MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Financial Statements and Required Supplementary Information

September 30, 2023 and 2022

(With Independent Auditor's Report Thereon)

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

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Independent Auditor’s Report

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Independent Auditor's Report

To the Board of Directors
Miami-Dade County Industrial
Development Authority:

Opinion

We have audited the accompanying financial statements of Miami-Dade County Industrial Development Authority (the Authority) as of and for the years ended September 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Authority as of September 30, 2023 and 2022, and the respective changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 Authority'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 on pages 3 to 6, Florida Retirement System (FRS) Pension Information – Schedule of Employer Contributions on page 25, FRS Pension Information – Schedule of Employer Proportionate Share of Net Pension Liability and Related Ratios on page 26, Supplemental Health Insurance Subsidy Pension Information – Schedule of Employer Contributions on page 27, Supplemental Health Insurance Subsidy Pension Information – Schedule of Employer Proportionate Share of Net Pension Liability and Related Ratios on page 28, and Postemployment Benefits Other Than Pensions – Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios on page 29 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2024 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Authority's internal control over financial reporting.

Sanson Kline Jacomino & Tandoc, LLP

Miami, Florida
March 19, 2024

Management's Discussion and Analysis

The following narrative provides an overview of Miami-Dade County Industrial Development Authority's (the Authority) financial activities for the fiscal years ended September 30, 2023 and 2022.

Financial Highlights – 2023 and 2022

- The Authority's fee income decreased by $133,563 or 18% in 2023 and decreased by $3,515, or .5% in 2022, in comparison to the prior year.
- The Authority's operating loss increased $329,331 or 73% in 2023 and increased by $46,899, or 12% in 2022, in comparison to the prior year.
- The Authority's net position of approximately $10.6 million, $11.4 million, and $11.9 million at September 30, 2023, 2022, and 2021, respectively, decreased by approximately $775 thousand, or 7%, in fiscal year 2023 and $458 thousand, or 4% in fiscal year 2022 and $407 thousand, or 3% in fiscal year 2021.
- The Authority's total capital assets, net of accumulated depreciation, of approximately $10.1 million, $10.5 million, $10.9 million at September 30, 2023, 2022, 2021, respectively, decreased by approximately $374 thousand, or 4%, in fiscal year 2023, $372 thousand, or 3% in fiscal year 2022, and $375 thousand or 3% in fiscal year 2021. This decrease is mainly attributed to depreciation expense.

Using This Annual Report

This discussion and analysis is intended to serve as an introduction to the Authority's financial statements and notes to the financial statements.

Statement of Net Position – This statement presents information on all of the Authority's assets, liabilities and deferred outflows of resources and deferred inflows of resources, with the difference between the elements reported as net position. Over time, increases or decreases in net position are useful indicators of whether the Authority's financial position is improving or deteriorating.

Statement of Revenue, Expenses, and Changes in Net Position – This statement presents information showing how the Authority's net position changed during the fiscal year.

Statement of Cash Flows – This statement presents information about the Authority's cash receipts and cash payments, or in other words, the sources and uses of the Authority's cash and the change in cash balance during the fiscal year.

Notes to the Financial Statements – The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Financial Analysis

Summary of Net Position

The following table reflects a summary of financial position for fiscal years 2023, 2022 and 2021:

		2023	2022	2021*
Current assets	$	2,084,463	2,305,858	2,395,328
Capital assets, net		10,110,319	10,483,868	10,856,254
Non-current assets		77,849	147,652	8,045
Total assets		12,272,631	12,937,378	13,259,627
Deferred outflows of resources – pension		203,898	217,592	179,461
Current liabilities		584,947	569,787	476,057
Net pension liability		1,004,632	884,399	315,634
Long-term liabilities		194,653	215,547	168,858
Total liabilities		1,784,232	1,669,733	960,549
Deferred inflows of resources – pension		63,034	80,548	615,407
Net position:				
Net investment in capital assets		10,110,319	10,483,868	10,856,254
Unrestricted net position		518,944	920,821	1,006,877
Total net position	$	10,629,263	11,404,689	11,863,131

* 2021 amounts do not reflect the adoption of Governmental Accounting Standards Board (GASB) No. 87, Leases.

Summary of Changes in Net Position

The following schedule compares a summary of revenue and expenses for fiscal years 2023, 2022 and 2021:

		2023	2022	2021*
Operating revenue:				
Fee income	$	606,224	739,787	743,302
Operating expenses:				
General and administrative		1,389,342	1,193,574	1,150,190
Operating loss		(783,118)	(453,787)	(406,888)
Nonoperating revenue (expense):				
Interest income		17,801	419	277
Interest on lease		(10,109)	(5,074)	—
Changes in net position		(775,426)	(458,442)	(406,611)
Total net position, beginning		11,404,689	11,863,131	12,269,742
Total net position, ending	$	10,629,263	11,404,689	11,863,131

* 2021 amounts do not reflect the adoption of Governmental Accounting Standards Board (GASB) No. 87, Leases.

Operating Revenue

Fee income includes application fees, issuance fees, annual maintenance fees, and extension fees relating to bond projects. Fee income decreased by $133,563 (18%) in fiscal year 2023 primarily due to a decrease in issuance fees and application fees offset by an increase in annual maintenance fees and extension fees. There was 1 bond issued in fiscal year 2023 compared to 3 bonds issued in 2022, with a total decrease of approximately $139,000 in issuance fees. There were 2 application fees in fiscal year 2023 compared to 5 application fees in fiscal year 2022, with a total decrease of $4,000 in application fees. Maintenance fees, which are based on bonds outstanding, increased approximately $6,000 during fiscal year 2023 as compared to fiscal year 2022, due to an increase in bonds outstanding. Extension fees also increased $3,000 in fiscal year 2023 as compared to fiscal year 2022.

Fee income decreased by $3,515 (.5%) in fiscal year 2022 primarily due to a decrease in issuance fees offset by an increase in annual maintenance fees and application fees. There were 3 bonds issued during fiscal year 2022 and in fiscal year 2021, with a total decrease of approximately $21,000 in issuance fees. Maintenance fees, which are based on bonds outstanding, increased approximately $14,000 during fiscal year 2022 as compared to fiscal year 2021, due to an increase in outstanding bond balances. There were 5 applications fees in fiscal year 2022 compared to 2 application fees in fiscal year 2021, with a total increase of $4,000 in application fees.

