3,217,709	2,635,509	2,245,038	2,482,943	4,370,948
Parks and recreation	7,826,875	7,200,654	6,393,908	5,040,326	5,167,095	5,208,629	5,029,756	4,662,815	4,410,229	4,370,531
Disaster relief	2,036	216,809	230,593	1,656,340	1,494,954	4,774,725	5,784,058	-	-	-
Capital outlay *	14,821,024	25,980,804	8,925,944	11,699,960	11,574,716	6,336,098	16,792,046	24,661,517	35,589,749	10,494,941
Debt service: ***										
Principal	2,193,035	2,012,024	9,749,066	2,063,274	15,446,822	2,757,403	1,862,363	1,856,187	1,734,203	1,394,203
Interest and fiscal charges	2,607,284	2,390,224	2,293,427	2,377,774	2,661,252	2,339,265	1,930,560	1,318,302	1,104,292	599,773
Total expenditures	87,257,767	90,469,998	75,918,185	71,155,702	82,609,807	69,681,920	77,970,140	77,718,729	88,133,675	61,303,395
Excess of revenues over (under) expenditures	8,682,298	(12,441,233)	(4,080,501)	499,796	(15,940,672)	(4,862,198)	(20,971,421)	(20,365,685)	(33,056,241)	(9,697,653)
Other financing sources (uses):										
Cares Act **	-	-	-	604,000	-	-	-	-	-	-
Issuance of debt (HUD section 108 loan)	4,500,000	-	-	3,283,000	194,000	194,000	194,000	-	-	-
Issuance of debt (equipment financing)	987,742	508,631	1,171,716	717,160	647,275	226,008	2,895,000	765,000	447,000	2,361,115
Lease (right-to-use asset) acquired	-	17,746,436	-	-	-	-	-	-	-	-
General obligation bonds issued	-	-	-	-	-	-	-	-	-	25,998,600
Taxable transportation system revenue bonds issued	-	-	-	-	-	-	31,440,000			
Issuance of other long-term debt	1,088,293	-	8,063,923	-	-	12,829,100	-	4,570,000	5,430,000	
Transfer in	3,855,994	2,783,813	3,046,801	12,528,758	39,462,051	13,006,895	13,472,571	8,499,473	7,406,773	5,683,086
Transfer out	(5,099,805)	(3,877,624)	(4,849,612)	(13,613,569)	(39,323,862)	(12,602,395)	(5,398,882)	(3,466,601)	(2,273,002)	(1,124,495)
Transfer to Homestead Station QALICB (NMTC)	-	-	-	-	-	(1,150,000)	-	-	-	-
Total other financing sources (uses)	5,332,224	17,161,256	7,432,828	3,519,349	979,464	12,503,608	42,602,689	10,367,872	11,010,771	32,918,306
Net change in fund balances	$ 14,014,522	$ 4,720,023	$ 3,352,327	$ 4,019,145	$ (14,961,208)	$ 7,641,410	$ 21,631,268	$ (9,997,813)	$ (22,045,470)	$ 23,220,653
Debt services as a percentage of noncapital expenditures *	6.60%	6.81%	17.93%	7.46%	25.36%	8.01%	6.19%	5.90%	5.30%	3.91%
Capital oulay P. 31	14,516,940	8,070,390	8,755,057	11,658,005	11,218,365	6,086,927	16,681,586	23,902,747	34,608,361	10,257,164

Source: City of Homestead ACFR for fiscal years ending September 30, 2014 through September 30, 2023.

Note * For FY 2022 capital outlay includes $17.7 million ritght-to-use asset expenditure as a reslut of GASB 87 implementation, and is not included in this calculation.

** For FY 2021 Cares Act revenues were included in operating grants and contributions for governmental activities.

*** FY 2019 debt service % reflected the payoff of $12.8 milllion New Market Tax Credit Bridge Loan debt and FY 2021 refleted the refinancing of $8 million New City Hall Loan debt..



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Revenue Capacity Information

Page

The information presented in this section is intended to assist users in understanding and assessing the City's two most significant local revenue sources, the property tax and the electric utility revenues. **180-184**



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CITY OF HOMESTEAD, FLORIDA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS
(DOLLARS IN THOUSANDS)

City's Fiscal Year	Real Property Assessed Value	Personal Property Assessed Value	Total Taxable Assessed Value	Valuation Adjustments	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Value as a Percentage of Assessed Value
2014	$ 1,705,252	$ 99,762	$ 1,805,014	$ (34,245)	5.9215	$ 1,770,769	98.1%
2015	1,847,542	101,259	1,948,801	(40,766)	6.9315	1,908,035	97.9%
2016	2,035,141	103,169	2,138,310	(35,122)	6.5149	2,103,188	98.4%
2017	2,214,915	101,599	2,316,514	(13,593)	6.5149	2,302,921	99.4%
2018	2,500,479	108,154	2,608,633	(19,462)	6.4790	2,589,171	99.3%
2019	2,737,081	120,420	2,857,501	(38,654)	6.4515	2,818,847	98.6%
2020	3,022,973	120,737	3,143,710	(29,435)	6.4015	3,114,275	99.1%
2021	3,345,201	139,085	3,484,286	(32,204)	6.6540	3,452,082	99.1%
2022	3,611,516	137,208	3,748,724	(29,921)	6.6205	3,718,803	99.2%
2023	4,218,816	141,796	4,360,612	(56,263)	6.4984	4,304,349	98.7%

Source: Miami-Dade County Department of Property Appraiser.

