

CITY OF HIALEAH, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

2024

FISCAL YEAR ENDED SEPTEMBER 30, 2024



**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**



**JACQUELINE
GARCIA-ROVES
MAYOR**

Prepared by Finance Department

CITY OF HIALEAH, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FISCAL YEAR ENDED SEPTEMBER 30, 2024

	<u>PAGE</u>
I. INTRODUCTORY SECTION (UNAUDITED)	
Letter of Transmittal	i-ix
Certificate of Achievement	x
List of Elected City Officials	xi
Organizational Chart	xii
II. FINANCIAL SECTION	
Independent Auditors' Report	1-4
Management's Discussion and Analysis (Required Supplementary Information)	5-30
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	31
Statement of Activities	32
Fund Financial Statements:	
Balance Sheet – Governmental Funds	33
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	34
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	35
Statement of Net Position – Proprietary Funds	36-37
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	38
Statement of Cash Flows – Proprietary Funds	39-40
Statement of Fiduciary Net Position – Fiduciary Funds	41
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	42
Notes to Basic Financial Statements	43-102
Required Supplementary Information:	
Budgetary Comparison Schedule – General Fund	103
Budgetary Comparison Schedule – Governmental Funds	104
Note to Budgetary Comparison Schedule	105
Schedule of Changes in the City's Net Pension Liability and Related Ratios – Employees' Retirement System	106
Schedule of City Contributions – Employees' Retirement System	107
Schedule of Changes in the City's Net Pension Liability and Related Ratios – Elected Officials' Retirement System	108
Schedule of City Contributions – Elected Officials' Retirement System	109
Schedule of Investment Returns – Elected Officials' Retirement System	110
Schedule of Changes in the City's Total OPEB Liability and Related Ratios	111
Combining and Individual Fund Statements:	
Combining Balance Sheet – Nonmajor Governmental Funds	112-117
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	118-122
Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Nonmajor Governmental Funds	123-145
Combining Statement of Fiduciary Net Position	146
Combining Statement of Changes in Fiduciary Net Position	147

CITY OF HIALEAH, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FISCAL YEAR ENDED SEPTEMBER 30, 2024

	PAGE
III. STATISTICAL SECTION (UNAUDITED)	
Net Position by Component – Last Ten Fiscal Years (Accrual Basis of Accounting)	148
Changes in Net Position – Last Ten Fiscal Years (Accrual Basis of Accounting)	149
Fund Balances of Governmental Funds – Last Ten Fiscal Years (Modified Accrual Basis of Accounting)	150
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years (Modified Accrual Basis of Accounting)	151
Net Assessed Value of Taxable Property – Last Ten Fiscal Years	152
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years	153
Principal Property Taxpayers	154
Property Tax Levies and Collections – Last Ten Fiscal Years	155
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	156
Direct and Overlapping Governmental Activities Debt	157
Pledged Revenue Coverage – Last Ten Fiscal Years	158
Demographic and Economic Statistics – Last Ten Fiscal Years	159
Principal Employers – Current Year and Nine Years Ago	160
Full-Time Equivalent City Government Employees by Function – Last Ten Fiscal Years	161
Operating Indicators by Function/Program – Last Ten Fiscal Years	162
Capital Asset Statistics by Function/Program – Last Ten Fiscal Years	163
IV. COMPLIANCE SECTION	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	164-165
Independent Auditors' Report on Compliance for each major federal program and state project, and Report on internal control over compliance required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General	166-168
Schedule of Expenditures of Federal Awards and State Financial Assistance	169-171
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	172
Schedule of Findings and Questioned Costs	173-177
Summary Schedule or Prior Year Audit Findings	178
Management Letter In Accordance with the Rules of the Auditor General of the State of Florida	179-181
Independent Accountants' Report on Compliance pursuant to Section 218.415, Florida Statutes	182
Impact Fee Affidavit	183
Corrective Action Plan	184-185

A vibrant night scene of a fireworks display over a festival crowd. The sky is filled with numerous bright, golden-yellow and red fireworks exploding. Below, a large crowd of people is visible, many with their arms raised in celebration. In the background, there are festival structures, including a stage with blue lighting and a large American flag on the left. The overall atmosphere is festive and celebratory.