Operating Expenses

General and administrative expenses primarily include employee salaries, office lease, insurance, depreciation, amortization and other related expenses incurred in conducting the Authority's business operations. The main component of operating expenses was depreciation, amortization, pension and employee salaries, which was approximately $1,099,000, or 79% of operating expenses, in fiscal year 2023. The main component of operating expenses was depreciation and amortization expense and employee salaries, which was approximately $903,000, or 75% of operating expenses, in fiscal year 2022. The main component of operating expenses was depreciation expense and employee salaries, which was approximately $833,000, or 72% of operating expenses, in fiscal year 2021.

General and administrative expenses increased by approximately $196,000, or 16% during fiscal year 2023 as compared to 2022, primarily attributable to the increase of pension expense and other postemployment benefits of approximately $119,000 and $60,000, respectively. General and administrative expenses increased by approximately $43,000, or 4%, during fiscal year 2022 as compared to 2021, primarily attributable to the increase in pension expense of approximately $92,000 offset by a decrease of professional services of approximately $13,000 and a decrease in fringe benefits of approximately $21,000.

Capital Assets

The Authority's investment in capital assets was approximately $10.1 million, $10.5 million and $10.9 million, net of accumulated depreciation, as of September 30, 2023, 2022, and 2021 respectively, a decrease of approximately $374,000 (4%) in 2023 and $372,000 (3%) in 2022. Capital assets consist of land, building, office equipment, furniture, and fixtures. The decrease in capital assets in fiscal year 2023 and 2022 is due to depreciation on capital assets.

Factors Affecting Financial Condition

In fiscal year 2023, the nation's gross domestic product (GDP), the broadest measure of U.S. economic health, increased 4.9%. The increase in GDP reflected increases in consumer spending, private inventory investment, exports, state and local government spending, federal government spending, residential fixed investment and nonresidential fixed investment.

As the need for industrial development bonds is related to the general business environment, the Authority focuses on employment in Miami-Dade County as an economic indicator. During fiscal year 2023, there was an increase in the labor force of approximately 18,000 jobs compared to fiscal year 2022. The annual unemployment rate decreased to 1.5% compared to 1.9% a year earlier.

Looking out into fiscal year 2024, the pace of the Miami-Dade's economic recovery appears to remain steady but slow. Because there are a large number of factors that could influence the pace of recovery, there is little agreement among experts on what lies ahead. Assuming that the improving trends in most of the economic indicators will continue and that government policies to help the economy will prevail, Miami-Dade's economy will most likely perform at a similar or a bit higher level to the performance experienced in 2023. Therefore, the Authority anticipates that the need for industrial development bonds will also grow at a slow, but upward trending path.

Request for Information

Questions concerning this report or requests for additional information should be directed to the Chief Financial Officer, Miami-Dade County Industrial Development Authority, 80 S.W. 8th Street, Suite 2801, Miami, Florida 33130-3034 or (305) 579-0070.

Financial Statements

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Statement of Net Position

September 30, 2023 and 2022

	2023	2022
Current assets:		
Cash and cash equivalents	$ 1,528,236	$ 2,000,368
Investments	250,000	—
Accounts receivable	295,915	302,640
Prepaid expenses	10,312	2,850
Total current assets	2,084,463	2,305,858
Capital assets, net	10,110,319	10,483,868
Right to use leased asset, net of amortization	69,804	139,607
Deposits	8,045	8,045
Total assets	12,272,631	12,937,378
Deferred outflows of resources – pension	203,898	217,592
Current liabilities:		
Accounts payable	9,764	11,003
Accrued payroll and other	508,019	489,017
Lease liability	67,164	69,767
Total current liabilities	584,947	569,787
Lease liability	—	67,164
Net pension liability	1,004,632	884,399
Other postemployment benefits liability	194,653	148,383
Total liabilities	1,784,232	1,669,733
Deferred inflows of resources – pension	63,034	80,548
Net position:		
Net investment in capital assets	10,110,319	10,483,868
Unrestricted net position	518,944	920,821
Total net position	$ 10,629,263	11,404,689

The accompanying notes to the financial statements are an integral part of this statement.

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Statement of Revenue, Expenses, and Changes in Net Position

Years ended September 30, 2023 and 2022

	2023	2022
Operating revenue:		
Fee income	$ 606,224	$ 739,787
Operating expenses:		
General and administrative	1,389,342	1,193,574
Operating loss	(783,118)	(453,787)
Nonoperating revenue (expense):		
Interest income	17,801	419
Interest on lease	(10,109)	(5,074)
Change in net position	(775,426)	(458,442)
Total net position, beginning	11,404,689	11,863,131
Total net position, ending	$ 10,629,263	$ 11,404,689

The accompanying notes to the financial statements are an integral part of this statement.

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Statement of Cash Flows

Years ended September 30, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Cash received from customers	$ 612,949	$ 751,907
Payments to suppliers	(148,726)	(133,249)
Payments to employees	(692,628)	(682,936)
Net cash used in operating activities	(228,405)	(64,278)
Cash flows from noncapital financing activities:		
Purchase of investments	(250,000)	—
Interest received	17,801	419
Interest expense	(10,109)	(5,074)
Net cash used in noncapital financing activities	(242,308)	(4,655)
Cash flow used in capital and related financial activity:		
Acquisition of capital assets	(1,419)	(2,316)
Net decrease in cash and cash equivalents	(472,132)	(71,249)
Cash and cash equivalents, beginning	2,000,368	2,071,617
Cash and cash equivalents, ending	$ 1,528,236	$ 2,000,368
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (783,118)	$ (453,787)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	374,968	374,702
Amortization	69,804	69,804
(Increase) decrease in assets:		
Accounts receivable	6,725	12,120
Prepaid expenses	(7,462)	6,101
Increase (decrease) in liabilities:		
Accounts payable	(1,238)	2,617
Accrued payroll and other	19,002	21,346
Lease liability	(69,767)	(72,480)
Deferred rental liability	—	(7,170)
Other postemployment benefits liability	46,269	(13,304)
Net pension liability and related deferred outflows and inflows	116,412	(4,227)
Net cash used in operating activities	$ (228,405)	$ (64,278)

The accompanying notes to the financial statements are an integral part of this statement.

