



# WEST MIAMI *Florida*

**Basic Financial Statements  
and  
Independent Auditor's Report  
September 30, 2023**



Serving our Citizens and  
the Community since 1947

# CITY OF WEST MIAMI, FLORIDA

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## FINANCIAL SECTION

# INDEPENDENT AUDITOR'S REPORT



## **INDEPENDENT AUDITOR'S REPORT**

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

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of West Miami, Florida (the "City"), as of and for the 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 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 of West Miami, Florida, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

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

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

Management is responsible for the preparation and fair presentation of these 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.

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

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

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

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

***Required Supplementary Information***


Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, the budgetary comparison information on pages 50 through 63, and the pension schedules on pages 64 through 67 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of West Miami, Florida's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of state financial assistance, as required by 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2024, on our consideration of the City of West Miami, Florida'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 of West Miami, Florida's internal control over financial reporting and compliance.



Coral Gables, Florida

April 29, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS  
MD&A

**CITY OF WEST MIAMI, FLORIDA**  
*Management Discussion and Analysis*  
*For the Year Ended September 30, 2023*

As management of the City of West Miami, Florida (the City”), we offer readers of the accompanying financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023.

**Financial Highlights**

The assets of the City of West Miami exceeded its liabilities at the close of the fiscal years ended September 30, 2023 and 2022 by \$20,578,202 and \$20,122,846 (net position), respectively. Of this amount, unrestricted net position, which may be used to meet the ongoing obligations to citizens and creditors, were \$(2,320,947) and \$(2,033,002), respectively. During the fiscal years ended September 30, 2023 and 2022, the City's net position increased by \$455,356 and \$1,996,913, respectively.

As of the close of the fiscal years ended September 30, 2023 and 2022, the City of West Miami's governmental funds reported combined ending fund balances of \$8,543,927 and \$8,341,962, an increase of \$201,965 and \$2,940,781 in comparison with the prior year, respectively.

At the end of the fiscal years ended September 30, 2023 and 2022, unassigned fund balance for governmental funds was \$1,282,929 and \$3,363,263, or 11.74% and 39.28% of total governmental fund expenditures and 16.39% and 51.09% of general fund expenditures, respectively.

The City's financial indicators have remained stable over the last several years. Improvements in previous years were achieved through rate increases in the business-type activities, increases in red light camera revenues, passport revenues and property tax revenues, and reduction of costs where possible. The City has continued to be proactive in finding new revenue sources and increasing revenues where possible, while attempting to reduce expenses without eliminating services. Other points of interest are as follows.

- **Real Estate Development in the City** – In prior years, the City of West Miami has been able to attract new real estate development projects that increased its tax base and continue to add revenue through 2023. These projects included multifamily residential properties and additional commercial properties with important anchor tenants. The City must continue to secure these opportunities where feasible as the Miami-Dade demographics relating to real estate continue to change favorably in increasing City property values.
- **Financial Conditions** – The financial conditions are stable as a result of recurring income from red-light camera revenues, franchise fees and sales taxes, and increases in property tax revenues. The City has restricted and assigned amounts for various capital improvements and for contingencies related to insurance, general liability, litigation, operating cash flow reserves, and retirement, which reduce the fund balances available to be used for operating expenditures. The City has made efforts to propose alternatives to increase revenues in order to continue to improve financial conditions and to procure grant funding where possible.
- **Water and Sewer Systems** – Issues with the City's water and sewer systems are in the process of being addressed as they are in need of further improvements due to its age and deterioration. There is also concern for potential liability in the event there are repairs, improvements, and/or replacement needed to the shared storm/sewer line (Interlocal Agreement with the City of Miami). The General Fund has subsidized losses that have accumulated over the years. This inhibits the City from further increasing reserves in the General Fund. The City has been able to procure funding from federal, state, and/or local agencies in an effort to improve the aging water and sewer systems, including funding from the American Rescue Plan Act, and has continued to explore other options. Further analysis may be needed in order to calculate remaining costs relating to repairing the water lines.

**CITY OF WEST MIAMI, FLORIDA**  
*Management Discussion and Analysis*  
*For the Year Ended September 30, 2023*

During 2022, the City commenced the third phase of the potable water improvement project, which is being funded through grants awarded by the State of Florida. During 2023, the City continued its progress on the water improvement project. The fourth phase of the project is being funded by grant monies received from the American Rescue Plan Act.

- **Fund Balances** – At September 30, 2023, the City has positive fund balances in all its governmental funds. The existing unassigned fund balance in the general fund represents approximately a little over two months of budgeted expenditures for the City. Acceptable levels average approximately a minimum of three months; consequently, one of the City’s main objectives is to increase fund balances and reserves. At September 30, 2023, the City has negative unrestricted net position balances in three of its enterprise funds (Sewer System Fund, Stormwater Utility Fund, and Sanitation Fund). This has been caused by increases in operating expenses and costs to the sewer system, stormwater utility, and sanitation, and the City continues to incur repair expenditures to its aging sewer system; however, improvements have been noted as a result of the potable water improvement project which addressed improvements to the main service line. Efforts have been made to develop a long-term plan and provide solutions in order to reduce interfund balances and increase fund balances and net position.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the City of West Miami's basic financial statements. The City of West Miami’s basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, 3) and notes to the basic financial statements.

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

The *statement of net position* presents information on all of the City of West Miami’s assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

**CITY OF WEST MIAMI, FLORIDA**  
**Management Discussion and Analysis**  
**For the Year Ended September 30, 2023**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 7,736,464	\$ 6,376,964	\$ (642,869) *	\$ (221,672) *	\$ 7,093,595	\$ 6,155,292
Restricted assets	1,510,407	2,452,209	4,766,555	5,026,670	6,276,962	7,478,879
Capital assets	12,360,159	11,202,429	9,223,436	8,982,890	21,583,595	20,185,319
Total assets	<u>\$ 21,607,030</u>	<u>\$ 20,031,602</u>	<u>\$ 13,347,122</u>	<u>\$ 13,787,888</u>	<u>\$ 34,954,152</u>	<u>\$ 33,819,490</u>
Deferred outflows of resources related to pension	\$ 1,952,139	\$ 1,591,177	\$ -	\$ -	\$ 1,952,139	\$ 1,591,177
Current and other liabilities	\$ 702,944	487,211	\$ 4,841,594	\$ 4,983,761	\$ 5,544,538	\$ 5,470,972
Long-term liabilities	9,955,572	8,475,939	277,593	592,905	10,233,165	9,068,844
Total liabilities	<u>\$ 10,658,516</u>	<u>\$ 8,963,150</u>	<u>\$ 5,119,187</u>	<u>\$ 5,576,666</u>	<u>\$ 15,777,703</u>	<u>\$ 14,539,816</u>
Deferred inflows of resources related to pension	\$ 550,386	\$ 748,005	\$ -	\$ -	\$ 550,386	\$ 748,005
Net position	<u>\$ 12,350,267</u>	<u>\$ 11,911,624</u>	<u>\$ 8,227,935</u>	<u>\$ 8,211,222</u>	<u>\$ 20,578,202</u>	<u>\$ 20,122,846</u>
Net investment in capital assets	\$ 11,345,868	\$ 10,014,836	\$ 8,945,843	\$ 8,389,985	\$ 20,291,711	\$ 18,404,821
Restricted	2,333,722	3,477,311	273,716	273,716	2,607,438	3,751,027
Unrestricted	(1,329,323)	(1,580,523)	(991,624)	(452,479)	(2,320,947)	(2,033,002)
Total net position	<u>\$ 12,350,267</u>	<u>\$ 11,911,624</u>	<u>\$ 8,227,935</u>	<u>\$ 8,211,222</u>	<u>\$ 20,578,202</u>	<u>\$ 20,122,846</u>

\* Negative balance resulting from internal balances

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 for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 1,725,622	\$ 2,378,451	\$ 2,951,604	\$ 2,882,138	\$ 4,677,226	\$ 5,260,589
Operating grants and contributions	391,541	418,074	-	-	391,541	418,074
Capital grants and contributions	130,816	-	1,104,573	249,216	1,235,389	249,216
General revenues:						
Taxes	8,378,863	8,075,555	-	-	8,378,863	8,075,555
Other	486,885	544,988	87,981	7,097	574,866	552,085
Total revenues	<u>11,113,727</u>	<u>11,417,068</u>	<u>4,144,158</u>	<u>3,138,451</u>	<u>15,257,885</u>	<u>14,555,519</u>
Expenses:						
General government	3,132,261	2,303,601	-	-	3,132,261	2,303,601
Public safety	4,195,170	3,421,704	-	-	4,195,170	3,421,704
Parks and recreational	1,893,674	1,739,841	-	-	1,893,674	1,739,841
Transportation, roads and streets	1,425,968	1,196,434	-	-	1,425,968	1,196,434
Interest on long-term debt	40,319	31,181	-	-	40,319	31,181
Water	-	-	1,015,738	1,040,217	1,015,738	1,040,217
Sewer	-	-	1,344,497	1,137,763	1,344,497	1,137,763
Stormwater	-	-	737,343	717,654	737,343	717,654
Sanitation	-	-	791,458	706,755	791,458	706,755
Building/Code Compliance	-	-	226,101	263,456	226,101	263,456
Total expenses	<u>10,687,392</u>	<u>8,692,761</u>	<u>4,115,137</u>	<u>3,865,845</u>	<u>14,802,529</u>	<u>12,558,606</u>
Excess (deficiency) before transfers	426,335	2,724,307	29,021	(727,394)	455,356	1,996,913
Transfers	12,308	23,036	(12,308)	(23,036)	-	-
Increase (decrease) in net position	<u>\$ 438,643</u>	<u>\$ 2,747,343</u>	<u>\$ 16,713</u>	<u>\$ (750,430)</u>	<u>\$ 455,356</u>	<u>\$ 1,996,913</u>

**CITY OF WEST MIAMI, FLORIDA**  
*Management Discussion and Analysis*  
*For the Year Ended September 30, 2023*

Both of the government-wide financial statements distinguish functions of the City of West Miami 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 of West Miami include general government, public safety, parks and recreational, and transportation, roads and streets. The business-type activities of the City of West Miami include water, sewer, stormwater, sanitation, and building/code compliance operations. The government-wide financial statements can be found on pages 13-14 of this report.

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

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

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

The City of West Miami maintains two governmental fund types. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and recreation fund, which are the two governmental funds considered to be major funds. All of the remaining special revenue funds have been combined and are presented as non-major funds.

The City of West Miami adopts an annual appropriated budget for its general fund and most of the special revenue funds. A budgetary comparison statement has been provided for the general fund and recreation fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 15-16 of this report.

**Proprietary funds.** The City of West Miami maintains one type of proprietary fund referred to as an enterprise fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements and are used to account for water, sewer, sanitation, and code compliance operations.

The proprietary fund provides the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, stormwater, sanitation, and building/code compliance operations, which are considered to be major funds of the City of West Miami. The basic proprietary fund financial statements can be found on pages 18-20 of this report.

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**Notes to the 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 basic financial statements can be found on pages 21-49 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. In the case of the City of West Miami, total net position exceeded liabilities by \$20,578,202 and \$20,122,846 at the close of September 30, 2023 and 2022, respectively.

The largest portion of the City of West Miami's net position reflects its net investment in capital assets (e.g., land, buildings, infrastructure, and machinery and equipment). The City of West Miami uses these capital assets to provide services to citizens; consequently, they are not available for future spending.

An additional portion of the City of West Miami's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

At September 30, 2023 and 2022, the City of West Miami has positive balances in all categories of net position, except for unrestricted net position in its governmental activities and business-type activities. The deficit in governmental activities is directly caused by the net pension liability and related pension amounts for the multiple-employer cost sharing pension plan that is required to be recorded in accordance with governmental accounting standards. The deficit in business-type activities is caused by repairs and other expenses incurred as related to the City's aging water and sewer system. The City's net position increased by \$455,356 and \$1,996,913 during the fiscal years ended September 30, 2023 and 2022, respectively.

**Governmental activities.** Governmental activities increased the net position of the City of West Miami by \$438,643 and \$2,747,343 thereby accounting for a 3.68% and 29.98% increase in the governmental activities net position in 2023 and 2022, respectively. In fiscal year ended September 30, 2023, the increase in net position was attributed to increases in property tax revenues, and capital grant revenues. In fiscal year ended September 30, 2022, the increase in net position was attributed to increases in redlight camera revenue, sales tax revenue, and other tax revenues.

**Business-type activities.** Business-type activities increased/(decreased) the net position of the City of West Miami by \$16,713 and \$(750,430) in 2023 and 2022, respectively. In the fiscal year ended September 30, 2023, the increase in the business-type activities net position was related to increases in capital grant revenues. In the fiscal year ended September 30, 2022, the decrease in the business-type activities net position was related to expenses incurred for depreciation and repairs.

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

**Governmental funds.** The focus of the City of West Miami'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 of West Miami's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal years ended September 30, 2023 and 2022, the City of West Miami's *governmental funds* reported combined ending fund balances of \$8,543,927 and \$8,341,962, an increase of \$201,965 and \$2,940,781 in comparison with the prior year, respectively. Approximately 15.0% and 40.3%

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of this total amount, \$1,282,929 and \$3,363,263, constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of the fund balance is either *non-spendable, restricted, committed, or assigned* to indicate it is not available for new spending because it has already been restricted or committed for a variety of reasons, such as by external sources (creditors, grantors, laws or regulations, etc.) or the City Commission, or assigned for specific projects, capital improvements, and contingencies.

The general fund is the chief operating fund of the City. At the end of the fiscal years ended September 30, 2023 and 2022, unassigned fund balance of the general fund in the fund financial statements was \$1,282,929 and \$3,363,263, respectively. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 16.4% and 51.1% of total general fund expenditures at the end of each year, respectively.

The fund balance of the City of West Miami's general fund in the fund financial statements increased by \$652,786 and \$1,259,759 during the fiscal years ended in 2023 and 2022, respectively. The increase in 2023 was attributed to increases in property tax revenues and capital grant revenues, when compared to the prior year. The increase in 2022 was attributed to expenses being less than budgeted, and red-light camera revenues, sales tax and other taxes being greater than anticipated.

**Proprietary funds.** The City of West Miami's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position of the proprietary funds at the end of fiscal years ended September 30, 2023 and 2022 amounted to \$8,227,935 and \$8,211,222, respectively. The proprietary fund financial statements can be found on pages 18-20 of the financial statements.

### **Capital Assets and Debt Administration**

**Capital Assets.** The City's capital assets, less accumulated depreciation, for its governmental and business-type activities as of September 30, 2023 and 2022 amounted to \$12,360,159 and \$11,202,429, and \$9,223,436 and \$8,982,890, respectively, and consist of land, land improvements, construction in progress, buildings, building improvements, infrastructure, and machinery and equipment. A more detailed schedule can be found on page 35 of the notes to the financial statements.

Significant capital asset events during the current fiscal year included the acquisition of police vehicles and other equipment enhancements for approximately \$450,000, and construction costs of approximately \$1,000,000 for drainage improvements and the fitness center expansion. Further descriptions and details of some of the City's recent capital improvements and developments can be found on the City's website.

**Debt.** The City's debt totaled approximately \$10.2 million and \$9.1 million at September 30, 2023 and 2022, respectively. The overall increase is directly attributable to the City's increase in net pension liability which is based on actuarial calculations. Although a more detailed schedule can be found on page 37 of the notes to the financial statements, outstanding debt as of September 30, 2023 and 2022 consisted of the following:

**CITY OF WEST MIAMI, FLORIDA**  
**Management Discussion and Analysis**  
**For the Year Ended September 30, 2023**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Promissory note payable -						
City National Bank	\$ 930,000	\$ 1,035,000	\$ -	\$ -	\$ 930,000	\$ 1,035,000
Mortgage note - State of Florida	-	-	277,593	454,666	277,593	454,666
Compensated absences	345,652	338,276	-	-	345,652	338,276
Workmen's comp claims	754,481	728,981	-	-	754,481	728,981
Equipment installment obligations	84,292	152,594	-	-	84,292	152,594
Loan payable - vehicle financing	-	-	-	138,239	-	138,239
Net pension liability	7,841,147	6,221,088	-	-	7,841,147	6,221,088
<b>Total</b>	<b>\$ 9,955,572</b>	<b>\$ 8,475,939</b>	<b>\$ 277,593</b>	<b>\$ 592,905</b>	<b>\$ 10,233,165</b>	<b>\$ 9,068,844</b>

**Budget Amendments**

The City provides in its Charter for the City Commission to authorize changes and transfers between departmental budgets as long as no appropriations are required from unassigned fund balances or unrestricted net position. During the fiscal years ended September 30, 2023 and 2022, all budget amendments were approved by the City Commission in accordance with the City Code.