CITY OF HOMESTEAD, FLORIDA

PROPERTY TAX RATES

DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	Direct Rates			Overlapping Rates									
	City of Homestead			Miami-Dade County			Miami-Dade County School Board				Other Taxing Authorities and Special Districts		
City's Fiscal Year	Operating Millage (1)	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Voted Operating Millage	Total School Millage	State Millage	Special District Millage	Total Direct and Overlapping Millage
2014	5.9215	N/A	5.9215	4.7035	0.4220	5.1255	7.6440	0.3330	-	7.9770	0.4455	3.1348	22.6043
2015	5.9215	1.0100	6.9315	4.6669	0.4500	5.1169	7.7750	0.1990	-	7.9740	0.4187	3.2161	23.6572
2016	5.9215	0.5934	6.5149	4.6669	0.4500	5.1169	7.4130	0.1990	-	7.6120	0.3871	3.2133	22.8442
2017	5.9215	0.5934	6.5149	4.6669	0.4000	5.0669	7.1380	0.1840	-	7.3220	0.3627	3.2122	22.4787
2018	5.9215	0.5575	6.4790	4.6669	0.4000	5.0669	6.7740	0.2200	-	6.9940	0.3420	3.1795	22.0614
2019	5.9215	0.5300	6.4515	4.6669	0.4644	5.1313	6.5040	0.2290	-	6.7330	0.3256	3.1462	21.7876
2020	5.9215	0.4800	6.4015	4.6669	0.4780	5.1449	7.0250	0.1230	-	7.1480	0.3115	3.1727	22.1786
2021	6.2055	0.4485	6.6540	4.6669	0.4780	5.1449	6.1860	0.1930	0.7500	7.1290	0.2995	2.8714	22.0988
2022	6.2055	0.4150	6.6205	4.6669	0.5075	5.1744	6.0790	0.1800	0.7500	7.0090	0.2892	2.9207	22.0138
2023	6.1434	0.3550	6.4984	4.6202	0.4853	5.1055	5.6740	0.1650	0.7500	6.5890	0.2621	2.8965	21.3515

Source: Miami-Dade County Department of Property Appraiser

Note: All millage rates are based on $1 for every $1,000 of assessed value.
State millage includes Florida Inland Navigation District, South Florida Water Management District, Okeechobee Basin and Everglades Construction Project.
Special Districts millage includes Children Trust Authority, Library District*, Fire and Rescue.
Starting with Fiscal Year 2021, Libray District* is now part of City of Homestead Operating Millage and removed from Special District.
N/A - Not applicable
(1) Beginning in 2021, the City's operating millage includes 0.2840 previously assessed by the County as a library tax and reported above under Special District Millage. This had no impact to a taxpayer's total millage.

CITY OF HOMESTEAD, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS AGO

(DOLLARS IN THOUSANDS)

		2023			2014		
Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
City Of Homestead	Municipal*	54,947	1	1.26%	26,231	2	1.45%
WRG Homestead LLC	Commercial Shopping Center	49,402	2	1.13%	-		0.00%
AG M Seascape Owner LLC	Residential Real Estate	43,289	3	0.99%	-		0.00%
Florida Power & Light Company	Electric Utility	40,238	4	0.92%	22,918	3	1.27%
Cerberus SFR Holdings LP	Residential Real Estate	36,902	5	0.85%	-		0.00%
SB Palm Breeze LLC	Residential Real Estate	33,669	6	0.77%	-		0.00%
Kimco Realty Corp	Commercial Real Estate	26,000	7	0.60%	16,206	5	0.90%
Campbell South Rentals LLC	Residential Real Estate	24,281	8	0.56%	-		0.00%
Homestead 145 Bldg 1 LLC	Commercial Real Estate	18,189	9	0.42%	-		0.00%
Palace At Homestead LLC	Commercial	18,132	10	0.42%	-		0.00%
DDR Homestead LLC	Retail Outlet / Vacant Land	0		0.00%	47,016	1	2.60%
Lowes Home Centers Inc	Retail Outlet	0		0.00%	18,308	4	1.01%
AT&T Bellsouth	Telecommunications	0		0.00%	12,210	7	0.68%
Sarria Holdings IV INC	Commercial Shopping Center	0		0.00%	11,833	8	0.66%
Monterey Pointe Association	Residential Real Estate	0		0.00%	9,712	9	0.54%
CIP Group Homestead	Residential Real Estate	0		0.00%	9,400	10	0.52%
Yates Homestead LLC	Retail Outlet	0		0.00%	12,650	6	0.70%
Total		$ 345,049		7.92%	$ 186,484		10.33%
	Total assessed valuation of taxable property:	$ 4,360,612			$ 1,805,015		

*Homestead Miami Speedway
2023 Data Source: Miami-Dade County Department of Property Appraiser, for the FY 2023 (Tax Roll Year 2022)
2014 Data Source: City of Homestead, FY 2014 Comprehensive Annual Financial Report

CITY OF HOMESTEAD, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS
(DOLLARS IN THOUSANDS)