(1) Organization and Reporting Entity

The Miami-Dade County Industrial Development Authority (the Authority) is a dependent and semiautonomous agency of the State of Florida, a body corporate and politic and a public instrumentality, and was activated on March 21, 1978 pursuant to Part III of Chapter 159, Florida Statutes, through Miami-Dade Ordinance 78-19, as amended for the purpose of financing and refinancing capital projects, including manufacturing plants, 501(c)(3) not-for-profit corporations, pollution control projects, hazardous waste/solid waste disposal projects for the public purposes described in, and in the manner provided by the Internal Revenue Code Sections 141 and 142, the Florida Industrial Development Act, State Statutes 159.44-159.53 and for the purpose of fostering the economic development of Miami-Dade County. The governing body of the Authority consists of not less than five members. All members of the governing body of the Authority are voting members. The members are appointed by the Miami-Dade Board of County Commissioners in accordance with Florida Statute 159.45. For financial reporting purposes, the Authority is a separate legal entity created through State Statute. In accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34*, the Authority is not a component unit of Miami-Dade County; however, it is a related organization since the Miami-Dade County Board of Commissioners appoints all members of the board.

(2) Summary of Significant Accounting Policies

The accounting policies of the Authority have been presented in accordance with U.S. generally accepted accounting principles, as applicable to governmental entities. The following is a summary of the more significant accounting policies.

(a) Basis of Presentation

The Authority's financial statements are prepared as an enterprise fund. Enterprise funds are used to account for operations of governmental entities that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs (expenses, excluding depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered solely through user charges.

(b) Basis of Accounting

The Authority prepares its financial statements on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles for enterprise funds. Accordingly, revenue is recorded when earned and expenses are recorded when incurred. Operating revenue and expenses generally result from providing services in connection with the Authority's principal ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as they are needed.

(c) Cash and Cash Equivalents and Investments

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

Investments are carried at fair value. Florida statutes authorize the Authority to invest in obligations of the U.S. government and certain of its agencies, certificates of deposit of qualified public depositories, certain bankers' acceptances, certain domestic commercial paper, corporate notes and bonds, interest-bearing time deposits or savings accounts of qualified banks and savings and loans institutions, and repurchase and reverse repurchase agreements.

(d) Accounts Receivable

Receivables comprise primarily of annual maintenance fees and are recorded at the invoiced amount, less any amounts deemed to be uncollectible. Receivables determined to be uncollectible are written off directly to bad debt expense and accounts receivable. Management's judgment in determining bad debt expense is based upon several factors, which include, but are not limited to, the growth and composition of the portfolio, and economic conditions. If the Authority's assumptions regarding collectability prove inaccurate, the Authority could experience write-offs of accounts receivable in excess of that recorded. During the fiscal year ended September 30, 2023, there was no bad debt expense.

(e) Capital Assets

Capital assets consist of buildings, office equipment, furniture and fixtures, and land, and are recorded at historical cost. Donated capital assets are reported at their fair market value on the date donated. Expenditures that add value to the life of an asset are capitalized. Other maintenance and repair expenditures that do not extend the life of the asset are expensed as incurred. Depreciation is determined based on estimated useful lives of the assets using the straight-line method. Useful lives are 5 years for office and computer equipment, 7 years for furniture and fixtures, and 40 years for buildings. Depreciation is not provided on land.

Management evaluates whether there has been a significant unexpected decline in the utility of a capital asset that could indicate an impairment in the capital asset. If there is an indication that the asset may be impaired, the Authority follows GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, to determine if the impairment should be recognized. The amount of impairment, if any, is determined by comparing the historical carrying value of the asset to the fair value, determined using the valuation method which most appropriately reflects the decline in service utility of the capital asset. The Authority concluded that no impairment exists as of September 30, 2023.

(f) Right to Use Leased Asset and Lease Liability

The Authority has a right to use leased asset for its office facility. The right to use leased asset is initially measured at an amount equal to the initial measurement of the related lease liability, measured at a discounted rate implicit in the lease agreement, plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service, if any. The right to use leased asset is amortized on a straight-line basis over the life of the related lease.

(g) Deferred Outflows of Resources and Deferred Inflows of Resources

The Authority reports deferred outflows of resources related to pensions in a separate section in the statements of net position. Amounts include changes in assumptions, differences between expected and actual experience, differences between expected and actual earnings on pension plan investments, changes in the Authority's proportionate share of contributions, and the Authority's contributions subsequent to the measurement date. The Authority reports deferred inflows of resources related to pensions in a separate section in the statements of net position. Amounts include changes in assumptions, differences between expected and actual experience, differences between expected and actual earnings on pension plan investments, and changes in the Authority's proportionate share.

(h) Recently Issued Accounting Pronouncements – Effective in Future Years

The following pronouncements were recently issued, but were not yet effective for the Authority's fiscal year ended September 30, 2023. Management will evaluate the effect that the pronouncements will have on its financial statements in future years:

- GASB Statement No. 100, *Accounting Changes and Error Correction – an amendment of GASB Statement No. 62*, issued in June 2022, effective for fiscal years beginning after June 15, 2023.
- GASB Statement No. 101, *Compensated Absences*, issued in June 2022, effective for fiscal years beginning after December 15, 2023.
- GASB Statement No. 102, *Certain Risk Disclosures*, issued in December 2023, effective for fiscal years beginning after June 15, 2024.

(i) Compensated Absences

It is the Authority's policy to permit employees to accumulate earned but unused annual leave and sick leave benefits, which will be paid to employees upon separation from the Authority if they meet certain criteria. The accumulated compensated absences are accrued when incurred in the Authority's financial statements. The maximum amount of hours that can be accrued for annual leave is 750 hours and sick leave is 1,000 hours, with the exception of employees with 30 years or more of service who are not subject to the sick leave limitations.

The following presents the change in compensated absences for the fiscal years ended September 30, 2023 and 2022.

	Compensated Absences at September 30, 2021	Net Increase/ (Decrease)	Compensated Absences at September 30, 2022	Net Increase/ (Decrease)	Compensated Absences at September 30, 2023
$	444,050	18,314	462,364	19,002	481,366

(j) Alternative Measurement Method

As a sole employer in a plan with fewer than 100 total plan members, the Authority has elected to apply the simplified alternative measurement method permitted by GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (GASB Statement No. 75), instead of obtaining an actuarial valuation. The alternative method includes the same broad measurement steps as an actuarial valuation; however, it permits simplification of certain assumptions to make the method usable by nonspecialists.