During the fiscal year ended September 30, 2023, the City exceeded appropriations in the general fund in various departments as follows:

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Executive	\$ 487,776	\$ 580,699	\$ (92,923)
Finance and Administration	725,377	734,233	(8,856)
Law Enforcement	3,527,178	3,687,547	(160,369)
Streets	780,226	905,678	(125,452)
Parks	108,756	109,317	(561)
Facilities Maintenance	273,207	278,663	(5,456)
Capital Outlay	144,500	498,331	(353,831)

The over expenditures were predominantly due to the cost-of-living adjustment of employees' salaries, unexpected repairs and maintenance, materials and supplies purchased for the ongoing wellness center/recreation project, improvements to the elevator and repairs to electrical components throughout city hall, and the acquisition of new police vehicles and a city bus for transportation services.

During the fiscal year ended September 30, 2022, the City exceeded its city council appropriations in the general fund by \$440 due to reclassification adjustments between departments from capital outlay to computer service expenses. These expenditures were approved by the City Commission and were funded by excess revenues.

During the fiscal year ended September 30, 2022, the City exceeded its expenditure appropriations in the community center fund's community center expenditures by \$17,313 due to costs incurred that were funded by the American Rescue Plan Act award monies. During the fiscal year ended September 30, 2022, the City exceeded its expenditure appropriations in the recreation fund by \$847 as a result of an adjustment to record accounts payable for expenditures incurred during the fiscal year. These

**CITY OF WEST MIAMI, FLORIDA**  
*Management Discussion and Analysis*  
*For the Year Ended September 30, 2023*

expenditures were approved and were covered by excess revenues. The general fund, community center fund, and recreation fund are the only governmental funds being reported as major funds.

**General Fund Budgetary Highlights**

- Overall revenues received were higher than amounts budgeted, predominantly due to increases in franchise tax revenues, other tax revenues, interest revenue, and grant revenues.
- Ad Valorem taxes are, by law, projected at a 95% rate of actual anticipated revenue to provide an allowance for uncollected taxes; however, the City of West Miami frequently collects in excess of 100% of the budgeted amount.
- Expenditures were higher than amounts budgeted; predominantly due to cost-of-living adjustments to employees' salaries, and acquisitions of capital assets.
- During the year, budget amendments for expenditures were approved by the City Commission for the purpose of transferring amounts between departmental budgets.
- The City did not prepare a final budget amendment within sixty days after the year end, thus resulting in over expenditures as included in the previous page.

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

The City of West Miami's main source of revenues are obtained from a combination of tax receipts from ad-valorem property taxes, state revenue sharing and other taxes, franchise fees, fines and forfeitures, and grant revenues. The budget for fiscal year ended September 30, 2024 is based on the City's best expectations of revenues from these sources and other smaller sources, and expenditures are based on historical data and known increases and expectations for the September 30, 2024 fiscal year.

The City will continue to propose alternatives to increase and/or obtain new sources of revenues in an effort to increase operating cash flow.

Additional factors were considered in preparing the City's budget for the fiscal year ended September 30, 2024:

- As of September 2023, the unemployment rate for Miami-Dade County was approximately 1.8 percent, which is a decrease from a rate of 0.8 percent a year ago. This compares favorably to the state's average unemployment rate of 3 percent and the national average rate of 3.8 percent.
- The occupancy rate of the government's central business district and residential areas are expected to continue to increase.

**CITY OF WEST MIAMI, FLORIDA**  
*Management Discussion and Analysis*  
*For the Year Ended September 30, 2023*

**Requests for Information**

This financial report is designed to provide a general overview of the City of West Miami's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Manager, City of West Miami, 901 SW 62<sup>nd</sup> Avenue, West Miami, FL, 33144.

# BASIC FINANCIAL STATEMENTS

City of West Miami, Florida

Statement of Net Position

September 30, 2023

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 4,671,511	\$ 243,802	\$ 4,915,313
Certificates of deposit	110,149	476,766	586,915
Receivables, net	516,224	1,052,592	1,568,816
Internal balances	2,438,580	(2,438,580)	-
Notes receivable	-	22,551	22,551
Restricted assets:			
Cash and cash equivalents	1,510,407	4,494,037	6,004,444
Certificates of deposit	-	272,518	272,518
Capital assets not being depreciated:			
Land	236,605	171,591	408,196
Construction in progress	1,012,712	1,150,411	2,163,123
Capital assets, net of accumulated depreciation	11,110,842	7,901,434	19,012,276
<b>Total Assets</b>	<b><u>21,607,030</u></b>	<b><u>13,347,122</u></b>	<b><u>34,954,152</u></b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Pension	1,952,139	-	1,952,139
<b>Total Deferred Outflows of Resources</b>	<b><u>\$ 1,952,139</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,952,139</u></b>
<b><u>LIABILITIES</u></b>			
Accounts payable and accrued liabilities	\$ 577,422	\$ 531,358	\$ 1,108,780
Customer deposits	-	309,320	309,320
Unearned revenue	125,522	4,000,916	4,126,438
Non-current liabilities:			
Due within one year	491,950	183,426	675,376
Due in more than one year	9,463,622	94,167	9,557,789
<b>Total Liabilities</b>	<b><u>10,658,516</u></b>	<b><u>5,119,187</u></b>	<b><u>15,777,703</u></b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Pension	550,386	-	550,386
<b>Total Deferred Inflows of Resources</b>	<b><u>\$ 550,386</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 550,386</u></b>
<b><u>NET POSITION</u></b>			
Net investment in capital assets	\$ 11,345,868	\$ 8,945,843	\$ 20,291,711
Restricted for:			
Transportation	540,223	-	540,223
Public Safety Initiatives	230,118	-	230,118
Parks and Recreation	94,052	-	94,052
Capital Improvements	1,469,329	273,716	1,743,045
Unrestricted	(1,329,323)	(991,624)	(2,320,947)
<b>Total Net Position</b>	<b><u>\$ 12,350,267</u></b>	<b><u>\$ 8,227,935</u></b>	<b><u>\$ 20,578,202</u></b>

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

**City of West Miami, Florida**  
Statement of Activities  
For the Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>							
General government	\$ (3,132,261)	\$ 395,614	\$ 3,885	\$ -	\$ (2,732,762)	\$ -	\$ (2,732,762)
Public safety	(4,195,170)	1,113,742	1,889	102,227	(2,977,312)	-	(2,977,312)
Parks and recreational	(1,893,674)	216,266	385,767	-	(1,291,641)	-	(1,291,641)
Transportation, roads and streets	(1,425,968)	-	-	28,589	(1,397,379)	-	(1,397,379)
Interest on long-term debt	(40,319)	-	-	-	(40,319)	-	(40,319)
<b>Total governmental activities</b>	<b>(10,687,392)</b>	<b>1,725,622</b>	<b>391,541</b>	<b>130,816</b>	<b>(8,439,413)</b>	<b>-</b>	<b>(8,439,413)</b>
<b>Business-type activities:</b>							
Water	(1,015,738)	992,406	-	1,104,573	-	1,081,241	1,081,241
Sewer	(1,344,497)	976,751	-	-	-	(367,746)	(367,746)
Stormwater	(737,343)	104,206	-	-	-	(633,137)	(633,137)
Sanitation	(791,458)	690,690	-	-	-	(100,768)	(100,768)
Building/Code Compliance	(226,101)	187,551	-	-	-	(38,550)	(38,550)
<b>Total business-type activity</b>	<b>(4,115,137)</b>	<b>2,951,604</b>	<b>-</b>	<b>1,104,573</b>	<b>-</b>	<b>(58,960)</b>	<b>(58,960)</b>
<b>Total government</b>	<b>\$ (14,802,529)</b>	<b>\$ 4,677,226</b>	<b>\$ 391,541</b>	<b>\$ 1,235,389</b>	<b>\$ (8,439,413)</b>	<b>\$ (58,960)</b>	<b>\$ (8,498,373)</b>
<b>General revenues:</b>							
Property taxes					\$ 5,165,809	\$ -	\$ 5,165,809
Franchise, utility and other taxes					1,941,443	-	1,941,443
Intergovernmental taxes					1,271,611	-	1,271,611
Interest earnings and investment income					88,593	87,981	176,574
Miscellaneous					398,292	-	398,292
Transfers					12,308	(12,308)	-
					<u>8,878,056</u>	<u>75,673</u>	<u>8,953,729</u>
<b>Change in net position</b>					<b>438,643</b>	<b>16,713</b>	<b>455,356</b>
Net position - beginning					11,911,624	8,211,222	20,122,846
<b>Net position - ending</b>					<b>\$ 12,350,267</b>	<b>\$ 8,227,935</b>	<b>\$ 20,578,202</b>

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

**City of West Miami, Florida**

Balance Sheet

Governmental Funds

September 30, 2023

	<u>General Fund</u>	<u>Recreation Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 4,510,109	\$ 51,973	\$ 109,429	\$ 4,671,511
Cash - Restricted	1,114,838	-	395,569	1,510,407
Certificates of Deposit	110,149	-	-	110,149
Investments - Restricted	-	-	-	-
Receivables	304,648	711	210,865	516,224
Due from Other Funds	4,044,361	1,413,920	504,530	5,962,811
Total Assets	<u>\$ 10,084,105</u>	<u>\$ 1,466,604</u>	<u>\$ 1,220,393</u>	<u>\$ 12,771,102</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable and Accrued Expenses	\$ 577,422	\$ -	\$ -	\$ 577,422
Due to Other Funds	3,115,856	52,375	356,000	3,524,231
Unearned Revenue	119,886	5,636	-	125,522
Total Liabilities	<u>3,813,164</u>	<u>58,011</u>	<u>356,000</u>	<u>4,227,175</u>
<b>Fund Balances</b>				
<b>Restricted</b>				
Restricted for Transportation	-	-	540,223	540,223
Restricted for Public Safety Initiatives	-	-	230,118	230,118
Restricted for Community Center	-	-	94,052	94,052
Restricted for Capital Improvements	783,644	685,685	-	1,469,329
<b>Committed</b>				
Committed for Emergencies and Cash Flow	2,916,000	-	-	2,916,000
Committed for Parks and Recreation	-	645,808	-	645,808
<b>Assigned</b>				
Assigned for Capital Outlay	339,018	77,100	-	416,118
Assigned for Specific Projects	265,350	-	-	265,350
Assigned for Comprehensive Plan	29,000	-	-	29,000
Assigned for Future Contingencies	500,000	-	-	500,000
Assigned for Potable Water Project	35,000	-	-	35,000
Assigned for City Hall Improvements	100,000	-	-	100,000
Assigned for Zoning Ordinance Rewrite	20,000	-	-	20,000
<b>Unassigned</b>				
General Fund	<u>1,282,929</u>	<u>-</u>	<u>-</u>	<u>1,282,929</u>
Total Fund Balances	<u>6,270,941</u>	<u>1,408,593</u>	<u>864,393</u>	<u>8,543,927</u>
Total Liabilities and Fund Balances	<u>\$ 10,084,105</u>	<u>\$ 1,466,604</u>	<u>\$ 1,220,393</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds	12,360,159
Deferred outflows related to pension	1,952,139
Deferred inflows related to pension	(550,386)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds	<u>(9,955,572)</u>
Net position of governmental activities	<u>\$ 12,350,267</u>

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

**City of West Miami, Florida**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended September 30, 2023

	<u>General Fund</u>	<u>Recreation Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Taxes				
Property	\$ 4,378,455	\$ 787,354	\$ -	\$ 5,165,809
Franchise	677,729	-	-	677,729
Excise, Utility Service and Other	817,810	-	445,904	1,263,714
Licenses, Permits and Fees	19,702	-	-	19,702
Intergovernmental	1,271,611	-	-	1,271,611
Fines and Forfeitures	1,083,873	-	29,869	1,113,742
Grant Revenues/Contributions	108,001	-	414,356	522,357
Rent	70,787	46,086	-	116,873
Investment Earnings	74,575	-	14,018	88,593
Other	552,876	294,865	25,856	873,597
Total Revenues	<u>9,055,419</u>	<u>1,128,305</u>	<u>930,003</u>	<u>11,113,727</u>
<b>Expenditures</b>				
<b>Current</b>				
City Council	131,438	-	-	131,438
Legal	248,735	-	-	248,735
Executive	580,699	-	-	580,699
Finance and Administration	734,233	-	-	734,233
Law Enforcement	3,687,547	-	13,236	3,700,783
Transportation	-	-	238,974	238,974
Community Center	-	-	658,352	658,352
Streets	905,678	-	-	905,678
Garage	116,726	-	-	116,726
Recreation	-	961,289	-	961,289
Parks	109,317	-	-	109,317
Facilities Maintenance	278,663	-	-	278,663
Non-Departmental	320,161	-	-	320,161
<b>Capital Outlay</b>	498,331	537,356	689,714	1,725,401
<b>Debt Service</b>				
Principal Retirement	173,302	-	-	173,302
Interest	40,319	-	-	40,319
Total Expenditures	<u>7,825,149</u>	<u>1,498,645</u>	<u>1,600,276</u>	<u>10,924,070</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,230,270</u>	<u>(370,340)</u>	<u>(670,273)</u>	<u>189,657</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	112,308	-	589,792	702,100
Operating Transfers Out	(689,792)	-	-	(689,792)
Total Other Financing Sources (Uses)	<u>(577,484)</u>	<u>-</u>	<u>589,792</u>	<u>12,308</u>
Net Change in Fund Balances	652,786	(370,340)	(80,481)	201,965
<b>Fund Balances at Beginning of Year</b>	<u>5,618,155</u>	<u>1,778,933</u>	<u>944,874</u>	<u>8,341,962</u>
<b>Fund Balances at End of Year</b>	<u>\$ 6,270,941</u>	<u>\$ 1,408,593</u>	<u>\$ 864,393</u>	<u>\$ 8,543,927</u>

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

**City of West Miami, Florida**  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of  
 Governmental Funds to the Statement of Activities  
 For the Year Ended September 30, 2023

**Net change in fund balances - total governmental funds (Page 15) \$ 201,965**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.

The details of the difference are as follows:

Capital outlay	1,725,401	
Depreciation expense	(567,671)	
Net adjustment	<u>1,157,730</u>	1,157,730

Loan proceeds provide current financial resources to governmental funds but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded repayments.