City's Fiscal Year	Tax Year	Total Taxes Levied for the fiscal year	Current Tax Collections		Delinquent Tax Collections		Total Tax Collections		Outstanding Delinquent	Ratio of Delinquent Taxes to Total Taxes Levied
			Amount	% of Levy	Amount	% of Levy	Amount	% of Levy	Amount	
2014	2013	$ 10,688	$ 10,216	95.6%	$ 40	0.4%	$ 10,256	96.0%	$ 139	1.3%
2015	2014	13,508	12,668	93.8%	49	0.4%	12,717	94.1%	233	1.7%
2016	2015	13,931	13,097	94.0%	33	0.2%	13,130	94.3%	756	5.4%
2017	2016	15,092	14,522	96.2%	47	0.3%	14,569	96.5%	N/A	N/A
2018	2017	16,901	15,528	91.9%	667	3.9%	16,195	95.8%	1,256	7.4%
2019	2018	18,435	17,036	92.4%	599	3.2%	17,635	95.7%	2,786	15.1%
2020	2019	20,124	18,514	92.0%	822	4.1%	19,336	96.1%	3,533	17.6%
2021	2020	23,184	21,585	93.1%	613	2.6%	22,198	95.7%	665	2.9%
2022	2021	24,818	23,194	93.5%	589	2.4%	23,783	95.8%	1,384	5.6%
2023	2022	28,337	26,307	92.8%	665	2.3%	26,972	95.2%	795	2.8%

Source: Miami-Dade County Department of Property Appraiser
Starting in fiscal year 2015, total tax levied also included tax levied on debt services.

Note: N/A - Not available

CITY OF HOMESTEAD, FLORIDA

ELECTRIC UTILITY REVENUES

LAST TEN FISCAL YEARS

Fiscal Year	Residential	Commercial	Industrial	Inter-Departmental	Other Sales	Power Cost Adjustment	Total Sales Revenue	Bad Debt Expense	Net Sales Revenue
2014	$ 19,456,060	$ 3,114,385	$ 11,499,816	$ 2,725,817	$ 428,270	$ 18,883,692	$ 56,108,040	$ (472,547)	$ 56,580,587
2015	22,165,199	3,058,967	12,225,119	2,763,561	477,347	20,229,047	60,919,240	(314,916)	61,234,156
2016	23,427,301	3,090,886	12,320,252	2,907,270	455,513	19,183,647	61,384,869	795,484	60,589,385
2017	23,465,509	3,120,780	11,901,987	2,690,980	465,902	19,822,634	61,467,792	427,700	61,040,092
2018	23,830,578	3,106,131	11,919,665	2,911,566	477,011	19,242,248	61,487,199	(1,006,801)	62,494,000
2019	25,301,625	3,442,461	12,025,673	3,016,914	483,986	20,608,491	64,879,150	1,100,278	63,778,872
2020	26,731,468	3,396,554	11,770,156	2,947,813	514,542	9,845,711	55,206,244	(1,726,525)	56,932,769
2021	26,413,634	3,209,624	12,007,430	2,681,795	524,790	11,300,627	56,137,900	2,296,342	53,841,558
2022	27,210,897	3,330,076	12,212,162	2,903,851	522,220	26,766,598	72,945,804	987,235	71,958,569
2023	28,191,489	3,437,846	12,381,401	3,514,971	524,877	20,924,157	68,974,741	1,139,364	67,835,377

Source: City of Homestead ACFR for fiscal years ending September 30, 2014 through September 30, 2023.



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Debt Capacity Information

Page

The information presented in this section is intended to assist users in understanding and assessing the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. **185-189**



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CITY OF HOMESTEAD, FLORIDA

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

(DOLLARS IN THOUSANDS)

Fiscal Year Ended September 30,	Governmental Activities[1]						Business-type Activities[1]				Total Oustanding Debt	Personal Income (Thousands of Dollars)[2]	Percentage of debt to Personal Income		Population[2]	Debt Per Capita****
	General Obligation Bonds	Revenue Bonds	Special Obligation Bonds	Long-Term Notes and Loans	Equipment Financing	Lease/SBITA Obligations (Right-to-use asset)	Electric Bonds	Long-Term Notes and Loans*	Equipment Financing	Other Debts**						
2014	$ 25,995	$ 1,705	$ 3,920	$ -	$ 3,059	$ -	$ 3,608	$ -	$ 115	$ 2,940	$ 41,342	$ 1,014,305	4.08%		66,586	$ 621
2015	25,597	1,421	2,810	5,430	2,560	-	3,016	-	90	2,450	43,374	1,198,123	3.62%		69,533	624
2016	25,109	1,137	1,700	9,968	2,317	-	2,243	-	65	1,960	44,499	1,225,709	3.63%		70,209	634
2017	24,606	32,293	1,150	9,579	4,158	-	1,597	-	39	1,470	74,892	1,285,086	5.83%		73,627	1,017
2018	24,083	31,143	600	22,009	3,193	-	1,102	15,615	1,655	980	100,380	1,285,586	7.81%		73,863	1,359
2019	23,540	30,214	-	8,770	2,963	-	2,820	24,638	1,911	490	95,346	1,402,285	6.80%		76,236	1,251
2020	22,972	29,275	-	11,439	2,759	-	2,400	34,340	2,051	-	105,236	1,473,127	7.14%	***	80,737	1,303
2021	22,378	28,605	-	10,959	2,938	-	-	43,739	2,497	-	111,116	1,573,858	7.06%		81,110	1,370
2022	21,755	27,920	-	10,285	2,447	17,658	-	43,463	2,268	-	125,796	1,713,700	7.34%		83,012	1,515
2023	21,107	27,220		14,075	2,410	18,554		50,326	2,826		136,518	1,867,039	7.31%		83,750	1,630

Note: [1] Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[2] Office of Economic and Demographic Research.