(k) Operating and Nonoperating Revenue

The Authority recognizes revenue as earned. Operating revenue consists of fee income generated from bond application and extension fees, bond issuance fees, and bond annual maintenance fees. The Authority generated nonoperating revenue from interest income on cash and cash equivalents and investments.

(l) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(3) Cash and Cash Equivalents and Investments

The carrying amounts of the Authority's deposits were approximately $1.5 million and $2 million as of September 30, 2023 and September 30, 2022, respectively. All deposits are fully insured by Federal Depository Insurance and are held in qualified public depositories pursuant to State of Florida Statutes Chapter 280, *Florida Security for Public Deposits Act* (the Act). Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The pledging level may range from 25% to 150% depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

Investments at September 30, 2023 in the amount of $250,000 consists of a certificate of deposit in a qualified public depository. The certificate of deposit matures on April 10, 2024.

(4) Capital Assets

Capital assets activity for the year ended September 30, 2023 and 2022 consists of the following:

	Balance at September 30, 2021	Increases	Decreases	Balance at September 30, 2022	Increases	Decreases	Balance at September 30, 2023
Capital assets not being depreciated:							
Land	$ 3,901,642	—	—	3,901,642	—	—	3,901,642
Capital assets being depreciated:							
Building	14,967,828	—	—	14,967,828	—	—	14,967,828
Furniture and fixtures	55,185	—	—	55,185	—	—	55,185
Computer equipment	7,251	2,316	—	9,567	1,419	(1,559)	9,427
Office equipment	7,658	—	—	7,658	—	—	7,658
Total capital assets being depreciated	15,037,922	2,316	—	15,040,238	1,419	(1,559)	15,040,098
Less accumulated depreciation for:							
Building	(8,014,027)	(374,196)	—	(8,388,223)	(374,196)	—	(8,762,419)
Furniture and fixtures	(55,185)	—	—	(55,185)	—	—	(55,185)
Computer equipment	(6,442)	(506)	—	(6,948)	(772)	1,559	(6,161)
Office equipment	(7,656)	—	—	(7,656)	—	—	(7,656)
Total accumulated depreciation	(8,083,310)	(374,702)	—	(8,458,012)	(374,968)	1,559	(8,831,421)
Total capital assets being depreciated, net	6,954,612	(372,386)	—	6,582,226	(373,549)	—	6,208,677
Total capital assets, net	$ 10,856,254	(372,386)	—	10,483,868	(373,549)	—	10,110,319

(5) Building Lease

The Authority leases its building to third parties through an operating lease. The building was acquired with the proceeds of tax-exempt bond offerings.

In 1999, in accordance with federal law, a series of Industrial Development Bonds (Airport Exempt Facility Bonds) were issued by the Authority for the purpose of acquiring land and constructing and equipping capital facilities for use by private industry. Federal tax law requires, among other things, that the bond financed property be owned by a governmental unit as long as the bonds are outstanding, and that any lease to a private entity be for a term of no more than 80% of the reasonably expected economic life of the property and not provide the lessee with an option to purchase the property at other than fair market value. The bond financed properties are owned by the Authority and leased to a private business under a building lease in exchange for rental payments in the amount of a one-time payment of $100. The lease states that the Authority is the lessor and owner of the building in compliance with federal tax law. The term of the building lease is 32 years.

The lease contains an option for the lessee to purchase the building at its fair market value at the conclusion of the lease. The Authority acts as a conduit with respect to the payment of the debt service, and has no liability recorded for payment of any debt service.

(6) Right to use Leased Asset and Lease Liability

Right to use leased asset activity for the fiscal years ended September 30, 2023 and 2022, are as follows:

	Balance at September 30, 2021	Increases	Decreases	Balance at September 30, 2022	Increases	Decreases	Balance at September 30, 2023
Right to use leased asset							
Leased office facilities	$ —	209,411	—	209,411	—	—	209,411
Less accumulated amortization for:							
Leased office facilities	—	(69,804)	—	(69,804)	(69,803)	—	(139,607)
Total right to use leased asset, net of accumulated amortization	$ —	139,607	—	139,607	(69,803)	—	69,804

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2023, is as follows:

Fiscal Year	Principal Payments	Interest Payments	Total
2024	67,164	15,115	82,279
	$ 67,164	15,115	82,279

(7) Noncommitment Debt

The Authority acts solely as a lawful conduit in the issuance of Industrial Development Revenue Bonds and is not liable for such debt in any manner. From inception through September 30, 2023 and 2022, the Authority has issued a total of $2,893,491,674 and $2,861,191,674, respectively, of Industrial Development Revenue Bonds. The balance outstanding as of September 30, 2023 and 2022 is $969,659,271 and $1,019,464,166, respectively.

(8) Pension Plan

The Authority participates in the state sponsored retirement program. The activity related to such obligations is as follows:

	Net pension liability at September 30, 2021	Increase	Decrease	Net pension liability at September 30, 2022	Increase	Decrease	Net pension liability at September 30, 2023
$	315,634	709,575	(140,810)	884,399	519,897	(399,664)	1,004,632

(i) General Information about the Pension Plan

Plan description – The Authority participates in the Florida Retirement System (FRS or the System). The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Pension Plan), a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan. Benefit provisions are established under Chapter 121, *Florida Statutes*, which may be amended by the Florida Legislature.

Benefits provided – All eligible employees (as defined by the State of Florida) vest at six years of service if enrolled in the plan prior to July 1, 2011.

Enrollment after July 1, 2011 requires eight years of services to vest. Members initially enrolled in FRS before July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. For enrollees prior to July 1, 2011, pension plan benefit payments are based on a member's highest five-year average annual salary (average final compensation) times the number of years of service. Enrollees after July 1, 2011 are eligible for normal retirement benefits at age 65, or after completing the eight years of creditable service at any age, if after 65 and have benefit payments based on the member's highest eight-year average annual salary. The annual final compensation is multiplied by a total percentage value ranging from 1.6% at either age 62 or with 30 years of service to 1.68% at age 65 or with 33 years of service. Members are eligible for early retirement after six years of service; however normal benefits are reduced by 5% for each year a member retires before normal retirement age.