The details of the differences are as follows:

Principal payments	173,302	
Net adjustment	<u>173,302</u>	173,302

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:

Change in long-term compensated absences	(7,376)	
Change in long-term workers' compensation claims	(25,500)	
Net pension liability	<u>(1,061,478)</u>	<u>(1,094,354)</u>

**Change in net position of governmental activities (Page 13) \$ 438,643**

City of West Miami, Florida

Statement of Net Position

Enterprise Funds

September 30, 2023

**Business-Type Activities - Enterprise Funds**

	<b>Sewer System Fund</b>	<b>Water System Fund</b>	<b>Stormwater Utility Fund</b>	<b>Sanitation Fund</b>	<b>Building Department / Code Compliance Fund</b>	<b>Total</b>
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	\$ 116,100	\$ -	\$ -	\$ 24,402	\$ 103,300	\$ 243,802
Cash - Restricted	312,040	4,181,997	-	-	-	4,494,037
Certificates of Deposit	476,766	-	-	-	-	476,766
Certificates of Deposit - Restricted	158,752	113,766	-	-	-	272,518
Receivables	212,686	599,110	22,069	218,727	-	1,052,592
Due From Other Funds	1,756,832	2,377,786	661,505	423,828	271,314	5,491,265
Total Current Assets	3,033,176	7,272,659	683,574	666,957	374,614	12,030,980
<b>Notes Receivable - Non Current</b>	22,551	-	-	-	-	22,551
<b>Capital Assets</b>	1,821,278	2,371,027	4,786,638	244,493	-	9,223,436
Total Assets	\$ 4,877,005	\$ 9,643,686	\$ 5,470,212	\$ 911,450	\$ 374,614	\$ 21,276,967
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Current Portion of Notes and Loans Payable	\$ 183,426	\$ -	\$ -	\$ -	\$ -	\$ 183,426
Accounts Payable and Accrued Expenses	4,937	289,880	275	7,764	228,502	531,358
Due To Other Funds	3,618,970	2,582,830	848,115	873,870	6,060	7,929,845
Unearned Revenue	-	4,000,916	-	-	-	4,000,916
Total Current Liabilities	3,807,333	6,873,626	848,390	881,634	234,562	12,645,545
<b>Customer Deposits</b>	-	309,320	-	-	-	309,320
<b>Notes and Loans Payable - Long-Term Portion</b>	94,167	-	-	-	-	94,167
Total Liabilities	3,901,500	7,182,946	848,390	881,634	234,562	13,049,032
<b>Net Position</b>						
Net Investment in Capital Assets	1,543,685	2,371,027	4,786,638	244,493	-	8,945,843
Restricted for Capital Improvements	273,716	-	-	-	-	273,716
Unrestricted	(841,896)	89,713	(164,816)	(214,677)	140,052	(991,624)
Total Net Position	975,505	2,460,740	4,621,822	29,816	140,052	8,227,935
Total Liabilities and Net Position	\$ 4,877,005	\$ 9,643,686	\$ 5,470,212	\$ 911,450	\$ 374,614	\$ 21,276,967

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

**City of West Miami, Florida**  
Statement of Revenues, Expenses  
and Changes in Net Position  
Enterprise Funds  
For the Year Ended September 30, 2023

	<b>Business-Type Activities - Enterprise Funds</b>					<b>Total</b>
	<b>Sewer System Fund</b>	<b>Water System Fund</b>	<b>Stormwater Utility Fund</b>	<b>Sanitation Fund</b>	<b>Building Department / Code Compliance Fund</b>	
<b>Operating Revenues</b>						
Water Sales	\$ -	\$ 989,072	\$ -	\$ -	\$ -	\$ 989,072
Sewer Service	976,601	-	-	-	-	976,601
Sanitation Fees	-	-	-	680,623	-	680,623
Licenses, Permits and Fees	-	-	104,206	-	181,760	285,966
Other	150	3,334	-	10,067	5,791	19,342
Total Operating Revenues	<u>976,751</u>	<u>992,406</u>	<u>104,206</u>	<u>690,690</u>	<u>187,551</u>	<u>2,951,604</u>
<b>Operating Expenses</b>						
Water Purchased	-	655,406	-	-	-	655,406
Salaries and Wages	54,830	184,047	43,869	174,342	51,308	508,396
Waste Disposal and Recycling	-	-	-	329,365	-	329,365
Drain Cleaning	-	-	3,946	-	-	3,946
Sewer Processing	890,071	-	-	-	-	890,071
Depreciation	201,091	32,598	587,969	18,327	-	839,985
Other	187,042	143,687	101,559	265,721	174,793	872,802
Total Operating Expenses	<u>1,333,034</u>	<u>1,015,738</u>	<u>737,343</u>	<u>787,755</u>	<u>226,101</u>	<u>4,099,971</u>
Operating Income (Loss)	(356,283)	(23,332)	(633,137)	(97,065)	(38,550)	(1,148,367)
<b>Non-Operating Revenues (Expenses)</b>						
Investment Income	6,080	81,901	-	-	-	87,981
Interest Expense	(11,463)	-	-	(3,703)	-	(15,166)
Total Non-Operating Revenues (Expenses)	<u>(5,383)</u>	<u>81,901</u>	<u>-</u>	<u>(3,703)</u>	<u>-</u>	<u>72,815</u>
<b>Other Financing Sources (Uses)</b>						
Capital Contributions	-	1,104,573	-	-	-	1,104,573
Operating Transfers In	-	-	-	100,000	-	100,000
Operating Transfers Out	-	(112,308)	-	-	-	(112,308)
Total Other Financing Sources (Uses)	<u>-</u>	<u>992,265</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>1,092,265</u>
<b>Change in Net Position</b>	(361,666)	1,050,834	(633,137)	(768)	(38,550)	16,713
<b>Net Position at Beginning of Year</b>	1,337,171	1,409,906	5,254,959	30,584	178,602	8,211,222
<b>Net Position at End of Year</b>	<u>\$ 975,505</u>	<u>\$ 2,460,740</u>	<u>\$ 4,621,822</u>	<u>29,816</u>	<u>\$ 140,052</u>	<u>\$ 8,227,935</u>

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

**City of West Miami, Florida**  
Statement of Cash Flows  
Enterprise Funds  
For the Year Ended September 30, 2023

	<b>Business-Type Activities - Enterprise Funds</b>					<b>Total</b>
	<b>Sewer System</b>	<b>Water System</b>	<b>Stormwater Utility</b>	<b>Sanitation</b>	<b>Building Department / Code Compliance</b>	
<b>Cash Flows from Operating Activities</b>						
Operating Income (Loss)	\$ (356,283)	\$ (23,332)	\$ (633,137)	\$ (97,065)	\$ (38,550)	\$ (1,148,367)
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:						
Depreciation	201,091	32,598	587,969	18,327	-	839,985
Change in Assets and Liabilities:						
Decrease (Increase) in Receivables	13,638	(409,545)	(1,535)	17,124	-	(380,318)
Decrease (Increase) in Due To/From Other Funds	347,621	297,684	41,420	177,201	21,378	885,304
Increase (Decrease) in Accounts Payable and Accrued Expenses	(13,517)	127,716	275	2,024	20,591	137,089
Increase in Customer Deposits	-	(2,474,748)	-	-	-	(2,474,748)
Increase in Unearned Revenue	-	2,195,492	-	-	-	2,195,492
Net Cash Provided by (Used for) Operating Activities	<u>192,550</u>	<u>(254,135)</u>	<u>(5,008)</u>	<u>117,611</u>	<u>3,419</u>	<u>54,437</u>
<b>Cash Flows from Noncapital Financing Activities</b>						
Operating Transfers In (Out)	<u>-</u>	<u>(112,308)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(112,308)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>						
Acquisition of Capital Assets	-	(1,080,531)	-	-	-	(1,080,531)
Capital Contributions	-	1,104,573	-	-	-	1,104,573
Proceeds from Issuance of Long-Term Debt	(6,135)	-	-	(104,590)	-	(110,725)
Interest Paid on Capital Debt	(11,463)	-	-	(3,703)	-	(15,166)
Principal Payments of Long-Term Debt	<u>(170,937)</u>	<u>-</u>	<u>-</u>	<u>(33,650)</u>	<u>-</u>	<u>(204,587)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(188,535)</u>	<u>24,042</u>	<u>-</u>	<u>(141,943)</u>	<u>-</u>	<u>(306,436)</u>
<b>Cash Flows From Investing Activities</b>						
Redemption and Interest on Investments	<u>5,392</u>	<u>81,896</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,288</u>
Net Increase (Decrease) in Cash and Cash Equivalents	9,407	(260,505)	(5,008)	(24,332)	3,419	(277,019)
Cash, Cash Equivalents and Restricted Cash at Beginning of Year	<u>418,733</u>	<u>4,442,502</u>	<u>5,008</u>	<u>48,734</u>	<u>99,881</u>	<u>5,014,858</u>
<b>Cash, Cash Equivalents and Restricted Cash at End of Year</b>	<u>\$ 428,140</u>	<u>\$ 4,181,997</u>	<u>\$ -</u>	<u>\$ 24,402</u>	<u>\$ 103,300</u>	<u>\$ 4,737,839</u>
<b>Non-Cash Transactions</b>						
Transfers - Forgiveness of Interfund Balances, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ 100,000</u>

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

CITY OF WEST MIAMI, FLORIDA

*Notes to Financial Statements*

*September 30, 2023*

**I. Summary of Significant Accounting Policies**

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

The City was established under the laws of the State of Florida as a municipal corporation during 1947 and is governed by an elected mayor and a four-member commission. The City, under a Commission-Manager form of government, provides its residents with services including, but not be limited to, public safety (police), parks and recreation, public works, water, sanitation, sewer service and stormwater management, building, zoning and code enforcement.

**A. Reporting Entity**

In accordance with GASB pronouncements, the City's financial statements include all funds, departments, agencies, boards, and other organizations over which City officials are considered to be financially accountable.

Financial accountability includes such aspects as the appointment of a component unit's governing body members, budget review, and approval of property tax levies, whether any of the component unit's outstanding debt is secured by the full faith credit of the City or its revenue stream, and the City's responsibility for funding deficits.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth by the Governmental Accounting Standards Board. Based upon the application of these criteria, the City has no funds, agencies, boards, commissions and authorities considered potential component units.

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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 identifiable activity. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or identifiable activity 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 that are not deemed to be 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.

**I. Summary of Significant Accounting Policies - (continued)**

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered 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 all revenues available if they are collected within 60 days after year end. Expenditures generally are recorded when a liability is incurred as required by accrual accounting, except for debt service expenditures and compensated absences, which are recorded when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major *governmental* funds:

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

The ***recreation fund*** is one of the City's special revenue funds. It accounts for the City's recreational facilities and related activities, as well as recreational grant funds awarded to the City.

The City also reports the following major *proprietary* funds:

The ***water and sewer funds*** are used to account for water and sewer utility operations, which are financed and operated in a manner similar to private business enterprises. The intent of the City is that the costs (expenses including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

The ***stormwater fund*** is used to account for stormwater utility operations, which are financed and operated in a manner similar to private business enterprises. The intent of the City is that the costs (expenses excluding depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. The City also accounts for grants related to stormwater drainage improvements through this fund.

CITY OF WEST MIAMI, FLORIDA

*Notes to Financial Statements*

*September 30, 2023*

**I. Summary of Significant Accounting Policies - (continued)**

**C. Basis of Presentation and Measurement Focus - (continued)**

The **sanitation fund** is used to account for waste operations and the collection and removal of garbage and recycling items, which are financed and operated in a manner similar to private business enterprises. The intent of the City is that the costs (expenses including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

The **building department and code compliance fund** is used to account for the City's code enforcement and permitting operations, which are financed and operated in a manner similar to private business enterprises. The intent of the City is that the costs (expenses excluding depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through fees.

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting. The financial statements of the City follow the guidance of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* for both the government-wide and proprietary fund financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function 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. Interfund services provided and used are not eliminated in the process of consolidation.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from 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 enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

**1. Deposits and Investments**

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The City's cash and cash equivalents and deposits include cash on hand, demand deposits, and investments consisting of Certificates of Deposit with banking institutions (Note IV – A).

For the purpose of the statement of cash flows for the proprietary funds, cash equivalents mean short-term, highly liquid investments with an original maturity of three months or less.

CITY OF WEST MIAMI, FLORIDA

*Notes to Financial Statements*

*September 30, 2023*

**I. Summary of Significant Accounting Policies - (continued)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance - (continued)**

**2. Interfund Receivables and Payables**

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds have not been paid or received, as of September 30<sup>th</sup>, balances of interfund amounts receivable or payable have been reflected. As the City does not have any lending or borrowing arrangements between funds, all outstanding balances between funds are reported as "due to/from other funds". All amounts receivable from or payable to other funds are to be settled with expendable, available financial resources. Transactions which are recurring annual transfers between two or more funds are recorded as transfers in and out. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

**3. Receivables**

***Property Taxes***

Under Florida Law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to 10.0 mils. The tax rate to finance general governmental services for the fiscal year ended September 30, 2023 was \$6.5897 per \$1,000 of assessed taxable property value. The rate of \$6.5897 is allocated to the General Fund and Recreation Fund, with the General Fund receiving \$5.5897, and the Recreation Fund receiving \$1.00.

The tax levy of the City is established by the City Council prior to October 1 each year, and the County Property Appraiser incorporates the millage into the total tax levy, which includes Miami-Dade County, Miami-Dade County School Board, and special taxing districts. All property is reassessed according to its fair market value as of January 1 each year, at which time taxes become an enforceable lien on property. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes. State of Florida Amendment #10 to the Florida Constitution known as "Save Our Homes" limits assessment increases on homestead property to the lesser of 3% or the Consumer Price Index.

All real and tangible personal property taxes are due and payable on November 1 each year or as soon as practicable thereafter as the assessment roll is certified by the County Property Appraiser. Miami-Dade County mails to each property owner on the assessment roll a notice of the taxes due and Miami-Dade County also collects the taxes for the City. Taxes may be paid upon receipt of such notice from Miami-Dade County, with discounts at a rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property became delinquent and liens are placed on April 1 of the year following the year in which taxes were assessed. Procedures for the collection of delinquent taxes by Miami-Dade County are provided for in the laws of Florida. State law provides for enforcement of collection of personal property taxes by seizure of the property or by the sale of the property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes. The procedures result in the collection of essentially all taxes prior to June 30 of the year following the year of assessment.

CITY OF WEST MIAMI, FLORIDA

*Notes to Financial Statements*

*September 30, 2023*

**I. Summary of Significant Accounting Policies - (continued)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance - (cont.)**

**3. Receivables - (continued)**

***Components of Accounts Receivable***

The following are the significant components of the accounts receivable due to the City at September 30, 2023. The City considers all receivable amounts fully collectible; consequently, no allowance for doubtful accounts was estimated.

1. Water, Sewer and Waste Fees - This amount represents the unpaid, billed charges for various fines and municipal services;
2. Fines and Assessments - This amount represents the unpaid, billed charges for various fines and assessments levied for violations of various City code provisions;
3. Notes Receivable - This amount represents amounts due for sewer hookup fees as evidenced by loan agreements with users;
4. Delinquent Taxes and Other Taxes Receivable - This amount represents the amount of levied but uncollected delinquent property taxes outstanding at September 30, 2023 and amounts due from governmental agencies at year end; and
5. Government Grants/Contributions - This amount represents amounts due from grantor agencies and/or governmental agencies at year end.

**4. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements using the consumption method. Amounts, if any, reported in the governmental funds are offset by an equal nonspendable classification of fund balance in the fund financial statements. This is an indication that these components of current assets do not constitute available spending resources.

**5. Restricted Assets**

Resources set aside for the repayment of certain debt and for capital improvements are classified as restricted assets on the statements of net position or the balance sheet because they are retained in separate bank accounts and/or their use is limited by applicable loan covenants or grantor restrictions.

**6. Capital Assets**

Capital assets, which include property, equipment, and infrastructure assets (e.g., sidewalks and other similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

I. Summary of Significant Accounting Policies - (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance - (cont.)

6. Capital Assets - (continued)

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the government chose to include all such items regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through back-trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the government values these capital assets at acquisition value of the item at the date of its donation.

Land and construction in progress are not depreciated. The capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
<b>Governmental Activities:</b>	
Land Improvements	15-25
Buildings	40
Building Improvements	25-40
Infrastructure - Drainage	25-40
Infrastructure - Roads	25-40
Machinery and Equipment	5-10
<b>Business-type Activities:</b>	
Sewer Systems	40
Water - Main and Extensions	40
Stormwater Improvements	25
Machinery and Equipment	5-10

7. Unearned Revenues

Resources that do not meet revenue recognition requirements (effectively “not earned”) are recorded as unearned revenue in the government-wide and fund financial statements. In addition, amounts related to governmental fund receivables that are measurable, but not available, are recorded as unearned revenue in the governmental fund financial statements (e.g., grant related reimbursements not yet collected). As of September 30, 2023, the City’s unearned revenues include approximately \$4 million in funding received from the American Rescue Plan Act that will be utilized for stormwater infrastructure improvements and other eligible expenses.