* Refletcs the QALICB notes payable to the City and CDE's as part of the NMTC transaction. Electric FMPA Pooled loan was added to this column starting in FY 2021.

** This column was added in FY2019 to reflect other long-term liabilities for the business-type activities.

*** Updated population per 2020 U.S. Census Bureau.

CITY OF HOMESTEAD, FLORIDA

RATIO OF GENERAL OBLIGATION BONDS DEBT OUTSTANDING

LAST NINE FISCAL YEARS

(DOLLARS IN THOUSANDS)

Fiscal Year Ended September 30,	Total General Obligation Bonds	Amount Externally Restricted	Net General Obligation Bonds	Assessed Value of Taxable Property	Percentage of Assessed Value of Taxable Property		Population	Per Capita*
2014	$ 25,995	$ -	$ 25,995	$ 1,805,014	1.44%		66,586	$ 390
2015	25,597	688	24,909	1,948,801	1.31%		69,533	358
2016	25,109	392	24,717	2,138,310	1.17%		70,209	352
2017	24,606	235	24,371	2,316,514	1.06%		73,627	331
2018	24,083	143	23,940	2,608,633	0.92%		73,863	324
2019	23,540	109	23,431	2,857,501	0.82%		76,236	307
2020	22,972	75	22,897	3,143,710	0.73%	**	80,737	284
2021	22,378	89	22,289	3,484,286	0.64%		81,110	275
2022	21,755	94	21,661	3,748,724	0.58%		83,012	261
2023	21,107	86	21,021	4,360,612	0.48%		83,750	251

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

Note: The City issued General Obligation Bonds in FY 2014.

* Per capital amount have been revised to reflect net bonded debt instead of total bonded debt.

** Updated population per 2020 U.S. Census Bureau.

CITY OF HOMESTEAD, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

(DOLLARS IN THOUSANDS)

SEPTEMBER 30, 2023

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to City of Homestead		Estimated share of Overlapping Debt
OVERLAPPING:				
School Board of Miami-Dade County (1)	$ 1,082,277	3.03%	(3)	$ 32,793
Miami-Dade County (2)	2,336,015	3.03%	(3)	70,781
Subtotal	$ 3,418,292			$ 103,574
DIRECT DEBT: (4)				
General obligation bonds	$ 21,107	100.00%		$ 21,107
Revenue bonds	27,220	100.00%		27,220
Other long-term debt	14,075	100.00%		14,075
Equipment financing obligation	2,410	100.00%		2,410
Subtotal	$ 64,812			$ 64,812
TOTAL DIRECT AND OVERLAPPING DEBT				$ 168,386

(1) Information obtained from Miami-Dade County School Board Annual Financial Report for the Fiscal Year Ended June 30, 2023.

(2) Information obtained from Miami-Dade County, Finance Department.

(3) The percentage of overlapping debt applicable is estimated by dividing:

City of Homestead's population (April 1, 2023 estimate) **	83,750
by Miami-Dade County's population (April 1, 2023 estimate) **	2,760,306

Source : ** Office of Economic and Demographic Research

(4) City of Homestead ACFR for fiscal year ending September 30, 2023.

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the City. This schedule estimates that portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City of Homestead. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF HOMESTEAD, FLORIDA

PLEDGED-REVENUE BOND COVERAGE FOR GOVERNMENTAL ACTIVITIES

LAST EIGHT FISCAL YEARS

(DOLLARS IN THOUSANDS)

General Obligation Bonds, Series 2014

Fiscal Year Ended September 30,	Voted Debt Millage revenue + fund balance	Debt Service Requirement Principal	Interest	Total	Coverage
2015	$ 1,887	$ 340	$ 859	$ 1,199	1.57
2016	1,472	430	1,056	1,486	0.99
2017	1,506	445	1,039	1,484	1.01
2018	1,499	465	1,021	1,486	1.01
2019	1,494	485	997	1,482	1.01
2020	1,501	510	973	1,483	1.01
2021	1,497	535	948	1,483	1.01
2022	1,492	565	921	1,486	1.00
2023	1,488	590	893	1,483	1.00

Taxable Transportation System Revenue Bonds, Series 2017

Fiscal Year Ended September 30,	Transportation System Surtax & Covenant to Budget Appropriation revenue*	Debt Service Requirement Principal	Interest	Total	Coverage
2018	$ 2,929	$ 865	$ 932	$ 1,797	1.63
2019	3,343	645	1,154	1,799	1.86
2020	2,772	655	1,143	1,798	1.54
2021	3,363	670	1,128	1,798	1.87
2022	4,247	685	1,113	1,798	2.36
2023	4,908	700	1,095	1,795	2.73

Note : This schedule is intended to have ten years of data.
Additional data to be compiled as information becomes available.