Eligible FRS members may elect to participate in the FRS Investment Plan in lieu of the Defined-Benefit Plan. This plan is funded by employer contributions that are based on salary and membership class. Contributions are directed to individual member accounts, and the ultimate benefit depends in part on the performance of investment funds chosen. No Authority employees currently participate in the FRS Investment Plan.

Contributions – The contribution rates for the Plan are established by the Florida Legislature for participating employers and employees. For the fiscal years ended June 30, 2023 and 2022, the contribution rates were as follows:

	Percent of gross salary			
	Employee		Employer(1)	
Class:	2023	2022	2023	2022
FRS, Regular	3.00%	3.00%	14.91%	10.82%
FRS, Senior Management Service	3.00	3.00	34.57	29.01

(1) Employer rates include 1.66% for the postretirement health insurance supplement and 0.06% for administrative/educational fee.

The Authority's contributions to the Plan, net of employee contributions, were $97,111 and $88,725, respectively, for the fiscal years ended September 30, 2023 and 2022, and are equal to the required contributions for the fiscal year.

(ii) Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Section 121.031(3) Florida Statutes, requires an annual valuation of the FRS Pension Plan, which is provided to the Florida Legislature as guidance for funding decisions.

At September 30, 2023 and 2022, the Authority reported a liability of $817,126 and $753,490, respectively, for its proportionate share of the FRS Pension Plan net pension liability. The Authority's proportionate share of the net pension liability was based on the Authority's actual contributions to the pension plan relative to the total actual contributions during the fiscal years ended June 30, 2023 and 2022. At June 30, 2023, the measurement date, the Authority's proportionate share was 0.00205%, which was an increase of 0.00003% from its proportionate share of 0.00202% measured as of June 30, 2022.

For the year ended September 30, 2023 and 2022, the Authority recognized pension expense of $155,294 and $88,657, respectively. At September 30, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions for the FRS Pension Plan from the following sources:

	2023		2022	
	Deferred outflows of resources	**Deferred inflows of resources**	**Deferred outflows of resources**	**Deferred inflows of resources**
Differences between expected and actual experience	$ 76,721	—	35,786	—
Changes in assumptions	53,267	—	92,795	—
Net differences between projected and actual earnings on pension plan investments	34,125	—	49,753	—
Changes in proportion	5,897	(32,688)	—	(48,004)
Authority contributions subsequent to the measurement date	24,038	—	25,577	—
Total	$ 194,048	(32,688)	203,911	(48,004)

The deferred outflows of resources related to pensions totaling $24,038, resulting from Authority contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending September 30, 2024. Other amounts reported by the FRS Pension Plan as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

		Amount
Fiscal year ending September 30:		
2024	$	11,011
2025		(18,007)
2026		128,315
2027		11,942
2028		4,061
Thereafter		—
Total	$	137,322

Actuarial Assumptions. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation as of the valuation date calculated on the assumptions listed below:

Valuation date	July 1, 2023	July 1, 2022
Measurement date	June 30, 2023	June 30, 2022
Discount rate	6.70%	6.70%
Long-term expected rate of return, net of investment expense	6.70	6.70
Inflation	2.40	2.40
Salary increase, including inflation	3.25	3.25
Mortality	PUB2010 base table by member category and sex, projected generationally with Scale MP-2018	PUB2010 base table by member category and sex, projected generationally with Scale MP-2018
Actuarial cost method	Individual entry age	Individual entry age

The actuarial assumptions that determined the total pension liability of the FRS Pension Plan as of June 30, 2023, were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Long-term expected rate of return. The long-term expected rate of return assumption consists of two building block components: 1) an inferred real (in excess of inflation) return, consistent with the capital market outlook model developed by the FRS consulting actuary, Milliman; and 2) a long-term average annual inflation assumption as adopted in October 2023 by the FRS Actuarial Assumption Conference.

The table below contains a summary of assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

2023				
Asset class	**Target allocation**	**Annual arithmetic return**	**Compound annual (geometric) return**	**Standard deviation**
Cash	1.0%	2.9%	2.9%	1.1%
Fixed income	19.8	4.5	4.4	3.4
Global equity	54.0	8.7	7.1	18.1
Real estate	10.3	7.6	6.6	14.8
Private equity	11.1	11.9	8.8	26.3
Strategic investments	3.8	6.3	6.1	7.7
Total	100.0 %			
Assumed inflation – Mean			2.4%	1.4%

2022				
Asset class	**Target allocation**	**Annual arithmetic return**	**Compound annual (geometric) return**	**Standard deviation**
Cash	1.0%	2.6%	2.6%	1.1%
Fixed income	19.8	4.4	4.4	3.2
Global equity	54.0	8.8	7.3	17.8
Real estate	10.3	7.4	6.3	15.7
Private equity	11.1	12.0	8.9	26.3
Strategic investments	3.8	6.2	5.9	7.8
Total	100.0 %			
Assumed inflation – Mean			2.4%	1.3%

Discount Rate. The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.70% at the June 30, 2023 and 2022. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees if future experience follows assumptions and the Actuarially Determined Contribution (ADC) is contributed in full each year. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the Authority's proportionate share of the net pension liability of the FRS Pension Plan calculated using the current discount rate. Also presented is what the Authority's proportionate share of the FRS Pension Plan net pension liability would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

2023				
		1% decrease (5.70%)	**Current discount rate (6.70%)**	**1% increase (7.70%)**
Authority's proportionate share of net pension liability	$	1,395,817	817,126	332,981

	2022		
	1% decrease (5.70%)	Current discount rate (6.70%)	1% increase (7.70%)
Authority's proportionate share of net pension liability	$ 1,303,110	753,490	293,943

Pension Plan Fiduciary Net Position. Detailed information about the FRS Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Retirement Systems Comprehensive Annual Financial Report. The comprehensive annual financial report of the FRS is available at the Division's Web site (http://www.dms.myflorida.com).

(iii) General Information about the Health Insurance Subsidy (HIS)

HIS plan description. The HIS Pension Plan is a cost-sharing multiple-employer defined-benefit pension plan established under Section 112.363, Florida Statutes, to provide a monthly subsidy payment to retired members of any state administered retirement system, or beneficiary entitled to receive benefits.

HIS benefits provided. The benefits provided by the HIS Pension Plan is a monthly payment to assist retirees in paying their health insurance costs. The plan is administered by the Department of Management Services within the Florida Retirement System. HIS benefits are not guaranteed and are subject to annual legislative appropriation.