8. Leases

Leases are defined as the right to use an underlying asset. As a lessee, the City would recognize a lease liability and an intangible right-to-use (RTU) lease asset at the beginning of a lease unless the lease is considered a short-term lease or transfers ownership of the underlying asset. RTU lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. Remeasurement of a lease liability occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact on the lease liability.

**I. Summary of Significant Accounting Policies - (continued)****D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance - (cont.)****8. Leases - (continued)**

The City calculates the amortization of the discount on the lease liability and reports that amount as outflows of resources. Leases that do not have implicit interest rates use the incremental borrowing rates (IBR). IBR are estimated rates the City would be charged for borrowing the lease payment amounts during the lease term. Payments are allocated first to accrued interest liability and then to the lease liability. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculations but are recognized as outflows of resources in the period in which the obligation was incurred. The City evaluated all leases and determined the City is not a lessee in any material transactions.

**9. Subscription Based Information Technology Arrangements**

Subscription based information technology arrangements (“SBITA”) assets are defined by the general government as the right to use vendor-provided information technology (“IT”) with access to vendors’ IT assets. The City recognizes a subscription liability and an intangible subscription right-to-use asset at the beginning of the subscription term that have a term exceeding one year. A SBITA asset is measured based on the net present value of subscription payments expected to be made during the subscription term, using the incremental borrowing rate, and is amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying IT assets. Remeasurement of a subscription liability occurs when there is a change in the contract term and/or other changes that are likely to have a significant impact on the subscription liability. The City evaluated all IT agreements and determined the City does not have material contracts that meet the criteria of a SBITA.

**10. Deferred Outflows/Inflows of Resources**

In addition to assets, the balance sheet/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 fund balance/net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows of resources related to pension benefits in this category in the statement of net position.

The deferred outflows of pensions arise from differences between projected and actual earnings on pension plan investments and are amortized to pension expense using a systematic and rational method over a closed five-year period, and also include differences between expected and actual experience with regard to economic or demographic factors that are amortized over the average expected remaining service lives of all employees that are provided with pensions through the pension plan. Employer contributions to the pension plan made subsequent to the measurement date are also deferred and reduce net pension liability in the subsequent year.

In addition to liabilities, the balance sheet/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 fund balance/net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has deferred inflows of resources related to pensions in this category in the statement of net position.

Deferred inflows on pensions are recorded when investment return on pension plan assets exceeds actuarial assumptions and are amortized using a systematic and rational method over a closed five-year period. Deferred inflows of pensions also include the difference between expected and actual experience with regard to economic or demographic factors and changes of assumptions or other inputs. These are amortized over the average expected remaining service lives of all employees that are provided with pensions through the pension plan.

**I. Summary of Significant Accounting Policies - (continued)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance - (cont.)**

**10. Deferred Outflows/Inflows of Resources - (continued)**

Net pension is the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets plus deferred outflow of resources and (b) liabilities and deferred inflows of resources.

**11. Compensated Absences**

The City's vacation and sick leave policies grant a specific number of days of vacation and sick leave with pay. In some instances, these policies also provide for paying an employee for accumulated, unused leave upon termination. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements and reported as a fund liability. Vacation that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the applicable governmental fund.

**12. Long-Term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or propriety fund type statement of net position. Loan discounts are deferred and amortized over the life of the loans using the effective interest method. Loan issuance costs, if any, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred. In the fund financial statements, governmental fund types recognize the face amount of debt issued as other financing sources. Payments of principal and interest are reported as debt service expenditures.

**13. Net Position**

Net position represents the residual interest in the City's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted and consists of three components: net investment in capital assets, restricted, and unrestricted net position. Net investment in capital assets includes capital assets, net of accumulated depreciation, reduced by outstanding debt incurred to acquire, construct, or improve those capital assets, excluding unexpended proceeds. The restricted category represents the balance of assets restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

**14. Fund Balance**

In the fund financial statements, governmental funds report fund balance in classifications based 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. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. When unrestricted resources are to be used, it is the City's policy to use the committed amounts first, followed by assigned and unassigned amounts.

The non-spendable fund balance classification, if any, includes amounts not spendable in form, such as inventories or prepaid amounts.

CITY OF WEST MIAMI, FLORIDA

*Notes to Financial Statements*

*September 30, 2023*

**I. Summary of Significant Accounting Policies - (continued)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance - (cont.)**

**14. Fund Balance - (continued)**

The restricted fund balance classification includes amounts with constraints imposed by external sources such as creditors, grantors, contributors, laws, or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

The committed fund balance classification includes amounts limited to specific purposes by formal action imposed by the City Commission. The City Commission is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation remains in place until a similar action is taken to remove or revise the limitation.

The assigned fund balance classification includes amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Commission, City Manager, and Finance Director are authorized to assign fund balance. All remaining governmental fund balances, except negative fund balances, which are reported in Special Revenue Funds that are not classified as non-spendable, restricted, or committed, are assigned.

The unassigned fund balance classification includes General Fund positive fund balances that are not otherwise classified. The General Fund is the only fund that reports a positive unassigned fund balance.

**15. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current, events and actions it may undertake in the future, actual results could differ from estimates.

**16. New Accounting Pronouncements**

In May 2020, the GASB issues Statement No. 96, "Subscription-Based Information Technology Arrangements" (SBITAs). Subscription-based information technology arrangements provide governments with access to vendors' IT software and associated tangible capital assets for subscription payments without granting governments perpetual license or title to the IT software and associated tangible capital assets. The objective of this statement is to increase the usefulness of government's financial statements by establishing uniform accounting and financial reporting requirements, improving comparability of financial statements among governments that have entered into SBITAs, and enhance the understandability, reliability, relevance, and consistency of information regarding SBITAs. The statement has been implemented retroactively as of October 1, 2022. As of September 30, 2023, the City does not have material contracts that meet the criteria of a SBITA.

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

**II. Reconciliation of Government-Wide and Fund Financial Statements**

**A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.” The details of this \$12,360,159 difference are as follows:

Land	\$	236,605
Land Improvements		2,399,790
Construction in Progress		1,012,712
Buildings		3,489,545
Building Improvements		1,606,367
Infrastructure - Drainage		4,070,983
Infrastructure - Roads		9,256,802
Machinery and Equipment		<u>3,108,177</u>
		25,180,981
Less: Accumulated Depreciation		<u>12,820,822</u>
	\$	<u>12,360,159</u>

**II. Reconciliation of Government-Wide and Fund Financial Statements**

**B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**

Another element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$9,955,572 difference are as follows:

Promissory note payable -		
City National Bank	\$	930,000
Compensated absences		345,652
Workmen's comp. claims		754,481
Equipment installment obligations		84,292
Net pension liability		<u>7,841,147</u>
	\$	<u>9,955,572</u>

Other elements of the reconciliation are amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions. The details of those amounts are included in Note IV – G.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “governmental funds report capital outlays as expenditures.” However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Another element that requires reconciliation is the principal payment of long-term liabilities, including notes payable, which are in part a reduction of notes payable in the government-wide financial statements, and not a use of financing resources in the current period. The details of the \$236,678 differences are in page 17 of the financial statements.

**III. Stewardship, Compliance, and Accountability**

**A. Budgetary Information**

By its nature as a local government unit, the City is subject to various federal, state, and local laws and contractual regulations. Budgets are legally adopted for the General Fund and most of the Special Revenue Funds. The budgets are prepared on a basis consistent with accounting principles generally accepted in the United States. The City has no material violations of finance-related legal and contractual obligations, except as disclosed directly below.

**B. Excess of Expenditures over Appropriations**

The General Fund's executive expenditures exceeded appropriations by \$92,923. This unfavorable variance was due to a cost-of-living adjustment to employee salaries. The General Fund's finance and administration expenditures exceeded appropriations by \$8,856. The unfavorable variance was due to a cost-of-living adjustment to employee salaries and minor office supplies expenditures. The General Fund's law enforcement expenditures exceeded appropriations by \$160,369. This unfavorable variance was due to cost-of-living adjustments to police officers and dispatcher's employee salaries, increases in overtime pay during the fiscal year due to increased law enforcement activity and usage during the fiscal year, and reclassification adjustments from capital outlay. The City expended additional funds to purchase new uniform equipment for emergency services. These excess expenditures were not included in the original budget as adopted by the City.

The General Fund's streets expenditures exceeded appropriations by \$125,452. Employees within this department were allotted a cost-of-living adjustment. The City incurred a tree inventory consultation expenditure which will allow the City to enhance appearance throughout the community for continued growth. Additionally, the City's street division had unexpected repairs to the street sweeper to maintain its functionality. The General Fund's parks expenditures exceeded appropriations by \$561. The unfavorable variance is due to additional building maintenance materials and supplies that were purchased for the ongoing wellness/recreation center projects. The General Fund's facilities and maintenance expenditures exceeded appropriations by \$5,546. This unfavorable variance is due to improvements to the City's main office including a new elevator door and repairs to electrical components throughout the building. These excess expenditures were not included in the original budget as adopted by the City.

The General Fund's capital outlay expenditures exceeded appropriations by \$353,831. The unfavorable variance is due to a project at the City Hall for sidewalk and walkway improvements which was approved by the City Commission and to be funded by impact fee revenues. Additionally, capital outlay expenditures exceeded appropriations due to the purchase of new police vehicles and a new city bus for transportation of its citizens within the community. The City Commission approved the purchase of replacement police vehicles which are funded by forfeited and seized properties awarded to the City. The unfavorable variance is also affected by reclassification adjustments to capital outlay. The negative variance is disclosed in the Budgetary Comparison Statements and Schedules – General Fund - page 50. The overall budget variance for the General Fund ends with a positive variance of \$652,786, when combined with revenue and interfund transfer variances.

**III. Stewardship, Compliance, and Accountability - (continued)**

**B. Excess of Expenditures over Appropriations - (continued)**

The Recreation Fund recreation expenditures and capital outlay expenditures exceeded appropriations by \$106,412 and \$396,356, respectively. The recreation expenditures exceeded appropriations due to an adjustment in employee salaries that was not included in the original budget as adopted by the City. Capital outlay expenditures exceeded appropriations due to delayed commencement of the wellness center. The negative variance is disclosed in the Budgetary Comparison Statements and Schedules – Recreation Fund - page 61. The overall budget variance for the Recreation Fund ends with a negative variance of \$370,340, when combined with revenue and interfund transfer variances.

**C. Deficit Fund Equity**

The City's governmental activities is reporting a deficit in unrestricted net position. This is directly caused by the net pension liability for the multiple-employer cost sharing pension plan as recorded in accordance with GASB standards.

The City's Sewer System Fund is reporting a deficit in unrestricted net position which has been caused by continued increases in operating expenses and repairs to the sewer system.

The City's Stormwater Utility Fund and Sanitation Fund are reporting a deficit in unrestricted net position which has been caused by operating deficits.

The City's business-type activities is reporting a deficit in unrestricted net position as directly related to the unrestricted deficits in the Sewer System Fund, the Stormwater Fund, and the Sanitation Fund.

**IV. Detailed Notes on all Funds**

**A. Deposits and Investments**

Generally accepted accounting principles are designed to inform financial statement users about deposit and investment risk that could affect a government's ability to provide services and meet its obligations as they become due. Accordingly, the City addresses common deposit and investment risks related to credit risk, custodial credit risk, concentrations of credit risk, interest rate risk, and foreign currency risk and discloses deposit and investment policies related to the risk as follows.

Deposits

In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires every qualified public depository to deposit with the Treasurer, or another institution, eligible collateral equal to or in excess of the required collateral of the depository. The Treasurer, by rule, shall establish minimum required collateral pledging levels and shall notify each qualified public depository of its required pledging level. Each qualified public depository shall calculate the amount of its required collateral based upon any one or any combination of the formulas allowable under this Chapter. 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. The City's deposits include cash and cash equivalents with a total reported amount of \$10,919,757 and a bank balance of \$11,624,000, and certificates of deposit with a balance of \$859,433. The difference between the City's reported amount and the bank balance is due to outstanding checks and deposits in transit in these demand accounts.

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

**IV. Detailed Notes on all Funds**

**A. Deposits and Investments - (continued)**

Restricted Cash and Deposits

The City maintains separate bank accounts within the General Fund and for certain Special Revenue Funds. The City also maintains cash and deposit reserves required by the long-term debt covenants in the proprietary fund.

Restricted cash and deposit reserves at September 30, 2023 were as follows:

Note payable - State of Florida	\$ 191,683
American Rescue Plan funding	4,088,910
Federal and local forfeiture funds	235,268
Capital projects, improvements and impact fees	1,065,868
Utility deposits	206,853
Building deposits and other miscellaneous	277,998
Transportation and other grantor restrictions	210,382
	<hr/>
Total restricted cash and deposit reserves	<u>\$ 6,276,962</u>

Investments

The City has adopted an ordinance designating the investments which are allowable of its cash management activities. The authorized investments include US obligations, fully insured or collateralized certificates of deposit, Security Exchange Commission ("SEC") Registered Money Market Funds, Local Government Investment Pools and certain Mutual Funds registered with the SEC and the Local Government Surplus Trust Fund (administered by the State of Florida Board of Administration). The investments follow the investment rules defined in Florida Statutes, Chapter 215. The investment policy defined in the statutes attempts to promote, through state assistance, the maximization of net interest earnings on invested surplus funds of local units of governments while limiting the risk to which the funds are exposed.

Credit Risk and Concentration of Credit Risk

Credit risk and concentration of credit risk disclosures exclude investments issued or explicitly guaranteed by the U.S. government. The City has no assets classified as investments; therefore, these disclosures are not applicable.

Interest Rate Risk

The City purchases investments with maturities of less than or equal to twelve months in length. This policy reduces the City's exposure to fluctuations in interest rates over the life of the investments. In addition, it is the City's policy to hold investments to maturity.

At year end, the City's deposits balances were as follows:

	<u>Maturity Less Than 1 Year</u>	<u>Fair Value</u>
Deposits:		
Cash and cash equivalents	x	\$ 10,919,757
Certificates of deposit	x	859,433
		<hr/>
		<u>\$ 11,779,190</u>

CITY OF WEST MIAMI, FLORIDA

*Notes to Financial Statements*

*September 30, 2023*

**IV. Detailed Notes on all Funds**

**B. Receivables**

Accounts receivable at September 30, 2023 are summarized as follows:

	General Fund	Special Revenue Fund	Enterprise Fund	Total
Franchise and other taxes	\$ 303,648	\$ 105,121	\$ -	\$ 408,769
Government grants/contributions	1,000	106,455	443,395	550,850
Customers and other	-	-	609,197	609,197
	<u>\$ 304,648</u>	<u>\$ 211,576</u>	<u>\$ 1,052,592</u>	<u>\$ 1,568,816</u>

Notes Receivable

The City's notes receivable at September 30, 2023 are unsecured notes from commercial enterprises and residents that elected to finance the hook-up fees on the sewer system over periods ranging from twelve months to 15-year periods. The City receives monthly installments of principal and interest, ranging from 2% to 5%. As of September 30, 2023, the total balance remaining to be collected amounted to \$22,551.