CITY OF HOMESTEAD, FLORIDA

PLEDGED-REVENUE BOND COVERAGE FOR BUSINESS-TYPE ACTIVITIES

LAST TWO FISCAL YEARS

(DOLLARS IN THOUSANDS)

	Electric Utility FMPA Pooled Loan 2021 and 2022						
Fiscal Year Ended September 30,	Gross Revenue (1)	Less: Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirement Principal	Interest	Total	Coverage by Net Revenue Available for Debt Service
2021	$ 54,721	$ 51,043	$ 3,678	$ -	$ 42	$ 42	87.57
2022	73,125	66,174	6,951	345	165	510	13.63
2023	71,273	63,522	7,751	351	419	770	10.07

Note : This schedule is intended to have ten years of data.
Prior to 2023, there was only one FMPA Pooled Loan (2021).

(1) Gross revenue - all operating and non-operating revenue sources.
(2) Operating expenses - total operating expenses exclusive of depreciation, amortization and operating transfers.



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Demographic and Economic Information

Page

The information presented in this section is intended to assist users in understanding the socioeconomic environment within which the City operates. **190-191**



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CITY OF HOMESTEAD, FLORIDA

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

Year		(1) Population	(2) General Fund Budget *	Per Capita Budget	(2), (5) General Fund Actual *	Per Capita Actual	(1) Personal Income (Thousands of Dollars)	(4) Per Capita Personal Income	(3) Unemployment Rate
2014		66,586	$ 41,593,600	$ 625	$ 40,890,733	$ 614	$ 1,014,305	$ 15,233	6.5%
2015		69,533	45,153,064	628	44,290,837	616	1,198,123	17,231	6.5%
2016		70,209	49,427,679	704	47,827,570	681	1,225,709	17,458	5.8%
2017		73,627	52,844,703	718	54,622,724	742	1,285,086	17,454	6.1%
2018		73,863	68,706,210	930	54,678,618	740	1,285,586	17,405	4.1%
2019		76,236	69,742,910	915	68,990,256	905	1,402,285	18,394	4.0%
2020	**	80,737	51,549,760	638	49,947,776	619	1,473,127	18,246	11.9%
2021		81,110	62,495,043	770	59,652,946	735	1,573,858	19,404	6.4%
2022		83,012	56,972,486	686	54,829,963	661	1,713,700	20,644	2.3%
2023		83,750	62,976,471	752	62,209,251	743	1,867,039	22,293	2.0%

Sources:
(1) Office of Economic and Demographic Research, except for 2020 which is from U.S. Census.
(2) City of Homestead ACFR for fiscal years ending September 30, 2014 through September 30, 2023.
(3) US. Bureau of Labor Statistics (as of September 30, 2022).
(4) U.S. Census Bureau
(5) FY 2022 excludes a $17.7 million capital putlay related to GASB 87.

Note :
* Numbers have been corrected to include transfers.
** Updated population per 2020 U.S. Census Bureau.

CITY OF HOMESTEAD, FLORIDA

PRINCIPAL EMPLOYERS

CURRENT AND ELEVEN YEARS AGO

	2023			2014		
Employer		Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Homestead Hospital	1,186	1	6.46%	1,331	1	4.36%
City of Homestead	524	2	2.86%	469	2	1.53%
Miami-Dade Public Schools	462	3	2.52%			
Miami Dade College	319	4	1.74%			
Publix Supermarkets	289	5	1.57%	286	3	0.94%
South Dade Technical College-Homestead	218	6	1.19%			
Wal Mart Supercenter	215	7	1.17%			
Home Depot	165	8	0.90%			
Campbell Drive K-8 Center	158	9	0.86%			
Automundo Inc	153	10	0.83%			
Keys Gate Charter				250	4	0.82%
BJ's Wholesale Club				183	5	0.60%
Signature Health Care				170	6	0.56%
Lowes Homes Center, Inc				144	7	0.47%
Sedano's Supermarket				125	8	0.41%
Homestead Manor				121	9	0.40%
Olive Garden Restaurant				118	10	0.39%
	3,689		20.10%	3,197		10.48%

Note: Total number of local jobs as of 6/14/2024 = **18,352**

Source: City of Homestead Community Redevelopment Agency (2024)
City of Homestead Annual Comprehensive Financial Report (2014)
City of Homestead Adopted Budget Book (2023)
Bureau of Labor Statistics: Total number of local jobs

Operating Information

Page

The information presented in this section contains service and infrastructure data and is intended to help the reader understand how the information in the City's financial reports relates to the services the City provides and the activities it performs. **192-194**



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CITY OF HOMESTEAD, FLORIDA

CITY GOVERNMENT FULL-TIME EMPLOYEES BY DEPARTMENT/DIVISION

LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City Council	10	10	10	11	11	11	11	11	11	11
City Clerk	4	4	4	4	4	4	4	4	4	4
City Managers' Office	7	7	8	9	8	7	7	7	7	7
Community Redevelopment Agency	5	5	4	4	4	4	4	3	3	3
Development Services	15	15	12	12	12	11	11	11	11	11
Finance	13	13	13	11	11	11	11	11	11	11
General Services	-	22	20	18	18	19	19	19	19	19
Customer Service	29	28	28	28	27	27	27	27	26	26
Human Resources	7	7	6	5	5	5	5	5	5	5
Information Technology Services	6	-	-	-	-	-	-	-	-	-
Parks, Recreation & Maint Svcs.	21	20	19	17	16	16	16	17	17	17
Police	176	168	162	155	155	155	153	153	153	148
Procurement (Fleet)	17	-	-	-	-	-	-	-	-	-
Public Works (Streets, Water&Sewer, Stormwater)	51	49	49	50	52	52	52	51	51	50
Solid Waste	34	34	34	34	34	34	34	34	34	34
Electric Utilities	51	51	51	50	50	50	49	49	49	49
Total Full-Time Employees	446	433	420	408	407	406	403	402	401	395