For the fiscal year ended September 30, 2023 and 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by $5. The payments are at a minimum of $30 but not more than $150 monthly per Florida Statutes 112.363.

HIS contributions. The HIS Pension Plan is funded by required contributions from FRS participating employers. The funds are deposited in a separate trust fund and consequently paid from the trust fund. Employer contributions are a percentage of gross compensation for all FRS members. For the fiscal year ended September 30, 2023 and 2022, the contribution rate was 1.66% of payroll per Florida Statutes 112.363.

The Authority's contributions to the HIS Pension Plan totaled $7,832 and $7,479, respectively, for the fiscal years ended September 30, 2023 and 2022.

(iv) Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIS Pensions

At September 30, 2023 and 2022, the Authority reported a liability of $187,506 and $130,909, respectively, for its proportionate share of the HIS Pension Plan net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The Authority's proportionate share of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions during the fiscal year ended June 30, 2023. At June 30, 2023, the Authority's proportionate share was 0.00118%, which was a decrease of 0.00005% from its proportionate share of 0.00123% measured as of June 30, 2022.

For the years ended September 30, 2023 and 2022, the Authority recognized pension expense of $66,061 and $3,321, respectively. At September 30, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions for the HIS Pension Plan from the following sources:

	2023		2022	
	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 2,745	(440)	3,973	(576)
Changes in assumptions	4,929	(16,248)	7,504	(20,252)
Net differences between projected and actual earnings on pension plan investments	97	—	190	—
Changes in proportion	—	(13,658)	—	(11,716)
Authority contributions subsequent to the measurement date	2,079	—	2,014	—
Total	$ 9,850	(30,346)	13,681	(32,544)

The deferred outflows of resources related to pension totaling $2,079, resulting from Authority contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending September 30, 2024. Other amounts reported for the HIS Pension Plan as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

	Amount
Fiscal year ending September 30:	
2024	$ (5,425)
2025	(4,316)
2026	(4,475)
2027	(5,047)
2028	(2,887)
Thereafter	(425)
Total	$ (22,575)

Actuarial Assumptions. The total pension liability for the HIS Pension Plan was determined by an actuarial valuation as of the valuation date calculated on the assumptions listed below:

Valuation date	July 1, 2022	July 1, 2022
Measurement date	June 30, 2023	June 30, 2022
Discount rate	3.65%	3.54%
Municipal bond rate	3.65	3.54
Inflation	2.40	2.40
Salary increase, including inflation	3.25	3.25
Mortality	Generational PUB-2010 with Projection Scale MP-2018	Generational PUB-2010 with Projection Scale MP-2018
Actuarial cost method	Individual Entry Age	Individual Entry Age

The actuarial assumptions that determined the total pension liability of the HIS Pension Plan as of June 30, 2023, were based on certain results of an actuarial experience study of the FRS for the period July 1, 2013 through June 30, 2018.

Discount rate. The discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS Pension Plan uses a pay-as-you-go funding structure, a municipal bond rate of 3.65% was used to determine the total pension liability for the program.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the Authority's proportionate share of the net pension liability of the HIS Pension Plan calculated using the current discount rate. Also presented is what the Authority's proportionate share of the HIS Pension Plan net pension liability would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

		2023		
		1% decrease (2.65%)	**Current discount rate (3.65%)**	**1% increase (4.65%)**
Authority's proportionate share of HIS Pension Plan net pension liability	$	213,915	187,506	165,614

		2022		
		1% decrease (2.54%)	**Current discount rate (3.54%)**	**1% increase (4.54%)**
Authority's proportionate share of HIS Pension Plan net pension liability	$	149,771	130,909	115,302

Pension Plan Fiduciary Net Position. Detailed information about HIS Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Retirement Systems Comprehensive Annual Financial Report. The comprehensive annual financial report of the FRS is available at the Division's Website (http://www.dms.myflorida.com).

(9) Postemployment Benefits Other than Pensions

(i) Plan Description

Miami-Dade County (the County) administers a single-employer defined-benefit healthcare plan that provides postretirement medical and dental coverage to retirees as well as their eligible spouses and dependents. The Authority's benefits are provided through the County's group health insurance plan, which covers both active and retired members. At September 30, 2023, the date of the last plan valuation, the Authority's plan covered one active plan member.

(ii) Funding Policy

For postemployment healthcare benefits plan, contribution requirements of the Authority are established by the Authority's Board through employment agreements made between the Authority and each individual employee.

(iii) OPEB Liability

The Authority's total OPEB liability of $194,653 and $148,383, as of September 30, 2023 and 2022, respectively, were measured as of September 30, 2023 and September 30, 2022, and were determined by management using the valuation date as of September 30, 2023 and September 30, 2022, and using the simplified alternative measurement method permitted by GASB Statement No. 75 for employers in plans with fewer than 100 total plan members.

(iv) Methods and Assumptions

The total OPEB liability on September 30, 2023 and 2022, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial valuation date	September 30, 2023
Actuarial assumptions:	
Discount rate	4.75%
Payroll growth assumption	—%
Healthcare cost trend rates	2.0% based on historical cost trends
Healthcare insurance premiums for retirees	Calculation of the present value of total benefits to be paid.
Mortality table	Life expectancies were based on United States Life Tables 2021 by the U.S. Center for Disease Control.
Retirement age for active employees	Active plan members were assumed to retire at age 83, based on the historical average retirement age for the covered group.
Marital Status	Assumed to continue throughout retirement.
Turnover	Nongroup-specific age-based turnover data from GASB Statement No. 75 was used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Actuarial valuation date	September 30, 2022
Actuarial assumptions:	
Discount rate	4.5%
Payroll growth assumption	—%
Healthcare cost trend rates	2.0% based on historical cost trends
Healthcare insurance premiums for retirees	Calculation of the present value of total benefits to be paid.
Mortality table	Life expectancies were based on United States Life Tables 2020 by the U.S. Center for Disease Control.
Retirement age for active employees	Active plan members were assumed to retire at age 83, based on the historical average retirement age for the covered group.
Marital Status	Assumed to continue throughout retirement.
Turnover	Nongroup-specific age-based turnover data from GASB Statement No. 75 was used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

The postretirement medical and dental benefits are currently funded on a pay-as-you-go basis (i.e., the Authority funds on a cash basis as benefits are paid). No assets have been segregated and restricted to provide postretirement benefits. The Authority did not make any contributions to the plan in fiscal year 2023. Administrative costs of the plan are paid by the Authority.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

(v) Discount Rate

The discount rate is based on the average of three indices: the S&P Municipal Bond 20 year high grade rate index, Fidelity Municipal GO AA 20-year Index, and Fidelity Municipal GO AAA 20-year Index.