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

IV. Detailed Notes on all Funds - (continued)

C. Capital Assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital Assets, not being depreciated				
Land	\$ 236,605	\$ -	\$ -	\$ 236,605
Construction in progress	9,450	1,003,262	-	1,012,712
Total capital assets not being depreciated	<u>246,055</u>	<u>1,003,262</u>	<u>-</u>	<u>1,249,317</u>
Capital Assets, being depreciated				
Land improvements	2,263,526	136,264	-	2,399,790
Buildings	3,489,545	-	-	3,489,545
Building improvements	1,593,690	12,677	-	1,606,367
Infrastructure - Drainage	4,070,983	-	-	4,070,983
Infrastructure - Roads	9,256,802	-	-	9,256,802
Machinery and equipment	2,615,135	573,198	80,156	3,108,177
Total capital assets being depreciated	<u>23,289,681</u>	<u>722,139</u>	<u>80,156</u>	<u>23,931,664</u>
Less accumulated depreciation for:				
Land improvements	752,487	104,083	-	856,570
Buildings	1,045,176	87,156	-	1,132,332
Building improvements	886,236	54,529	-	940,765
Infrastructure - Drainage	3,713,725	4,728	-	3,718,453
Infrastructure - Roads	3,860,111	94,139	-	3,954,250
Machinery and equipment	2,075,572	223,036	80,156	2,218,452
Total accumulated depreciation	<u>12,333,307</u>	<u>567,671</u>	<u>80,156</u>	<u>12,820,822</u>
Total capital assets, being depreciated, net	<u>10,956,374</u>	<u>154,468</u>	<u>-</u>	<u>11,110,842</u>
Governmental activities capital assets, net	<u>\$ 11,202,429</u>	<u>\$ 1,157,730</u>	<u>\$ -</u>	<u>\$ 12,360,159</u>
<b>Business-type Activities:</b>				
Capital Assets, not being depreciated				
Land	\$ 171,591	\$ -	\$ -	\$ 171,591
Construction in progress	80,998	1,069,413	-	1,150,411
Total capital assets not being depreciated	<u>252,589</u>	<u>1,069,413</u>	<u>-</u>	<u>1,322,002</u>
Capital Assets, being depreciated				
Sewer systems	7,833,465	-	-	7,833,465
Water - main and extensions	1,773,408	-	-	1,773,408
Stormwater improvements	14,699,261	-	-	14,699,261
Machinery and equipment	1,107,391	11,118	675	1,117,834
Total capital assets being depreciated	<u>25,413,525</u>	<u>11,118</u>	<u>675</u>	<u>25,423,968</u>
Less accumulated depreciation for:				
Sewer systems	5,924,662	195,836	-	6,120,498
Water - main and extensions	531,866	32,319	-	564,185
Stormwater improvements	9,510,957	587,969	-	10,098,926
Machinery and equipment	715,739	23,861	675	738,925
Total accumulated depreciation	<u>16,683,224</u>	<u>839,985</u>	<u>675</u>	<u>17,522,534</u>
Total capital assets, being depreciated, net	<u>8,730,301</u>	<u>(828,867)</u>	<u>-</u>	<u>7,901,434</u>
Business-type activities capital assets, net	<u>\$ 8,982,890</u>	<u>\$ 240,546</u>	<u>\$ -</u>	<u>\$ 9,223,436</u>

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

IV. Detailed Notes on all Funds - (continued)

C. Capital Assets - (continued)

Depreciation expense for the fiscal year ended September 30, 2023 was charged to functions/programs as follows:

<b>Governmental Activities:</b>	
General Government	\$ 145,748
Public Safety	134,175
Parks and Recreational	161,747
Transportation, Roads and Streets	126,000
Total depreciation expense - governmental activities	<u>\$ 567,671</u>
<b>Business-type Activities:</b>	
Sewer System	\$ 201,092
Water System	32,597
Sanitation	18,327
Stormwater Utility	587,969
Total depreciation expense - business-type activities	<u>\$ 839,985</u>

D. Interfund Receivables, Payables, and Transfers

Amounts due from and due to other funds at September 30, 2023 are summarized as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 4,144,361	\$ 3,115,856
Special Revenue Funds:		
Recreation	1,413,920	52,375
Community Center	187,120	308,997
Transportation Surtax	317,410	43,524
Police Law Forfeiture	-	3,479
Enterprise Funds:		
Sewer System	1,756,832	3,618,970
Water System	2,377,786	2,582,830
Stormwater Utility	661,505	848,115
Sanitation	423,828	973,870
Building Dept./Code Compliance	271,314	6,060
	<u>\$ 11,554,076</u>	<u>\$ 11,554,076</u>

Interfund balances are resulting from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers for the year ended September 30, 2023 consisted of transfers used to move revenues or expenditures based on the City budget, to fund operating deficits in the community center fund, and forgiveness of interfund balances.

It is the City's practice to maintain interfund balances outstanding for more than a year. An analysis is prepared at year end to determine if any fund is unable to repay its interfund liabilities. If such determination is made, the City prepares the necessary adjustments to eliminate the interfund balance, if feasible.

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

IV. Detailed Notes on all Funds - (continued)

E. Long-Term Debt

Long-term debt activity for the year ended September 30, 2023 was as follows:

	October 1, 2022	Additions	Payments	September 30, 2023	Due Within One Year
<b>Governmental Activities:</b>					
Notes from direct borrowings and direct placements	\$ 1,187,594	\$ -	\$ 173,302	\$ 1,014,292	\$ 141,950
Other liabilities					
Compensated absences	338,276	304,093	296,717	345,652	150,000
Workmen's comp. claims	728,981	125,500	100,000	754,481	200,000
Net pension liability	6,221,088	2,057,167	437,108	7,841,147	-
Total other liabilities	7,288,345	2,486,760	833,825	8,941,280	350,000
Total governmental activities long-term debt	8,475,939	2,486,760	1,007,127	9,955,572	491,950
<b>Business-Type Activities</b>					
Notes from direct borrowings and direct placements	592,905	-	315,312	277,593	183,426
Total Long-Term Debt	\$ 9,068,844	\$ 2,486,760	\$ 1,322,439	\$ 10,233,165	\$ 675,376

Combined aggregate maturities for all notes from direct borrowings and direct placements, for each of the next five years and to maturity, are as follows:

Year Ending September 30,	Governmental Activities		Business-Type Activities		Total	
	Notes from Direct Borrowings and Direct Placements		Notes from Direct Borrowings and Direct Placements			
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 141,950	\$ 22,960	\$ 183,426	\$ 8,257	\$ 325,376	\$ 31,217
2025	146,245	19,225	94,167	1,675	240,412	20,900
2026	125,097	15,384	-	-	125,097	15,384
2027	115,000	12,229	-	-	115,000	12,229
2028	117,000	9,619	-	-	117,000	9,619
2029 - 3031	369,000	12,589	-	-	369,000	12,589
	\$ 1,014,292	\$ 92,006	\$ 277,593	\$ 9,932	\$ 1,291,885	\$ 101,938

The City's total outstanding notes from direct borrowings and direct placements are \$1,291,885, as listed below.

Mortgage Note - State of Florida

The City has a revolving loan agreement with the State of Florida Department of Environmental Regulation for the construction of the Phase II wastewater collection and transmission facilities. The amount of the loan authorized was \$4,366,844 including capitalized interest of \$201,844. In September of 2004, the City Commission adopted a resolution authorizing the City Manager to execute an amendment to the mortgage note agreement with the State of Florida. The amendment and related promissory note was signed in October of 2004. Under the new terms, the existing aggregate principal amount outstanding of \$2,679,314 was to be repaid with semi-annual payments for 20 additional years. Each semi-annual payment shall be in the amount of \$95,842 and shall be received by the department beginning on April 15, 2005, and semiannually thereafter on October 15 and April 15 of each year until all amounts due have been paid. The rate of interest on the unpaid principal balance of the loan continued to be 3.57 percent per annum (except for \$180,000 which would be at the rate of 3.24 percent per annum) and may be adjusted, if appropriate, pursuant to the provisions of Section 17-503.430 of the Florida Administrative Code.

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

IV. Detailed Notes on all Funds - (continued)

E. Long-Term Debt - (continued)

Mortgage Note - State of Florida - (continued)

The debt repayment reserve account requirement was changed to a total required deposit of \$191,683. The City is required to pledge revenues equal to 1.15 times the sum of semi-annual payments due in any fiscal year. Revenues pledged, related to rates and charges for services furnished by the Sewer System as well as connection charges, are required to serve as sufficient collateral for purposes of the agreement underlying the mortgage note. The revolving loan debt service requirements to maturity are as follows:

Year Ending September 30,	Principal	Interest
2024	\$ 183,426	\$ 8,257
2025	94,167	1,675
	\$ 277,593	\$ 9,932

The amount of long-term debt that can be incurred by the City is limited by state statute. Total outstanding long-term obligations during the year can be no greater than 15% of the assessed value of taxable property as of the beginning of the fiscal year. The City has not incurred debt in excess of the 15%.

Capital Improvement Revenue Note, Series 2016 – City National Bank

In August 2016 the City entered into an agreement with City National Bank for the purpose of financing certain capital improvements consisting of construction of a one-story 2,400 square foot Service Building used to house the Code Enforcement, Building and Zoning Department, and Public Works Department; construction of the Motor Pool Area which serves all departments; enhancement of the Front Office Expansion in City Hall which caters to passport services and all municipal functions of the City; and paying the costs of issuing the note. The amount of the Capital Improvement Revenue Note, Series 2016 was \$1,525,000. Commencing on February 1, 2017, interest accruing at a rate of 2.25% shall be due and payable semiannually on the first day of February and August of each year. Commencing on February 1, 2018, payments of principal shall be due and payable in annual installments through maturity on February 1, 2031. The note is secured by a covenant to budget and appropriate non-ad valorem revenues for the payment of principal and interest on the note. As such, the City covenants and agrees to appropriate, in its annual budget, sufficient amounts of non-ad valorem revenues for payments of the principal and interest on the note as required until all principal and interest has been budgeted, appropriated and actually paid.

An event of default is a failure to make a payment of principal and/or interest when due and payable, if the City becomes insolvent or requests financial assistance or relief from the State of Florida under Section 218.503, Florida Statutes, or if the City is determined to be in a financial emergency under Section 218.503, Florida Statutes. In the event of default, the holder of the note may declare all payments of principal and accrued interest to be immediately due and payable and may pursue any available remedy to enforce the payment of principal and interest then outstanding.

CITY OF WEST MIAMI, FLORIDA

*Notes to Financial Statements*

*September 30, 2023*

**IV. Detailed Notes on all Funds - (continued)**

**E. Long-Term Debt - (continued)**

Capital Improvement Revenue Note, Series 2016 – City National Bank - (continued)

The annual debt service requirements to maturity are as follows:

Year Ending September 30,	<u>Principal</u>	<u>Interest</u>
2024	\$ 107,000	\$ 19,721
2025	110,000	17,280
2026	112,000	14,782
2027	115,000	12,229
2028	117,000	9,619
2029 - 3031	369,000	12,589
	<u>\$ 930,000</u>	<u>\$ 86,220</u>

Equipment Installment Obligations

During fiscal year ended September 30, 2021, the City entered into an equipment purchase agreement for the amount of \$114,989. The purpose of the agreement was to finance the cost of a new tractor. The debt is secured by the tractor acquired with the proceeds of the financing. Commencing in December 2020, the equipment is payable in annual installments of \$24,490. After the initial payment, interest accrues at a rate of 3.19% per annum. The agreement matures in December 2024. As of September 30, 2023, the total outstanding principal balance amounted to \$46,700.

During fiscal year ended September 30, 2022, the City entered into an equipment purchase agreement for the amount of \$62,737. The purpose of the agreement was to finance equipment for the police department. The debt is secured by the equipment acquired with the proceeds of the financing. Commencing in August 2022, the equipment is payable in annual installments of \$13,699, with interest calculated at a rate of 4.50% per annum. The final payment is due in August 2026. As of September 30, 2023, the total outstanding principal balance amounted to \$37,592.

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

IV. Detailed Notes on all Funds - (continued)

F. Segment Information for Enterprise Funds

The City maintains five enterprise funds. Segment information for the year ended September 30, 2023 is as follows:

	Sewer System Fund	Water System Fund	Stormwater Utility Fund	Sanitation Fund	Building Dept. / Code Compliance Fund	Total
Operating revenues	\$ 976,751	\$ 992,406	\$ 104,206	\$ 690,690	\$ 187,551	\$ 2,951,604
Depreciation and amortization	201,091	32,598	587,969	18,327	-	839,985
Operating income (loss)	(356,283)	(23,332)	(633,137)	(97,065)	(38,550)	(1,148,367)
Operating transfers						
In	-	-	-	100,000	-	100,000
(Out)	-	(112,308)	-	-	-	(112,308)
Change in net position	(361,666)	1,050,834	(633,137)	(768)	(38,550)	16,713
Capital assets						
Additions	-	1,080,531	-	-	-	1,080,531
Deletions	-	-	(675)	-	-	(675)
Net working capital	(774,157)	399,033	(164,816)	(214,677)	140,052	(614,565)
Total assets	4,877,005	9,643,686	5,470,212	911,450	374,614	21,276,967
Long-term debt payable from operating revenues	277,593	-	-	-	-	277,593
Total net position	\$ 975,505	\$ 2,460,740	\$ 4,621,822	\$ 29,816	\$ 140,052	\$ 8,227,935

G. Employee Retirement Plans

Florida Retirement System Plan

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

The plan administrator for the FRS prepares and publishes its own stand-alone comprehensive annual financial report, including financial statements and required supplementary information. Copies of this report can be obtained from the Department of Management Services, Division of Retirement, Bureau of Research and Member Communications or at the Division's website.

CITY OF WEST MIAMI, FLORIDA

*Notes to Financial Statements*

*September 30, 2023*

**IV. Detailed Notes on all Funds - (continued)**

**G. Employee Retirement Plans - (continued)**

**Pension Plan**

Plan Description and Benefits Provided

The Pension Plan is a multiple-employer cost sharing Public Employee Retirement System (“PERS”). All budgeted City employees are eligible to participate in the Pension Plan. The City’s covered payroll for employees covered by the System for the year ended September 30, 2023 was approximately \$4.576 million.

Normal retirement for members initially enrolled before July 1, 2011 is at 6 years of credited service and age 62 or at 30 years of credited service regardless of age for regular members. Normal retirement for special risk members (police) initially enrolled before July 1, 2011 is at 6 years of special risk service and age 55 or at 25 or 30 years of special risk or any creditable service regardless of age; these individuals are entitled to an annual retirement benefit equal to 2 to 3 percent for each year of credited service times their average final compensation.

Normal retirement for members initially enrolled on or after July 1, 2011 is at 8 years of credited service and age 65 or at 33 years of credited service regardless of age for regular members. Normal retirement for special risk members (police) initially enrolled on or after July 1, 2011 is at 8 years of special risk service and age 60 or at 30 or 33 years of special risk or any creditable service regardless of age; these individuals are entitled to an annual retirement benefit equal to 2 to 3 percent for each year of credited service times their average final compensation.

Benefits vest after six or eight years of credited service. Early retirement may be taken any time after vesting; however, there is a five percent benefit reduction for each year prior to normal retirement age or date. The System also provides disability and survivor benefits. Benefits are established by State statute.

Contributions and Funding Policy

The City required contribution rates are established by the Florida Legislature. Employees within 5 years of retirement may elect to participate in the DROP. The City contributes 19.13% of salaries for participants of the DROP. During 2023, the City had five employees participating in this program.

Commencing on July 1, 2011, employees are required to contribute 3% of salaries to the System. Prior to that date, employees could not contribute to the System. The employer contribution rates for regular employees, senior management, and special risk members applicable to the last three fiscal years are as follows:

Employer Contribution Rates	Regular Employees	Senior Management	Special Risk Members
Effective 7/1/21	9.10%	27.29%	36.04%
Effective 7/1/22	10.19%	29.85%	36.93%
Effective 7/1/23	11.51%	32.46%	37.76%

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

IV. Detailed Notes on all Funds - (continued)

G. Employee Retirement Plans - (continued)

Contributions and Funding Policy – (continued)

The City’s contribution to the FRS for the last three years are as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Employer contribution	\$ 906,087	\$ 751,118	\$ 663,520
Percentage contributed	100%	100%	100%

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2023, the City reported a liability of \$6,005,449 for its proportionate share of the Pension Plan’s 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, 2023. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the Pension Plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the City’s proportion was approximately 0.0151%, which was an increase of approximately 0.0015% from its proportion measured as of June 30, 2022.