Note: Effective Fiscal Year 2023, the General Services Department disolved, leaving ITS as a separate department while Procurement & Fleet were instead combined into one department.

Source: City of Homestead Human Resources Department

CITY OF HOMESTEAD, FLORIDA

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police:										
Adult arrest (1)	1,950	1,959	1,631	2,050	2,648	3,073	3,467	3,431	2,680	3,661
Juvenile arrest	211	121	163	256	245	234	359	431	407	535
Calls for service	39,223	33,028	30,549	31,897	34,149	36,374	37,281	37,379	37,401	41,245
Water:										
Number of service connections	24,059	26,637	26,037	25,330	24,987	25,465	23,969	23,177	23,597	21,962
Average daily billed consumption (millions of gallons)	10.07	6.44	6.20	6.20	5.70	5.80	6.00	5.50	5.10	7.14
Sewer:										
Number of service connections	22,669	23,460	22,857	22,203	21,837	22,313	20,656	20,137	20,488	18,905
Average daily billed consumption (millions of gallons)	5.30	5.00	5.00	5.00	4.70	4.70	4.30	4.40	4.20	7.30
Electric distribution system:										
Number of customers	26,480	26,480	26,124	25,853	25,606	25,115	25,031	23,863	23,086	22,701
Facilities and services not included in the primary government:										
Education:										
Number of schools	29	29	29	27	`	25	24	24	24	24
Number of instructors	1,311	1,311	1,311	1,464	1,229	1,229	1,040	1,040	1,040	1,040
Hospitals:										
Number of hospitals	1	1	1	1	1	1	1	1	1	1
Number of patient beds	147	147	147	143	143	143	143	143	143	143

N/A - Not Available

Sources: City of Homestead Police Department
City of Homestead Public Works Department
City of Homestead Electric Utilities Department
City of Homestead Development Services Department

CITY OF HOMESTEAD, FLORIDA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police:										
Station	1	1	1	1	1	1	1	1	1	1
Patrol units/Sworn police officers	127	123	119	113	113	113	113	113	113	108
Other public works:										
Streets (miles)	160	164	164	161	157	142	136	133	124	124
Parks and recreation:										
Acreage	277	277	275	275	275	275	275	275	275	275
Playgrounds	14	14	13	13	13	13	13	13	13	13
Tennis court	10	10	10	10	10	10	10	10	10	10
Pickleball court (blended w/ Tennis)	6	-	-	-	-	-	-	-	-	-
Community centers	2	2	2	2	2	2	2	2	2	2
Baseball/Softball fields	17	17	17	17	17	17	19	19	19	19
Basketball courts	10	10	10	10	11	11	11	11	11	11
Soccer court	1	1	1	1	-	-	-	-	-	-
Racketball	4	4	4	4	4	4	4	4	4	4
Football Stadium	1	1	1	1	1	1	1	1	1	1
Multipurpose Fields (Soccer/Football)	6	6	6	6	6	6	4	4	4	4
Indoor Volleyball Courts	4	4	-	-	-	-	-	-	-	-
Indoor Basketball Courts	2	2	-	-	-	-	-	-	-	-
Water:										
Water mains (miles)	290	287	286.45	286	285	284	282	281	277	276
Fire hydrants	1,989	1,972	1,967	1,958	1,944	1932	1907	1,898	1,878	1,863
Daily capacity (millions of gallons)	12.79	17	17	17	17	17	17	17	17	17
Sewer:										
Sanitary sewer (miles)	179	176.7	176.5	176	174	173	171	170	160	159
Daily capacity (millions of gallons)	5	6	6	6	6	6	6	6	6	6
Electric distribution system:										
Miles of service	230	223	222	219	211	209	203	197	195	191
Number of distribution feeders	20	19	19	19	19	19	19	19	19	19
Number of substations	5	5	5	5	5	5	5	5	5	5

N/A - Not Available

Sources: City of Homestead Police Department
City of Homestead Public Works Department
City of Homestead Electric Utilities Department
City of Homestead Parks and Recreation Department



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REPORTING SECTION

MARCUM
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, City Council, and City Manager
City of Homestead, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards)*, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Homestead, Florida (the "City") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 26, 2024. Our report includes a reference to other auditors who audited the financial statements of the Pension Trust Funds, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City'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 the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Marcum LLP

Miami, FL
June 26, 2024

MARCUM
ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

To the Honorable Mayor, City Council, and City Manager
City of Homestead, Florida

Report on Compliance for the Major Federal Program and Each Major State Project

Opinion on the Major Federal Program and Each Major State Project

We have audited the City of Homestead, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement,* and the requirements described in the *State of Florida Department of Financial Services'* State Projects Compliance Supplement, that could have a direct and material effect on the City's major federal program and major state projects for the fiscal year ended September 30, 2023. The City's major federal program and major state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program and each major state project for the fiscal year ended September 30, 2023.