(vi) Changes in the OPEB Liability

The following presents the change in OPEB Liability for the fiscal year ended September 30, 2023 and 2022.

		2023	2022
OPEB Liability – Beginning of Year	$	148,383	161,688
Changes for the year:			
Service cost		33,336	22,496
Interest on net OPEB obligation		7,048	7,276
Experience and Assumptions change		5,886	(43,077)
Net change in OPEB Liability		46,270	(13,305)
OPEB Liability – End of Year	$	194,653	148,383

For the year ended September 30, 2023 and 2022, the Authority recognized OPEB expense of $46,270 and $(13,305), respectively.

(vii) Sensitivity of the OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the OPEB liability of the Authority, as well as what the Authority's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

Fiscal year ended	Discount rate	OPEB liability
September 30, 2023	+1% Discount Rate Sensitivity (5.75%)	$ 184,287
September 30, 2023	Current Discount Rate (4.75%)	194,653
September 30, 2023	-1% Discount Rate Sensitivity (3.75%)	205,812

Fiscal year ended	Discount rate	OPEB liability
September 30, 2022	+1% Discount Rate Sensitivity (5.5%)	$ 139,164
September 30, 2022	Current Discount Rate (4.5%)	148,383
September 30, 2022	-1% Discount Rate Sensitivity (3.5%)	158,404

The following presents the OPEB liability of the Authority, as well as what the Authority's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Fiscal year ended	Healthcare cost trend rate	OPEB liability
September 30, 2023	-1% Healthcare Cost Trend Rate Sensitivity (1.0%)	$ 187,041
September 30, 2023	Current Healthcare Cost Trend Rate (2.0%)	194,653
September 30, 2023	+1% Healthcare Cost Trend Rate Sensitivity (3.0%)	202,091

Fiscal year ended	Healthcare cost trend rate	OPEB liability
September 30, 2022	-1% Healthcare Cost Trend Rate Sensitivity (1.0%)	$ 139,755
September 30, 2022	Current Healthcare Cost Trend Rate (2.0%)	148,383
September 30, 2022	+1% Healthcare Cost Trend Rate Sensitivity (3.0%)	154,005

(10) Related Party

The Authority has an Interlocal Agreement with Miami-Dade County, which originated in 1998, in which the Authority is primarily responsible for making from its own funds the annual contributions for Authority employees required by the Florida Retirement System. Miami-Dade County remains obligated to make the required retirement payments in the event the Authority fails to do so. The Authority has an amount held in pooled cash at Miami-Dade County, which represents the amount equal to the Authority's estimated retirement payments. As of September 30, 2023 and 2022, the amount was approximately $64,000 and $62,000, respectively, which is included in cash and cash equivalents in the accompanying statements of net position.

Required Supplementary Information

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Florida Retirement System Pension Information

Schedule of Employer Contributions (Unaudited)

Last 10 Fiscal Years*

September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 98,650	$ 86,414	$ 80,472	$ 72,704	$ 68,912	$ 64,859	$ 61,708	$ 60,342	$ 61,231	$ 51,852
Contributions in relation to the contractually required contribution	(98,650)	(86,414)	(80,472)	(72,704)	(68,912)	(64,859)	(61,708)	(60,342)	(61,231)	(51,852)
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Authority's covered-employee payroll	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 475,000	$ 450,000	$ 450,000
Contributions as a percentage of covered-employee payroll	21.54%	18.87%	17.57%	15.87%	15.05%	14.16%	13.47%	12.70%	13.61%	11.52%

* The amounts presented for each fiscal year were determined as of June 30.

Note: Schedule is intended to show information for 10 years.

See accompanying independent auditor's report.

The accompanying notes to the supplementary information are an integral part of this schedule.

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Florida Retirement System Pension Information

Schedule of Employer Proportionate Share of Net Pension Liability and Related Ratios (Unaudited)

Last 10 Fiscal Years*

September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's proportion of the net pension liability	0.00205%	0.00203%	0.00211%	0.00219%	0.00222%	0.00228%	0.00237%	0.00247%	0.00251%	0.00236%
Proportion of the pension liability:										
Authority's proportionate share of the net pension liability	$ 817,126	$ 753,490	$ 159,566	$ 948,394	$ 765,379	$ 685,487	$ 701,162	$ 624,787	$ 324,387	$ 144,434
Authority's covered payroll	458,000	458,000	458,000	458,000	458,000	458,000	458,000	475,000	450,000	450,000
Authority's proportionate share of the pension liability as a percentage of its covered-employee payroll	178.41%	164.52%	34.84%	207.07%	167.11%	149.67%	153.09%	131.53%	72.09%	32.10%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

* The amounts presented for each fiscal year were determined as of June 30.

Note: Schedule is intended to show information for 10 years.

See accompanying independent auditor's report.

The accompanying notes to the supplementary information are an integral part of this schedule.

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Supplemental Health Insurance Subsidy Pension Information

Schedule of Employer Contributions (Unaudited)

Last 10 Fiscal Years*

September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 7,767	$ 7,479	$ 7,479	$ 7,479	$ 7,479	$ 7,479	$ 7,479	$ 7,453	$ 5,574	$ 5,101
Contributions in relation to the contractually required contribution	(7,767)	(7,479)	(7,479)	(7,479)	(7,479)	(7,479)	(7,479)	(7,453)	(5,574)	(5,101)
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Authority's covered-employee payroll	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 475,000	$ 450,000	$ 450,000
Contributions as a percentage of covered-employee payroll	1.70%	1.63%	1.63%	1.63%	1.63%	1.63%	1.63%	1.57%	1.24%	1.13%

* The amounts presented for each fiscal year were determined as of June 30.

Note: Schedule is intended to show information for 10 years.

See accompanying independent auditor's report.

The accompanying notes to the supplementary information are an integral part of this schedule.