For the year ended September 30, 2023, the City recognized pension expense of \$1,177,696. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the Pension Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 563,860	\$ -
Changes of assumptions	391,485	-
Net difference between projected and actual earnings on pension plan investments	250,804	-
Changes in proportion and differences between City contributions and proportionate share of contributions	363,132	347,685
City contributions subsequent to the measurement date	194,160	-
	<u>\$ 1,763,441</u>	<u>\$ 347,685</u>

CITY OF WEST MIAMI, FLORIDA

*Notes to Financial Statements*

*September 30, 2023*

**IV. Detailed Notes on all Funds - (continued)**

**G. Employee Retirement Plans - (continued)**

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions – (continued)

The \$194,160 reported as deferred outflows of resources related to the Pension Plan resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Year Ended September 30:	
2024	\$ 91,292
2025	\$ (120,446)
2026	\$ 1,026,777
2027	\$ 174,212
2028	\$ 49,761
Thereafter	\$ -

Actuarial Assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Actuarial cost method	Individual entry age
Salary increases	3.25% average, including inflation
Investment rate of return	6.70%, net of pension plan investment expense

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

The actuarial assumptions used to determine the total pension liability as of June 30, 2023 were based on the results of an actuarial experience study for the period July 1, 2013 - June 30, 2018. The discount rate and long-term expected rate of return remained unchanged from the prior valuation as of July 1, 2022, 6.70%. The 2023 FRS Actuarial Assumption Conference also adopted a 20-year amortization period for bases established on or after July 1, 2021.

The long-term expected rate of return on Pension Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Each asset class assumption is based on a consistent set of underlying assumptions. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

IV. Detailed Notes on all Funds - (continued)

G. Employee Retirement Plans - (continued)

Actuarial Assumptions - (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>
Cash	1.0%	2.9%	2.9%
Fixed income	19.8%	4.5%	4.4%
Global equity	54.0%	8.7%	7.1%
Real estate	10.3%	7.6%	6.6%
Private equity	11.1%	11.9%	8.8%
Strategic investments	3.8%	6.3%	6.1%
Total	<u>100.0%</u>		

Discount Rate

The discount rate used to measure the total pension liability was 6.70%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.70%) or one percentage-point higher (7.70%) than the current rate:

	<u>1% Decrease (5.70%)</u>	<u>Current Discount Rate (6.70%)</u>	<u>1% Increase (7.70%)</u>
City's proportionate share of the net pension liability	\$ 10,258,530	\$ 6,005,449	\$ 2,447,238

Pension Plan Fiduciary Net Position

Detailed information about the Pension Plan's fiduciary net position is available in the separately issued Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

IV. Detailed Notes on all Funds - (continued)

G. Employee Retirement Plans - (continued)

HIS Plan

Plan Description and Benefits Provided

The HIS Plan is a multiple-employer cost-sharing defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month. To be eligible to receive these benefits, a retiree under a State administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions and Funding Policy

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. The employer contributions are a percentage of gross compensation for all active FRS members. The employer contribution rates for all classes through September 30, 2023 were 2.00%. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy to all participants, benefits may be reduced or cancelled.

The City's contribution to the HIS Plan for the last three years are as follows:

	2023	2022	2021
Employer contribution	\$ 88,638	\$ 73,478	\$ 63,043
Percentage contributed	100%	100%	100%

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2023, the City reported a liability of \$1,835,698 for its proportionate share of the HIS Plan's 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, 2023. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the Pension Plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the City's proportion was approximately 0.0116%, which was an increase of approximately 0.0008% from its proportion measured as of June 30, 2022.

For the year ended September 30, 2023, the City recognized pension expense of \$702,567. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the HIS Plan from the following sources:

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

IV. Detailed Notes on all Funds - (continued)

G. Employee Retirement Plans - (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions - (cont.)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 26,873	\$ 4,309
Changes of assumptions	48,260	159,067
Net difference between projected and actual earnings on pension plan investments	948	-
Changes in proportion and differences between City contributions and proportionate share of contributions	90,696	39,325
City contributions subsequent to the measurement date	21,921	-
	<u>\$ 188,698</u>	<u>\$ 202,701</u>

The \$21,921 reported as deferred outflows of resources related to the HIS Plan resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Year Ended September 30:	
2024	\$ (3,272)
2025	\$ (5,629)
2026	\$ (10,728)
2027	\$ (17,311)
2028	\$ (1,827)
Thereafter	\$ 2,841

Actuarial Assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Actuarial cost method	Individual entry age
Salary increases	3.25% average, including inflation
Investment rate of return	3.65%

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

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

**IV. Detailed Notes on all Funds - (continued)**

**G. Employee Retirement Plans - (continued)**

Actuarial Assumptions - (continued)

The actuarial assumptions used to determine the total pension liability as of June 30, 2023 were based on the results of an actuarial experience study for the period July 1, 2013 - June 30, 2018. The discount rate used was increased from 3.54% to 3.65% reflecting the change during the fiscal year in the Bond Buyer General Obligation 20-year Bond Municipal Bond Index.

Discount Rate

The discount rate used to measure the total pension liability was 3.65%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 3.65%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (2.56%) or one percentage-point higher (4.65%) than the current rate:

	<b>1% Decrease (2.56%)</b>	<b>Current Discount Rate (3.65%)</b>	<b>1% Increase (4.65%)</b>
City's proportionate share of the net pension liability	\$ 2,094,244	\$ 1,835,698	\$ 1,621,379

**Section 457 Deferred Compensation Plan**

The City established a deferred compensation plan for the employees and elected officials of the City. The adopted deferred compensation plan was created in accordance with Internal Revenue Code Section 457. The plan is available for all employees and officials who elect to participate. The purpose of the plan is to provide additional benefits to City employees and officials who elect to voluntarily set aside and invest portions of their current income to meet future financial requirements and to supplement existing retirement programs. The plan is administered by an independent plan administrator through an administrative service agreement. The City's administrative involvement is limited to transmitting amounts withheld from payroll to the Plan Administrator, who performs investing functions. The City does not make any contributions to the plan. The plan is considered as an other employee benefit plan in accordance with GASB No. 97, and is not considered as a fiduciary activity of the City under the provisions of GASB No. 84. The Plan assets are held in trust for the benefit of the participants and their beneficiaries. The assets will not be diverted for any other purpose.

CITY OF WEST MIAMI, FLORIDA

*Notes to Financial Statements*

*September 30, 2023*

**IV. Detailed Notes on all Funds - (continued)**

**H. Fund Equity**

Restrictions/Commitments/Assignments of Fund Balance include the following:

1. Restricted for Transportation - This amount represents the amount of fund equity in the transportation surtax fund which is to be used (externally imposed) only for specific transportation related expenditures (CITT transportation and transit).
2. Restricted for Public Safety Initiatives - This amount represents the amount of fund equity in the police law forfeiture fund which is to be used (externally imposed) only for specific expenditures.
3. Restricted for Community Center - This amount represents the amount of fund equity in the community center fund which is to be used (externally imposed) only for specific expenditures at the City's community center.
4. Restricted for Capital Improvements - This amount represents the amount of fund equity, including unspent impact fees, in the general fund and recreation fund which is to be used (externally imposed) only for specific capital related improvements and projects.
5. Committed for Emergencies and Cash Flow - This amount represents the amount of fund equity in the general fund which is set aside to maintain a minimum of three months of budgeted expenditures for cash flow, litigation, assets, and declared reserves as follows.

Operating Cash Flow Reserves	\$ 1,566,000
Litigation Reserves	100,000
Assets Reserves	1,000,000
Declared Reserves	250,000
<b>Committed for Emergencies and Cash Flow</b>	<b><u>\$ 2,916,000</u></b>

6. Committed for Parks and Recreation - This amount represents the amount of fund equity in the recreation fund which is to be used (commission imposed) only for specific expenditures for the parks and recreation department.
7. Assigned for Capital Outlay - This amount represents the amount of fund equity in the general fund and recreation fund which is to be used, as assigned by management, for specific capital outlay expenditures.
8. Assigned for Future Contingencies - This amount represents the amount of fund equity in the general fund, as assigned by management, for general liability and pending claims which the City believes may not be covered by its insurance policies, and other amounts assigned by management for litigation and retirement.
9. Assigned for Specific Projects - This amount represents the amount of fund equity in the general fund which is to be used, as assigned by management, for records destruction and community growth.
10. Assigned for Comprehensive Plan - This amount represents the amount of fund equity in the general fund which is to be used, as assigned by management, for the City's comprehensive plan.
11. Assigned for City Hall Improvements - This amount represents the amount of fund equity in the general fund, as assigned by management, for improvements to city hall.

CITY OF WEST MIAMI, FLORIDA

Notes to Financial Statements

September 30, 2023

**IV. Detailed Notes on all Funds - (continued)**

**H. Fund Equity - (continued)**

- 12. Assigned for Potable Water Projects - This amount represents the amount of fund equity in the general fund, as assigned by management, for funding as related to the City's potable water project.
- 13. Assigned for Zoning Ordinance Rewrite - This amount represents the amount of fund equity in the general fund, as assigned by management, for funding as related to the City's zoning ordinance rewrite.

Restrictions of Enterprise Funds Net Position include the following:

- 1. Restricted for Capital Improvements - This amount represents the amount of unspent impact fees in the sewer system fund which is to be used (externally imposed) only for capital improvements.

**I. Risk Management**

The City is exposed to various risks of losses related to torts, theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. There were no significant reductions in insurance coverage from the prior year and there were no settlements that exceeded insurance coverage for each of the past three years.

The City is self-insured for workers' compensation claims. The total liability for reported claims and the incurred but not reported claims (IBNR), is accrued when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated based on estimates provided by the claims administrator, Miami-Dade County. During fiscal years ended September 30, 2023 and 2022, the City estimated a portion of the liability for reported claims as long-term debt.

	<u>2023</u>	<u>2022</u>
Unpaid Claims, beginning	\$ 728,981	\$ 546,652
Incurred Claims (including IBNR)	125,500	324,736
Estimated Claim Reductions	<u>(100,000)</u>	<u>(142,407)</u>
Unpaid Claims, ending	<u>\$ 754,481</u>	<u>\$ 728,981</u>

**J. Commitments and Contingencies**

- 1. The City is involved in various proceedings involving certain claims which the City believes it may not to be covered by its general liability insurance policies. In the opinion of management and its legal counsel, the outcome of these claims should not have a significant impact on the City's financial condition. Proceedings involving several workmen's compensation claims are also closely monitored by the City's management and legal counsel. The City has assigned \$500,000 of fund balance for various possible future contingencies including retirement, general liability claims, and other contingencies.
- 2. The City receives several grants from governmental agencies that require compliance with certain provisions stated in the grant agreements. Failure to comply with the provisions could result in the return of funds to the grantors. Although that is a possibility, the City deems the contingency remote since, in management's opinion, the City has complied in all material respects with the provisions of the grants.
- 3. At September 30, 2023, the City had various construction projects in progress with remaining balances totaling approximately \$1,500,000.

REQUIRED SUPPLEMENTARY INFORMATION (OTHER THAN MD&A)

**City of West Miami, Florida**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
General Fund  
For the Year Ended September 30, 2023

	<b>General Fund</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Real Estate Taxes	\$ 4,471,541	\$ 4,401,074	\$ 4,378,455	\$ (22,619)
Franchise Taxes	562,600	562,600	677,729	115,129
Excise, Utility Service and Other Taxes	645,500	645,500	817,810	172,310
Licenses, Permits and Fees	28,000	28,000	19,702	(8,298)
Intergovernmental Revenue	1,171,990	1,171,990	1,271,611	99,621
Fines and Forfeitures	555,000	555,000	1,083,873	528,873
Grant Revenues	15,000	15,000	108,001	93,001
Rent	68,932	68,932	70,787	1,855
Interest	1,000	1,000	74,575	73,575
Other	348,846	348,846	552,876	204,030
Total Revenues	<u>7,868,409</u>	<u>7,797,942</u>	<u>9,055,419</u>	<u>1,257,477</u>
<b>Expenditures</b>				
<b>Current</b>				
City Council	149,482	149,482	131,438	18,044
Legal	253,643	253,643	248,735	4,908
Executive	487,776	487,776	580,699	(92,923)
Finance and Administration	725,377	725,377	734,233	(8,856)
Law Enforcement	3,527,178	3,527,178	3,687,547	(160,369)
Streets	780,226	780,226	905,678	(125,452)
Garage	120,414	120,414	116,726	3,688
Parks	108,756	108,756	109,317	(561)
Facilities Maintenance	273,207	273,207	278,663	(5,456)
Non-Departmental	626,847	556,380	320,161	236,219
Capital Outlay	144,500	144,500	498,331	(353,831)
<b>Balance Carried Forward</b>	<u>\$ 7,197,406</u>	<u>\$ 7,126,939</u>	<u>\$ 7,611,528</u>	<u>\$ (484,589)</u>

See accompanying notes to budgetary comparison schedules.

**City of West Miami, Florida**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
General Fund  
For the Year Ended September 30, 2023  
(Continued)

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>Balance Brought Forward</b>	7,197,406	7,126,939	7,611,528	(484,589)
<b>Debt Service</b>				
Principal Retirement	179,105	179,105	173,302	5,803
Interest	22,106	22,106	40,319	(18,213)
<b>Total Expenditures</b>	7,398,617	7,328,150	7,825,149	(496,999)
 Excess (Deficiency) of Revenues and Over (Under) Expenditures	 469,792	 469,792	 1,230,270	 760,478
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	120,000	120,000	112,308	(7,692)
Operating Transfers (Out)	(589,792)	(589,792)	(689,792)	(100,000)
<b>Total Other Financing Sources (Uses)</b>	(469,792)	(469,792)	(577,484)	(107,692)
 <b>Net Change in Fund Balances</b>	\$ -	\$ -	\$ 652,786	\$ 652,786

See accompanying notes to budgetary comparison schedules.

**City of West Miami, Florida**  
Schedule of Revenues - Budget and Actual  
General Fund  
For the Year Ended September 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Real Estate Taxes</b>	\$ 4,401,074	\$ 4,378,455	\$ (22,619)
<b>Franchise Taxes</b>			
Electricity	375,000	468,595	93,595
Telecommunications	171,000	194,716	23,716
Gas	11,000	8,818	(2,182)
Bus Benches	5,600	5,600	-
	<u>562,600</u>	<u>677,729</u>	<u>115,129</u>
<b>Excise, Utility Service and Other Taxes</b>			
Excise	490,000	630,243	140,243
Utility Service	130,000	141,162	11,162
BED	500	-	(500)
Local Business Tax	25,000	46,405	21,405
	<u>645,500</u>	<u>817,810</u>	<u>172,310</u>
<b>Licenses, Permits, and Fees</b>			
Building Permits	13,000	5,932	(7,068)
Alarm Permits	12,000	10,770	(1,230)
Miscellaneous Permits	3,000	3,000	-
	<u>28,000</u>	<u>19,702</u>	<u>(8,298)</u>
<b>Intergovernmental</b>			
Sales Tax	750,000	776,336	26,336
Revenue Sharing	313,112	370,614	57,502
Fuel Tax	108,578	124,480	15,902
Mobile Homes	300	181	(119)
	<u>1,171,990</u>	<u>1,271,611</u>	<u>99,621</u>
<b>Fines and Forfeitures</b>			
Red Light Camera	480,000	985,470	505,470
Collected by Metro-Dade	75,000	98,403	23,403
	<u>555,000</u>	<u>1,083,873</u>	<u>528,873</u>
<b>Grant Revenues</b>	15,000	108,001	93,001
<b>Rent</b>	68,932	70,787	1,855
<b>Interest</b>	1,000	74,575	73,575
<b>Other</b>			
Accident Reports	5,000	7,731	2,731
False Alarms	-	70	70
Zoning Fees and Certificates of Use	11,500	28,874	17,374
Passport	220,000	268,450	48,450
Miscellaneous	112,346	247,751	135,405
	<u>348,846</u>	<u>552,876</u>	<u>204,030</u>
<b>Total Revenues</b>	<u>\$ 7,797,942</u>	<u>\$ 9,055,419</u>	<u>\$ 1,257,477</u>

See accompanying notes to budgetary comparison schedules.