Basis for Opinion on the Major Federal Program and Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550, Rules of the Auditor General are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program and each major state project. Our audit does not provide a legal determination of City's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs and state projects.

Auditors' Responsibility 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 GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program and each major state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding 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 City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Marcum LLP

Miami, FL
June 26, 2024

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Federal/State Agency, Pass Through Entity Federal Program/State Project	Assistance Listing/ CSFA Number	Grant Identifying Number	Expenditures	Provided to Sub recipients
U.S. Department of Housing and Urban Development				
Direct programs:				
CDBG Entitlement Grants Cluster				
Community Development Block Grant Neighborhood Stabilization Program	14.218	B-08-MN-12-0011	$ 30,578	$ --
Community Development Block Grant 2016 Entitlement	14.218	B-16-MC-12-0055	62,026	--
Community Development Block Grant 2018 Entitlement	14.218	B-18-MC-12-0055	98,974	--
Community Development Block Grant 2020 Entitlement	14.218	B-20-MC-12-0055	46,711	43,568
Community Development Block Grant CARES ACT 2020 - COVID 19	14.218	B-20-MW-12-0055	22,500	--
Community Development Block Grant CARES ACT 2021 - COVID 19	14.218	B-20-MW-12-0055	120,000	--
Community Development Block Grant 2021 Entitlement	14.218	B-21-MC-12-0055	84,290	57,373
Community Development Block Grant 2022 Entitlement	14.218	B-22-MC-12-0055	313,957	--
Total CDBG Entitlement Grants Cluster			779,036	100,941
Passed thru the State of Florida, Department of Economic Opportunity:				
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	I0128	30,314	--
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	I0127	318	--
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	IR006	50,710	--
Total Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii			81,342	--
Total U.S. Department of Housing and Urban Development			860,378	--
U.S. Department of Justice				
Direct programs:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-01307-JAGX	13,449	--
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0899	4,576	--
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02278-JAGX	54,040	--
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-00241-MUMU/C-8C210	5,769	--
Total Edward Byrne Memorial Justice Assistance Grant Programs			77,834	--
Byrne Criminal Justice Innovation Program	16.817	15PBJA-21-GG-04115-BCJI	226,855	--
Congressionally Recommended Awards	16.753	15PBJA-22-GG-200110-BRND	328,819	--
Federal Equitable Sharing	16.922	N/A	40,334	--
Passed Through State of Florida, Office of Attorney General:				
Victims of Crime Act (VOCA)	16.575	VOCA-2022-00846	154,676	--
Passed Through Florida Department of Children and Families				
Violence Against Women Formula Grants	16.588	LN185	58,310	--
Violence Against Women Formula Grants	16.588	LN263	34,267	--
Total Violence Against Women Formula Grants			92,577	--
Total U.S. Department of Justice			921,095	--
U.S. Department of Treasury				
Direct programs:				
Federal Equitable Sharing	21.016	N/A	95,294	--
Coronavirus State and Local Fiscal Recovery Funds - COVID 19	21.027	N/A	2,801,191	--
Total U.S. Department of Treasury			2,896,485	--
U.S. Department of Homeland Security				
Direct programs:				
Hazard Mitigation Grant	97.039	7920	62,425	--
Total U.S. Department of Homeland Security			62,425	--
U.S. Department of Health and Human Services				
Passed Through Florida Department of Health				
Activities to Support State, Tribal, Local and Territorial Health Department Response to Public Health or Healthcare Crisis	93.391	DEY13	259,343	--
Total U.S. Department of Health and Human Services			259,343	--

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
(CONTINUED)

Federal/State Agency, Pass Through Entity Federal Program/State Project	Assistance Listing / CSFA Number	Grant Identifying Number	Expenditures	Provided to Sub recipients
U.S. Department of Transportation				
Direct programs:				
Federal Transit Cluster:				
Federal Transit Formula Grants	20.507	FL 2019-094-00	378,652	--
Total Federal Transit Cluster			378,652	--
Passed Through Florida Department of Transportation				
Highway Safety Cluster:				
National Priority Safety Programs	20.616	G2G55/M5HVE-2023-00354	84,035	--
State and Community Highway Safety	20.600	G2G51/OP-2023-00311	55,000	--
Total Highway Safety Cluster			139,035	--
Total U.S. Department of Transportation			517,687	--
U.S. Department of the Interior				
Passed Through State of Florida, Department of Environmental Protection:				
Outdoor Recreation Acquisition, Development and Planning	15.916	LW712	$ 48,538	$ --
Total U.S. Department of the Interior			48,538	--
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 5,565,951	$ 100,941
Florida Department of Transportation				
Direct programs:				
Florida Shared-Used Nonmotorized (SUN) Trail Network Program	55.038	G1B15	$ 78,158	$ --
Total Florida Department of Transportation			78,158	--
Florida Department of State and Secretary of State				
Direct programs:				
General Program Support	45.061	23.c.ps.180.468	150,000	--
Total Florida Department of State and Secretary of State			150,000	--
Florida Department of Environmental Protection				
Direct programs:				
Florida Recreation Development Assistance Program	37.017	A3071	50,000	--
Florida Recreation Development Assistance Program	37.017	A3072	50,000	--
Total Florida Recreation Development Assistance Program			100,000	--
Statewide Water Quality Restoration Projects	37.039	LPA0017	1,500	--
Statewide Water Quality Restoration Projects	37.039	LP13208	415,225	--
Total Statewide Water Quality Restoration Projects			416,725	--
Total Florida Department of Environmental Protection			516,725	--
Florida Department of Health				
Direct programs				
Community Health Promotion - Contracted Services	64.157	COHCY	165,640	--
Total Florida Department of Health			165,640	--
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			$ 910,523	$ --
TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			$ 6,476,474	$ --