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Supplemental Health Insurance Subsidy Pension Information

Schedule of Employer Proportionate Share of Net Pension Liability and Related Ratios (Unaudited)

Last 10 Fiscal Years*

September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's proportion of the net pension liability	0.00118%	0.00124%	0.00127%	0.00130%	0.00135%	0.00138%	0.00141%	0.00145%	0.00146%	0.00149%
Proportion of the pension liability:										
Authority's proportionate share of the net pension liability	$ 187,506	$ 130,909	$ 156,068	$ 158,458	$ 150,693	$ 145,962	$ 151,097	$ 169,468	$ 148,721	$ 139,233
Authority's covered payroll	458,000	458,000	458,000	458,000	458,000	458,000	458,000	475,000	450,000	450,000
Authority's proportionate share of the pension liability as a percentage of its covered-employee payroll	40.94%	28.58%	34.08%	34.60%	32.90%	31.87%	32.99%	35.68%	33.05%	30.94%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

* The amounts presented for each fiscal year were determined as of June 30.

Note: Schedule is intended to show information for 10 years.

See accompanying independent auditor's report.

The accompanying notes to the supplementary information are an integral part of this schedule.

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Required Supplementary Information

Postemployment Benefits Other Than Pensions –
Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios (Unaudited)

September 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB liability – beginning of year	$ 148,383	$ 161,688	$ 181,249	$ 157,863	$ 154,661	$ 137,007
Changes for the year:						
Service cost	33,336	22,496	20,094	22,472	20,275	16,975
Interest on net OPEB obligation	7,048	7,276	4,169	3,552	4,640	679
Experience and Assumptions change	5,886	(43,077)	(43,824)	(2,638)	(21,713)	—
Net change in total OPEB liability	46,270	(13,305)	(19,561)	23,386	3,202	17,654
Total OPEB liability – end of year	$ 194,653	$ 148,383	$ 161,688	$ 181,249	$ 157,863	$ 154,661
Covered employee payroll	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 458,000
Total OPEB liability as a percentage of covered employee payroll	42.5%	32.4%	35.3%	39.6%	34.5 %	33.8 %

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available

See accompanying independent auditor's report.

The accompanying notes to the supplementary information are an integral part of this schedule.

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Notes to Required Supplementary Information

Florida Retirement System, Health Insurance Subsidy and Postemployment Benefits Other than Pensions

(Unaudited)

September 30, 2023 and 2022

The following are relevant to the Florida Retirement System (FRS) and Health Insurance Subsidy (HIS) Program:

(1) Actuarial assumptions for defined-benefit plans are reviewed annually by the Florida Retirement System. The FRS Pension Plan has a valuation performed annually whereas the HIS Program has a valuation performed biennially, which was updated for GASB reporting in the year a valuation was not performed. The most recent experience study was for the period July 1, 2013 through June 30, 2018.

(2) Method and assumptions used in calculation of actuarially determined contribution:

FRS Pension Plan	
Valuation date	July 1, 2023
Actuarial cost method	Individual entry age
Amortization Method	Level percent, closed, 20 years
Assets valuation Method:	
Smoothing period	5 years
Recognition method	Asymptotic
Corridor	80% – 120% of fair market value
Actuarial assumptions:	
Discount rate	6.70%
Investment rate of return	6.70%
Projected salary increases	3.25%
Rate of inflation adjustment	2.40%
Mortality assumption:	PUB2010 base table varies by member category and sex, projected generationally with Scale MP-2018

HIS Program	
Valuation date	July 1, 2022
Actuarial cost method	Individual entry age
Actuarial assumptions:	
Discount rate	3.65%
Municipal bond rate	3.65%
Projected salary increases	3.25%
Rate of inflation adjustment	2.40%
Mortality assumption:	Generational PUB-2010 with projection scale MP-2018

The following is relevant to the Postemployment Benefits other than Pensions:

(3) Methods and assumptions used in calculation of actuarially determined contributions for Other Postemployment Benefits:

Actuarial valuation date	September 30, 2023
Actuarial cost method	Simplified alternative measurement method
Actuarial assumptions:	
Discount rate	4.75%
Payroll growth assumption	—%
Healthcare cost trend rates	2.0% based on historical cost trends
Healthcare insurance premiums for retirees	Calculation of the present value of total benefits to be paid.
Mortality table	Life expectancies were based on United States Life Tables 2021 by the U.S. Center for Disease Control.
Retirement age for active employees	Active plan members were assumed to retire at age 83, based on the historical average retirement age for the covered group.
Marital Status	Assumed to continue throughout retirement.
Turnover	Nongroup-specific age-based turnover data from GASB Statement No. 75 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Other Reports

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

To the Board of Directors
Miami-Dade County Industrial
Development Authority:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Miami-Dade County Industrial Development Authority (the Authority), which comprise the statement of net position as of September 30, 2023 and 2022, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the notes to the financial statements, and have issued our report thereon dated March 19, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Sanson Kline Jacomino & Tandoc, LLP

Miami, Florida
March 19, 2024

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Management Letter in Accordance with the *Rules of the Auditor General* of the State of Florida

To the Board of Directors
Miami-Dade County Industrial
Development Authority:

Report on the Financial Statements

We have audited the financial statements of Miami-Dade County Industrial Development Authority (the Authority), as of and for the fiscal years ended September 30, 2023 and 2022, and have issued our report dated March 19, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

Other Report Requirements

We have issued our Independent Auditors' Reports on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated March 19, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Such disclosures are made in note 1 to the Authority's financial statements. The Authority does not have any component units.

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures as of September 30, 2023 and 2022. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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.

Specific Information

As required by Section 218.39(3)(a), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Authority reported:

a. A total of 3 employees compensated in the last pay period of the Authority's fiscal years ended September 30, 2023 and 2022.

b. No independent contractors to whom nonemployee compensation was paid in the last month of the Authority's fiscal years ended September 30, 2023 and 2022.

c. Compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency totaled $458,000 for each of the fiscal years ended September 30, 2023 and 2022.

d. No compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency for the fiscal years ended September 30, 2023 and 2022.

e. No construction projects with a total cost of at least $65,000 approved by the Authority that is scheduled to begin on or after October 1 of the fiscal years being reported:

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal years being reported if the Authority amends a final adopted budget under Section 189.016(6), Florida Statutes – is not applicable, as the Authority has not amended its budget.

Additional Matters

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

Purpose of this Letter

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

Sanson Kline Jacomino & Tandoc, LLP

Miami, Florida
March 19, 2024