**City of West Miami, Florida**  
Schedule of Expenditures - Budget and Actual  
General Fund  
For the Year Ended September 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>City Council</b>			
Salaries	\$ 2,600	\$ 2,180	\$ 420
Medical and Life Insurance	108,601	108,601	-
Council Expense	6,000	5,900	100
Other Insurance Costs	500	500	-
Telephone	2,000	2,000	-
Postage	1,500	1,500	-
Office Supplies	6,650	3,854	2,796
Computer Service	2,871	1,504	1,367
Commission Representation	18,400	5,043	13,357
Other Miscellaneous	360	-	360
Contingency	-	356	(356)
	<u>\$ 149,482</u>	<u>\$ 131,438</u>	<u>\$ 18,044</u>
<b>Legal</b>			
Salaries	\$ 191,869	\$ 192,163	\$ (294)
Medical and Life Insurance	29,353	29,353	-
Training and Conference	1,500	1,626	(126)
Miscellaneous Legal	1,300	391	909
Code Enforcement	800	-	800
Legal Advertising	10,000	7,813	2,187
Office Supplies	600	600	-
Telephone Services	1,000	1,000	-
Postage	1,500	1,500	-
General Liability	8,500	8,500	-
Computer Service	2,571	2,571	-
Miscellaneous	1,000	971	29
Fuel and Lubricants	1,500	1,430	70
Protective Clothing Vehicle Repairs	150	-	150
Vehicle Repairs	2,000	817	1,183
	<u>\$ 253,643</u>	<u>\$ 248,735</u>	<u>\$ 4,908</u>

See accompanying notes to budgetary comparison schedules.

**City of West Miami, Florida**  
Schedule of Expenditures - Budget and Actual  
General Fund  
For the Year Ended September 30, 2023

	<u>Budget</u>	<u>Actual</u>	<b>Variance Favorable (Unfavorable)</b>
<b>Executive</b>			
Salaries	\$ 289,039	\$ 380,797	\$ (91,758)
Payroll Taxes	22,111	22,111	-
Retirement	71,219	71,219	-
Workers' Compensation	2,730	2,730	-
Medical and Life Insurance	46,956	46,956	-
Conferences and Training	1,000	1,279	(279)
Printed Forms	1,000	1,715	(715)
Car Allowance	5,640	6,490	(850)
Telephone Service	4,350	4,550	(200)
City Manager's Expenses	1,500	3,587	(2,087)
Other Insurance Costs	500	500	-
Repairs to Equipment	500	-	500
Other Miscellaneous	6,060	5,094	966
Postage	1,600	1,600	-
Computer Service	6,571	6,571	-
General Liability Insurance	8,000	8,000	-
ICMA	17,500	17,500	-
Channel 49 Expenses	1,500	-	1,500
	<u>\$ 487,776</u>	<u>\$ 580,699</u>	<u>\$ (92,923)</u>
<b>Finance and Administration</b>			
Salaries	\$ 446,086	\$ 450,382	\$ (4,296)
Payroll Taxes	36,978	36,978	-
Retirement	51,123	51,123	-
Workers' Compensation	2,090	2,090	-
Medical and Life Insurance	151,149	151,149	-
Office Supplies	4,200	6,873	(2,673)
Telephone Service	4,500	4,500	-
Postage	4,500	5,028	(528)
Printed Forms	4,000	7,315	(3,315)
General Liability	6,000	6,000	-
Other Insurance Costs	500	500	-
Repairs to Equipment	2,500	2,450	50
Rental of Equipment	3,500	2,624	876
Other Miscellaneous	1,080	50	1,030
Computer Service	7,171	7,171	-
	<u>\$ 725,377</u>	<u>\$ 734,233</u>	<u>\$ (8,856)</u>

See accompanying notes to budgetary comparison schedules.

**City of West Miami, Florida**  
Schedule of Expenditures - Budget and Actual  
General Fund  
For the Year Ended September 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Law Enforcement</b>			
Salaries	\$ 2,023,866	\$ 2,185,054	\$ (161,188)
Other Personal Services	57,920	48,228	9,692
Payroll Taxes	162,340	162,339	1
Retirement	524,562	524,562	-
Workers' Compensation	46,478	46,478	-
Medical and Life Insurance	372,596	372,596	-
Printed Forms	2,500	825	1,675
GPS Annual Service	66,000	62,387	3,613
Fuel and Lubricants	120,000	108,764	11,236
Vehicle Repair Parts and Labor	40,000	40,219	(219)
Operating Equipment Repair Parts	7,000	10,465	(3,465)
Uniform Purchases	12,000	24,843	(12,843)
Telephone Services	3,000	3,000	-
General Liability Insurance	47,345	47,345	-
Other Insurance Costs	1,000	1,000	-
Repairs to Equipment	5,000	3,397	1,603
Other Miscellaneous	1,000	1,413	(413)
Office Supplies	4,400	5,283	(883)
Cleaning Supplies	1,000	64	936
Building and Maintenance Supplies	3,000	3,206	(206)
Small Tools and Minor Equipment	2,000	15,431	(13,431)
Postage	600	600	-
Dues and Subscriptions	6,500	5,918	582
Plaques, Awards, Recognition	1,500	1,167	333
Other Professional Services	2,500	1,168	1,332
Computer Service	10,571	10,571	-
Court Costs and Investigations	2,000	900	1,100
Information Expense	500	-	500
	<u>\$ 3,527,178</u>	<u>\$ 3,687,547</u>	<u>\$ (160,369)</u>

See accompanying notes to budgetary comparison schedules.

**City of West Miami, Florida**  
Schedule of Expenditures - Budget and Actual  
General Fund  
For the Year Ended September 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Streets</b>			
Salaries	\$ 349,867	\$ 415,732	\$ (65,865)
Payroll Taxes	31,819	31,819	-
Retirement	55,568	55,568	-
Workers' Compensation	24,480	24,480	-
Medical and Life Insurance	91,957	91,957	-
Fuel and Lubricants	15,000	18,198	(3,198)
Protective Clothing	2,000	4,507	(2,507)
Building Materials and Supplies	20,000	11,353	8,647
Small Tools and Minor Equipment	3,000	5,654	(2,654)
Vehicle Repair Parts and Labor	10,000	26,546	(16,546)
Operating Equipment Repair Parts	19,000	21,635	(2,635)
Telephone Service	2,000	2,000	-
General Liability Insurance	38,914	38,914	-
Street Lighting Electricity	62,000	61,000	1,000
Repairs to Equipment	2,000	3,307	(1,307)
Computer Service	3,521	3,521	-
Rental of Equipment	1,000	6,865	(5,865)
Landscape Maintenance	19,000	63,784	(44,784)
Other Miscellaneous	17,000	2,467	14,533
Office Supplies	3,300	3,300	-
Postage	800	800	-
Conference and Training Costs	500	60	440
Uniform Rental	7,500	12,211	(4,711)
	<u>\$ 780,226</u>	<u>\$ 905,678</u>	<u>\$ (125,452)</u>

See accompanying notes to budgetary comparison schedules.

**City of West Miami, Florida**  
Schedule of Expenditures - Budget and Actual  
General Fund  
For the Year Ended September 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Garage</b>			
Salaries	\$ 66,995	\$ 66,551	\$ 444
Payroll Taxes	4,865	4,460	405
Retirement	7,401	7,401	-
Workers' Compensation	2,966	2,966	-
Medical and Life Insurance	13,587	13,587	-
Cleaning Supplies	300	-	300
Fuel and Lubricants	800	173	627
Protective Clothing	400	264	136
Small Tools and Minor Equipment	4,000	1,426	2,574
Vehicle Repair Parts	3,500	4,753	(1,253)
Operating Equipment Repair Parts	1,250	-	1,250
Uniform Rental	1,500	1,137	363
Hazardous Waste Disposal	1,000	806	194
General Liability Insurance	9,000	9,000	-
Other Miscellaneous	850	4,202	(3,352)
Special Permit Fees	2,000	-	2,000
	<u>\$ 120,414</u>	<u>\$ 116,726</u>	<u>\$ 3,688</u>

See accompanying notes to budgetary comparison schedules.

**City of West Miami, Florida**  
Schedule of Expenditures - Budget and Actual  
General Fund  
For the Year Ended September 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Parks</b>			
Salaries	\$ 37,750	\$ 22,890	\$ 14,860
Payroll Taxes	2,628	2,625	3
Retirement	4,013	4,014	(1)
Workers' Compensation	2,917	2,917	-
Medical and Life Insurance	21,298	21,298	-
Horticultural Supplies	7,500	10,490	(2,990)
Fuel and Lubricants	1,500	2,216	(716)
Protective Clothing	200	100	100
Small Tools and Minor Equipment	1,000	297	703
Vehicle Repair Parts and Labor	2,000	61	1,939
Operating Equipment Repair Parts	2,000	-	2,000
Other Repair and Maintenance Supplies	1,250	-	1,250
General Liability Insurance	9,000	9,000	-
Other Insurance	200	200	-
Other Miscellaneous	10,000	29,027	(19,027)
Rental of Equipment	1,500	1,244	256
Uniform Rental	1,500	75	1,425
Electricity	2,500	2,863	(363)
	<u>\$ 108,756</u>	<u>\$ 109,317</u>	<u>\$ (561)</u>

See accompanying notes to budgetary comparison schedules.

**City of West Miami, Florida**  
Schedule of Expenditures - Budget and Actual  
General Fund  
For the Year Ended September 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Facilities Maintenance</b>			
Salaries	\$ 107,933	\$ 93,002	\$ 14,931
Payroll Taxes	7,996	8,841	(845)
Retirement	12,283	12,283	-
Workers' Compensation	5,762	5,762	-
Medical and Life Insurance	25,183	25,183	-
Horticultural Supplies	5,000	671	4,329
Cleaning and Sanitation Supplies	5,000	5,028	(28)
Fuel and Lubricants	1,000	-	1,000
Household and Institutional Supplies	5,000	8,186	(3,186)
Protective Clothing	650	1,086	(436)
Building Material and Supplies	47,500	53,128	(5,628)
Small Tools and Minor Equipment	1,000	2,210	(1,210)
Vehicle Repair Parts	2,500	709	1,791
Operating Equipment Repair Parts	200	1,103	(903)
Installed Building Equipment Repair Parts	1,000	281	719
Other Repairs and Maintenance Supplies	200	5,772	(5,572)
General Liability Insurance	10,000	10,000	-
Electricity	25,000	33,297	(8,297)
Water	3,000	6,317	(3,317)
Repairs to Building	1,500	331	1,169
Other Miscellaneous	1,000	1,093	(93)
Uniform Rental	2,000	1,754	246
Telephone Service	1,000	1,000	-
Other Insurance Building	500	500	-
Repairs to Equipment	500	1,030	(530)
Rental of Equipment	500	96	404
	<u>\$ 273,207</u>	<u>\$ 278,663</u>	<u>\$ (5,456)</u>

See accompanying notes to budgetary comparison schedules.

**City of West Miami, Florida**  
Schedule of Expenditures - Budget and Actual  
General Fund  
For the Year Ended September 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Non-Departmental</b>			
Payroll Taxes	\$ 344,934	\$ 344,934	\$ -
Retirement	834,435	893,380	(58,945)
Unemployment Compensation	8,000	-	8,000
Workers' Compensation	165,000	165,000	-
Medical and Life Insurance	1,192,329	1,158,831	33,498
Allowance to Board Members	1,000	1,350	(350)
Auditing Services	43,000	43,000	-
Engineer Services	35,000	36,444	(1,444)
Other Professional Services	105,000	92,875	12,125
Code Enforcement Allowance	1,000	615	385
Court Recordings	2,000	204	1,796
General Liability Insurance	300,000	300,000	-
Other Insurance Costs	5,000	5,000	-
Dues and Subscriptions	2,500	5,030	(2,530)
Contingency Fund	40,000	15,963	24,037
Real Estate Taxes	16,000	15,436	564
Office Supplies	25,000	43,467	(18,467)
Telephone	41,000	67,210	(26,210)
Postage	24,000	30,171	(6,171)
Recodification of Ordinances	-	1,267	(1,267)
Computer Service	95,000	95,504	(504)
Bank Charges	20,000	7,192	12,808
Retirement Deferred Payment	27,500	27,500	-
Reserve	163,326	4,431	158,895
Hurricane National Disaster	100,000	-	100,000
Interdepartmental Allocations	(3,034,644)	(3,034,643)	(1)
	<u>\$ 556,380</u>	<u>\$ 320,161</u>	<u>\$ 236,219</u>

See accompanying notes to budgetary comparison schedules.

**City of West Miami, Florida**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
Recreation Fund  
For the Year Ended September 30, 2023

	<b>Recreation Fund</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Real Estate Taxes	\$ 787,354	\$ 787,354	\$ 787,354	\$ -
Other	218,000	218,000	340,951	122,951
Total Revenues	<u>1,005,354</u>	<u>1,005,354</u>	<u>1,128,305</u>	<u>122,951</u>
<b>Expenditures</b>				
<b>Current</b>				
Recreation	854,877	854,877	961,289	(106,412)
Capital Outlay	141,000	141,000	537,356	(396,356)
Total Expenditures	<u>995,877</u>	<u>995,877</u>	<u>1,498,645</u>	<u>(502,768)</u>
Excess (Deficiency) of Revenues and Over (Under) Expenditures	9,477	9,477	(370,340)	(379,817)
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(9,477)</u>	<u>(9,477)</u>	<u>-</u>	<u>9,477</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (370,340)</u>	<u>\$ (370,340)</u>

See accompanying notes to budgetary comparison schedules.

CITY OF WEST MIAMI, FLORIDA  
*Notes to Budgetary Comparison Schedules*  
*September 30, 2023*

**Note 1. Budgets and Budgetary Accounting**

The City legally adopts annual budgets for the General Fund and most of the Special Revenue Funds. The budgets are prepared on a basis consistent with accounting principles generally accepted in the United States. The following procedures are used by the City in establishing the budgetary data reflected in the financial statements.

- a) At least 45 days prior to the close of the fiscal year, the City Commission is presented with a proposed budget including proposed expenditures and the means of financing them.
- b) After Commission review and public hearings, the budget is adopted prior to October 1<sup>st</sup> of each year.
- c) Budgets are approved on a fund-by-fund basis and management may transfer amounts between line items or departments as long as the transfer does not result in an increase in total fund budget. Expenditures may not legally exceed appropriations at the departmental level.

Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the City. Appropriations not encumbered lapse at year-end. The Commission did not make supplemental budgetary appropriations during the year.

**Note 2. Excess of Expenditures over Appropriations**

The General Fund's executive expenditures exceeded appropriations by \$92,923. This unfavorable variance was due to a cost-of-living adjustment to employee salaries. The General Fund's finance and administration expenditures exceeded appropriations by \$8,856. The unfavorable variance was due to a cost-of-living adjustment to employee salaries and minor office supplies expenditures. The General Fund's law enforcement expenditures exceeded appropriations by \$160,369. This unfavorable variance was due to cost-of-living adjustments to police officers and dispatcher's employee salaries, increases in overtime pay during the fiscal year due to increased law enforcement activity and usage during the fiscal year, and reclassification adjustments from capital outlay. The City expended additional funds to purchase new uniform equipment for emergency services. These excess expenditures were not included in the original budget as adopted by the City.

The General Fund's streets expenditures exceeded appropriations by \$125,452. Employees within this department were allotted a cost-of-living adjustment. The City incurred a tree inventory consultation expenditure which will allow the City to enhance appearance throughout the community for continued growth. Additionally, the City's street division had unexpected repairs to the street sweeper to maintain its functionality. The General Fund's parks expenditures exceeded appropriations by \$561. The unfavorable variance is due to additional building maintenance materials and supplies that were purchased for the ongoing wellness/recreation center projects. The General Fund's facilities and maintenance expenditures exceeded appropriations by \$5,546. This unfavorable variance is due to improvements to the City's main office including a new elevator door and repairs to electrical components throughout the building. These excess expenditures were not included in the original budget as adopted by the City.