N/A - None available

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

CITY OF HOMESTEAD, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the "Schedule") includes the federal activity and state grant activity of the City of Homestead, Florida (the "City") for the fiscal year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and Chapter 10.550, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the Florida Single Audit Act, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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 HOMESTEAD, FLORIDA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FISCAL YEAR ENDED SEPTEMBER 30, 2023

PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FISCAL YEAR ENDED SEPTEMBER 30, 2023

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:	*Unmodified Opinion*
Internal control over financial reporting:	
Material weakness(es) identified?	____ Yes X No
Significant deficiency(ies) identified?	____ Yes X None reported
Non-compliance material to financial statements noted?	____ Yes X No

Federal Awards and State Projects

Internal control over major federal programs and major state project:	
Material weakness(es) identified?	____ Yes X No
Significant deficiency(ies) identified?	____ Yes X None reported
Type of auditors' report issued on compliance for major federal programs and state projects:	*Unmodified Opinion*
Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(a) or Chapter 10.557, Rules of the Auditor General?	____ Yes X No

Identification of major program and projects:

Federal Program	AL No.
Coronavirus State and Local Fiscal Recovery Funds	21.027

State Project	CSFA No.
Community Health Promotion – Contracted Services	64.157
Statewide Water Quality Restoration Projects	37.039

Dollar threshold used to distinguish between Type A and Type B Federal program:	$750,000
Dollar threshold used to distinguish between Type A and Type B – State project:	$300,000
Auditee qualified as low risk auditee for Federal awards?	X Yes ____ No

CITY OF HOMESTEAD, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FISCAL YEAR ENDED SEPTEMBER 30, 2018

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III– FEDERAL AWARDS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS

None.

MARCUM
ACCOUNTANTS ▲ ADVISORS

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

To the Honorable Mayor, City Council, and City Manager
City of Homestead, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Homestead, Florida (the "City") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated June 26, 2024. We did not audit the financial statements of the Pension Trust Funds, which represent 86%, 91%, and 39%, respectively, of the assets, net position/fund balance and revenues/additions of the aggregate remaining fund information. This management letter does not include any matters reported on separately by those other auditors in their management letter, if any.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for the Major Federal Program and Each Major State Project; Report on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings 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 schedules, which are dated June 26, 2024, should be considered in conjunction with this management letter.

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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 made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures 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 review of financial information provided by same. Our assessment was performed as of the fiscal year end.

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

Special District Component Unit

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

Additional Matters

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

Purpose of this Letter

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

Marcum LLP

Miami, FL
June 26, 2024

MARCUM
ACCOUNTANTS ▲ ADVISORS

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

To the Honorable Mayor, City Council, and City Manager
City of Homestead, Florida

We have examined the City of Homestead, Florida's (the "City") compliance with Section 218.415 Florida Statutes, Local Government Investment Policies for the fiscal year ended September 30, 2023. 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 judgement, 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

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

In our opinion, the City complied, in all material respects, with Section 218.415, Florida Statutes, for the fiscal year ended September 30, 2023.

This report is intended solely to describe our testing of compliance with Section 218.415, Florida Statutes, and it is not suitable for any other purpose.

Marcum LLP

Miami, FL
June 26, 2024

Marcum LLP / One Southeast Third Avenue / Suite 1100 / Miami, FL 33131 / **Phone** 305.995.9600 / **marcumllp.com**

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Carlos M. Perez, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the City of Homestead which is a local governmental entity of the State of Florida;

2. The governing body of the City of Homestead adopted Ordinances 2001-09-31 and 2001-10-69 implementing impact fees, and Ordinances 2005-11-159 and 2011-10-19 amending the impact fees.

3. The City of Homestead has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Carlos M. Perez, CPA, CPPT, CGFO
Finance Director
City of Homestead

STATE OF FLORIDA
COUNTY OF MIAMI DADE

SWORN TO AND SUBSCRIBED before me this 30 day of May, 2024.

BALDEMAR JR FONSECA
Notary Public - State of Florida
Commission # HH 278993
My Comm. Expires Jun 21, 2026
Bonded through National Notary Assn.

NOTARY PUBLIC
Print Name Baldemar Fonseca
Assist. Finance Director

Personally known ✓ or produced identification _____

Type of identification produced: _____

My Commission Expires:
June 21, 2026



2023

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended September 30, 2023

THE CITY OF
HOMESTEAD
FLORIDA

305-224-4400

100 Civic Court, Homestead, FL 33030

www.cityofhomestead.com