CITY OF WEST MIAMI, FLORIDA  
*Notes to Budgetary Comparison Schedules*  
*September 30, 2023*

**Note 2. Excess of Expenditures over Appropriations - (continued)**

The General Fund's capital outlay expenditures exceeded appropriations by \$353,831. The unfavorable variance is due to a project at the City Hall for sidewalk and walkway improvements which was approved by the City Commission and to be funded by impact fee revenues. Additionally, capital outlay expenditures exceeded appropriations due to the purchase of new police vehicles and a new city bus for transportation of its citizens within the community. The City Commission approved the purchase of replacement police vehicles which are funded by forfeited and seized properties awarded to the City. The unfavorable variance is also affected by reclassification adjustments to capital outlay. The negative variance is disclosed in the Budgetary Comparison Statements and Schedules – General Fund - page 50. The overall budget variance for the General Fund ends with a positive variance of \$652,786, when combined with revenue and interfund transfer variances.

The Recreation Fund recreation expenditures and capital outlay expenditures exceeded appropriations by \$106,412 and \$396,356, respectively. The recreation expenditures exceeded appropriations due to an adjustment in employee salaries that was not included in the original budget as adopted by the City. Capital outlay expenditures exceeded appropriations due to delayed commencement of the wellness center. The negative variance is disclosed in the Budgetary Comparison Statements and Schedules – Recreation Fund - page 61. The overall budget variance for the Recreation Fund ends with a negative variance of \$370,340, when combined with revenue and interfund transfer variances.

**Note 3. Budget/GAAP Reconciliation**

There are no differences to be reconciled between the budgetary comparison schedules and the statement of revenues, expenditures and changes in fund balances - governmental funds.

**City of West Miami, Florida**  
 Required Supplementary Information  
 Schedule of the Proportionate Share of the Net Pension Liability  
 Florida Retirement System Pension Plan  
 Last 10 Fiscal Years\*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	0.01507133%	0.01364482%	0.01348166%	0.01463264%	0.01632755%	0.01719487%	0.01666302%	0.01686092%	0.01493958%	0.01523259%
City's proportionate share of the net pension liability (asset)	\$ 6,005,449	\$ 5,076,971	\$ 1,018,386	\$ 6,342,003	\$ 5,622,982	\$ 5,179,185	\$ 4,928,811	\$ 4,257,396	\$ 1,929,647	\$ 929,412
City's covered payroll	\$ 4,582,268	\$ 3,936,628	\$ 3,796,929	\$ 3,763,343	\$ 3,833,099	\$ 3,798,323	\$ 3,471,017	\$ 3,367,100	\$ 3,141,772	\$ 3,039,259
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	131.06%	128.97%	26.82%	168.52%	146.70%	136.35%	142.00%	126.44%	61.42%	30.58%
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 6/30 (measurement date of the collective net pension liability).

City of West Miami, Florida  
 Required Supplementary Information  
 Schedule of Contributions  
 Florida Retirement System Pension Plan  
 Last 10 Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2024</u>
Contractually required contribution	\$ 906,087	\$ 751,118	\$ 663,520	\$ 610,686	\$ 672,501	\$ 629,615	\$ 584,053	\$ 531,919	\$ 430,873	\$ 446,081
Contributions in relation to the contractually required contribution	<u>\$ (906,087)</u>	<u>\$ (751,118)</u>	<u>\$ (663,520)</u>	<u>\$ (610,686)</u>	<u>\$ (672,501)</u>	<u>\$ (629,615)</u>	<u>\$ (584,053)</u>	<u>\$ (531,919)</u>	<u>\$ (430,873)</u>	<u>\$ (446,081)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,575,848	\$ 4,075,872	\$ 3,838,362	\$ 3,702,409	\$ 3,854,435	\$ 3,781,302	\$ 3,592,483	\$ 3,392,770	\$ 3,226,000	\$ 3,170,000
Contributions as a percentage of covered payroll	19.80%	18.43%	17.29%	16.49%	17.45%	16.65%	16.26%	15.68%	13.36%	14.07%

**City of West Miami, Florida**  
 Required Supplementary Information  
 Schedule of the Proportionate Share of the Net Pension Liability  
 Florida Retirement System Health Insurance Subsidy Pension Plan  
 Last 10 Fiscal Years\*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2015</u>
City's proportion of the net pension liability (asset)	0.01155883%	0.01080212%	0.01072515%	0.01078398%	0.01135858%	0.01162931%	0.01088950%	0.01087716%	0.01035583%	0.01022926%
City's proportionate share of the net pension liability (asset)	\$ 1,835,697	\$ 1,144,117	\$ 1,315,601	\$ 1,316,706	\$ 1,270,911	\$ 1,230,859	\$ 1,164,356	\$ 1,267,687	\$ 1,056,132	\$ 956,461
City's covered payroll	\$ 4,582,268	\$ 3,936,628	\$ 3,796,929	\$ 3,763,343	\$ 3,833,099	\$ 3,798,323	\$ 3,471,017	\$ 3,367,100	\$ 3,141,772	\$ 3,039,259
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	40.06%	29.06%	34.65%	34.99%	33.16%	32.41%	33.55%	37.65%	33.62%	31.47%
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 6/30 (measurement date of the collective net pension liability).

City of West Miami, Florida  
Required Supplementary Information  
Schedule of Contributions  
Florida Retirement System Health Insurance Subsidy Pension Plan  
Last 10 Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 88,638	\$ 73,478	\$ 63,043	\$ 60,271	\$ 65,787	\$ 61,592	\$ 57,135	\$ 53,820	\$ 50,552	\$ 47,622
Contributions in relation to the contractually required contribution	<u>\$ (88,638)</u>	<u>\$ (73,478)</u>	<u>\$ (63,043)</u>	<u>\$ (60,271)</u>	<u>\$ (65,787)</u>	<u>\$ (61,592)</u>	<u>\$ (57,135)</u>	<u>\$ (53,820)</u>	<u>\$ (50,552)</u>	<u>\$ (47,622)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,575,848	\$ 4,075,872	\$ 3,838,362	\$ 3,702,409	\$ 3,854,435	\$ 3,781,302	\$ 3,592,483	\$ 3,392,770	\$ 3,226,000	\$ 3,170,000
Contributions as a percentage of covered payroll	1.94%	1.80%	1.64%	1.63%	1.71%	1.63%	1.59%	1.59%	1.57%	1.50%

## COMBINING FINANCIAL STATEMENTS

**City of West Miami, Florida**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2023

	<b>Special Revenue Funds</b>			<b>Total Nonmajor Governmental Funds</b>
	<b>Community Center Fund</b>	<b>Transportation Surtax Fund</b>	<b>Police Law Forfeiture Fund</b>	
<b>Assets</b>				
Cash and Cash Equivalents	\$ 109,429	\$ -	\$ -	\$ 109,429
Cash - Restricted	-	161,972	233,597	395,569
Receivables	106,500	104,365	-	210,865
Due From Other Funds	187,120	317,410	-	504,530
Total Assets	<u>\$ 403,049</u>	<u>\$ 583,747</u>	<u>\$ 233,597</u>	<u>\$ 1,220,393</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Due To Other Funds	<u>308,997</u>	<u>\$ 43,524</u>	<u>\$ 3,479</u>	<u>\$ 356,000</u>
<b>Fund Balances</b>				
Restricted for Public Safety Initiatives	-	-	230,118	230,118
Restricted for Community Center	94,052	-	-	94,052
Restricted for Transportation	-	540,223	-	540,223
Total Fund Balances	<u>94,052</u>	<u>540,223</u>	<u>230,118</u>	<u>864,393</u>
Total Liabilities and Fund Balances	<u>\$ 403,049</u>	<u>\$ 583,747</u>	<u>\$ 233,597</u>	<u>\$ 1,220,393</u>

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

**City of West Miami, Florida**  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended September 30, 2023

	<b>Special Revenue Funds</b>			<b>Total Nonmajor Governmental Funds</b>
	<b>Community Center Fund</b>	<b>Transportation Surtax Fund</b>	<b>Police Law Forfeiture Fund</b>	
<b>Revenues</b>				
Government Grants/Contributions	\$ 385,767	\$ 28,589	\$ -	\$ 414,356
Surtax	-	445,904	-	445,904
Fines and Forfeitures	-	-	29,869	29,869
Interest	-	7,714	6,304	14,018
Other	25,856	-	-	25,856
Total Revenues	<u>411,623</u>	<u>482,207</u>	<u>36,173</u>	<u>930,003</u>
<b>Expenditures</b>				
Salaries and Wages	205,843	23,096	-	228,939
Personnel Benefits	129,719	-	-	129,719
Meals for Seniors	189,621	-	-	189,621
Other	133,169	215,878	13,236	362,283
Capital Outlay	4,620	488,947	196,147	689,714
Debit Service				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>662,972</u>	<u>727,921</u>	<u>209,383</u>	<u>1,600,276</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(251,349)	(245,714)	(173,210)	(670,273)
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	339,792	250,000	-	589,792
Total Other Financing Sources (Uses)	<u>339,792</u>	<u>250,000</u>	<u>-</u>	<u>589,792</u>
Net Change in Fund Balances	88,443	4,286	(173,210)	(80,481)
<b>Fund Balances at Beginning of Year</b>	<u>5,609</u>	<u>535,937</u>	<u>403,328</u>	<u>944,874</u>
<b>Fund Balances at End of Year</b>	<u>\$ 94,052</u>	<u>\$ 540,223</u>	<u>\$ 230,118</u>	<u>\$ 864,393</u>

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

## COMPLIANCE SECTION

**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***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of West Miami, Florida (the “City”), as of and for the 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 April 29, 2024.

**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 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 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Handwritten signature in black ink that reads "GEMRT & Co, LLP". The letters are cursive and somewhat stylized.

Coral Gables, Florida  
April 29, 2024



GARCIA | ESPINOSA | MIYARES | RODRIGUEZ | TRUEBA

**Independent Accountant’s Report on Compliance with the Requirements of  
Section 218.415, Florida Statutes, in Accordance with Chapter 10.550,  
Rules of the Auditor General of the State of Florida**

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

We have examined the City of West Miami, Florida’s (the “City”) compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2023. Management of the City is responsible for the City’s compliance with those specified requirements. Our responsibility is to express an opinion on the City’s compliance with the specified requirements based on our examination.

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

An examination does not provide a legal determination of the City’s compliance with specified requirements. In our opinion, the City of West Miami, Florida complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2023.

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

Coral Gables, Florida  
April 29, 2024

**Management Letter Required by Section 10.550 of the Rules of the Auditor General of the State of Florida**

Honorable Mayor, City Commission, and City Manager  
City of West Miami, Florida

**Report on the Financial Statements**

We have audited the financial statements of the City of West Miami, Florida (the “City”), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated April 29, 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 Auditor General.

**Other Reporting Requirements**

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor’s Report on Compliance for Each Major State Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated April 29, 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. The City of West Miami was established by Section 14 of Article I, Laws of Florida 1949, Ch. 26301. There were no component units related to the City of West Miami, Florida.

## **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify 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. The assessment was completed as of the fiscal year end. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

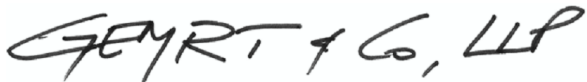
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

## **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires that 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 State granting agencies, members of the City Commission, and applicable management of the City, and is not intended to be and should not be used by anyone other than these specified parties.



Coral Gables, Florida  
April 29, 2024



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**Independent Auditor’s Report on Compliance for Each Major State Project and Report on Internal Control Over Compliance Required by Chapter 10.550, Rules of the Auditor General**

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

**Report on Compliance for Each Major State Project**

***Opinion on Each Major State Project***

We have audited City of West Miami, Florida’s (the “City”) compliance with the types of compliance requirements identified as subject to audit in the Department of Financial Services’ *State Projects Compliance Supplement* that could have a direct and material effect on each of City of West Miami, Florida’s major state projects for the fiscal year ended September 30, 2023. The City’s major state projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of West Miami, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended September 30, 2023.

***Basis for Our Opinion on Each Major State Project***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards, and Chapter 10.550, Rules of the Auditor General, are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of West Miami, Florida and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state project. Our audit does not provide a legal determination of City of West Miami, Florida’s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirement of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City’s state projects.

GARCIA, ESPINOSA, MIYARES, RODRIGUEZ, TRUEBA & CO., LLP  
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS  
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## ***Auditor's Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, 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 of West Miami, Florida'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 of West Miami, Florida'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 Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose for 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 Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Handwritten signature in black ink that reads "GEMRT & Co, LLP". The letters are cursive and somewhat stylized.

Coral Gables, Florida  
April 29, 2024

**City of West Miami, Florida**  
Schedule of Expenditures of State Financial Assistance  
For the Year Ended September 30, 2023

State Agency / Pass-through Entity / Program Title	State CSFA Number	State Grant Number	Expenditures
<b>Department of Elder Affairs</b>			
<i>Pass-through Alliance for the Aging</i>			
Local Services Programs - Services to Elders	65.009	KL2343	\$ 83,040
Local Services Programs - Services to Elders	65.009	KL2243	<u>192,753</u>
TOTAL DEPARTMENT OF ELDER AFFAIRS			<u>275,793</u>
<b>Florida Department of Transportation</b>			
Commuter Assistance Program - Ride Share Grants	55.007	G1T48	<u>28,589</u>
<b>Department of Environmental Protection</b>			
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0052	<u>807,193</u>
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>			<b>\$ <u><u>1,111,575</u></u></b>

The accompanying notes are an integral part of this schedule.

CITY OF WEST MIAMI, FLORIDA  
*Notes to Schedule of Expenditures of State Financial Assistance  
For the Year Ended September 30, 2023*

**Note 1. General**

The accompanying schedule of expenditures of state financial assistance (the “schedule”) includes the state grant activity of the City of West Miami, Florida (the “City”). The City’s reporting entity is defined in Note I-A of the City’s basic financial statements. For purposes of this schedule, state awards include state assistance received directly from a state agency, as well as state funds received indirectly by the City from non-state organizations.

**Note 2. Basis of Presentation**

The information in this schedule is presented in accordance with the requirements of Chapter 10.550, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The expenditures in the accompanying schedule are presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the City becomes obligated for a payment as a result of the receipt of the related goods or services.

**Note 3. Contingency**

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal laws and regulations.

CITY OF WEST MIAMI, FLORIDA  
*Schedule of Findings and Questioned Costs  
 For the Year Ended September 30, 2023*

**PART I. SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

**State Projects**

Internal control over major State projects:	
Material weakness(es) identified?	No
Significant deficiencies identified?	None reported
Type of auditors’ report issued on compliance for major State projects:	Unmodified
Any audit findings disclosed that are required to be reported in Accordance with Chapter 10.557, Rules of the Auditor General of the State of Florida?	No

Identification of major State projects:

<b><u>State Project</u></b>	<b><u>State CSFA No.</u></b>
Department of Environmental Protection – Statewide Surface Water Restoration and Wastewater Projects Program	37.039
Dollar threshold used to distinguish between Type A and Type B State projects:	\$333,473

**PART II. FINDINGS – FINANCIAL STATEMENTS**

None.

**PART III. FINDINGS AND QUESTIONED COSTS – MAJOR STATE PROJECTS**

None.

**PART IV. OTHER ISSUES**

No summary schedule of prior audit findings is required because there were no prior audit findings related to State projects.

**IMPACT FEE ORDINANCE AFFIDAVIT**

BEFORE ME, the undersigned authority, personally appeared Isabel Rangel, Finance Director, who being duly sworn, deposes and says on oath that:


- 1. I am the Finance Director of the City of West Miami which is a local governmental entity of the State of Florida;
- 2. The governing body of the City of West Miami adopted Ordinance No. 2007-02, 2013-03, and 2013-05 implementing and amending impact fees; and
- 3. The City of West Miami has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

  
 \_\_\_\_\_  
 Isabel Rangel, Finance Director  
 City of West Miami

STATE OF FLORIDA  
COUNTY OF Miami-Dade

SWORN TO AND SUBSCRIBED before me this 29<sup>th</sup> day of April, 2024.

  
 NOTARY PUBLIC  
 Print Name ANNERY GONZALEZ

Personally known  or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:  
2/11/2025