INTRODUCTORY SECTION

Jacqueline Garcia-Roves
Mayor

Luis Rodriguez
Council President

Carl Zogby
Council Vice-President



Council Members

Melinda De La Vega

Juan Junco

Monica Perez

Jesus Tundidor

City of Hialeah

June 30, 2025

To the Members of the City Council and Residents of the City of Hialeah:

It is our pleasure to submit the Annual Comprehensive Financial Report for the City of Hialeah, Florida, for the fiscal year ending September 30, 2024. The financial statements included in this report conform to generally accepted accounting principles (GAAP) in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

The City of Hialeah's financial statements have been audited by CBIZ CPA's P.C., Certified Public Accountants. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Hialeah's financial statements for the fiscal year ended September 30, 2024, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion & Analysis (MD&A).

This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Hialeah's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The City of Hialeah was incorporated in 1925 by the laws of the State of Florida contained in Chapter 11516 Special Acts of 1925. The City of Hialeah occupies a land area of 23 square miles and serves a population of approximately 225,000 residents.

The City of Hialeah has operated under a strong mayor form of government since its inception. Policy making and legislative authority are vested in a governing council consisting of a seven-member council. The council is responsible for, among other things, passing ordinances and adopting the budget.

The Mayor is responsible for carrying out the policies and ordinances of the council, overseeing the day-to-day operations of the government, and appointing the heads of various departments.

The City of Hialeah offers a wide range of services, including public safety (police and fire), public works, streets, water and wastewater, sanitation, social services, cultural activities, public improvements, planning and zoning, building, libraries and educational services, and general administrative services.

ECONOMIC CONDITION AND OUTLOOK

Each fiscal year that passes provides the City with an opportunity to identify, address, and resolve issues facing our community and our residents. The City's major functions are to provide the essential infrastructure and services needed to maintain and improve our residents' quality of life, and at the same time, attract the investments that provide growth and new revenue opportunities to the City. The City continues to emphasize the support of systems such as free public transit, public safety (police and fire), affordable housing, storm water management, potable (drinking) water, waste treatment and solid waste collection which must be balanced carefully with the quality-of-life amenities which include parks and recreation, entertainment, and cultural opportunities to maintain the beauty and attractiveness of our community.

These aforementioned city functions have to be balanced against continued inflation pressures that increase the cost of labor and commodities needed to serve the residents of Hialeah.

In the past year, property taxable values in the City of Hialeah increased 14.2% based on the Miami-Dade County Property Appraiser's Office assessments. The City continues to honor our commitment to the residents of not increasing the millage rate above the levels that have been set by the Administration for the last twelve years. The City of Hialeah has decreased the millage rate three times over the last twenty years. The following discussion is intended to demonstrate the growth and vitality of the City and at the same time, to address the projected challenges of the future.

Economic Growth Activity

In 2003, the City of Hialeah annexed from Miami-Dade County an area located along the northwest corner of the City of Hialeah between Highway 1-75 and the Florida Turnpike, lying directly to the west of the City. The Annexation Area consists of 1,920 acres (3 square miles) of land, of which one-third was designated for residential use, and two-thirds have been designated for commercial and industrial use, and includes a 30-acre passive park. As part of the inter-local agreement between the City and Miami-Dade County, the City has provided the necessary regional development infrastructure, including water and sewer services, - road improvements, and regional recreational facilities. The Annexation Area provides continued strong economic growth to the City of Hialeah by expanding its revenue base and maximizing the land use within its borders. The construction of 4,000 residential units with approximately 16,000 residents and 8,000,000 square feet of industrial development was completed. Construction has begun on the first phase of a 77-acre site mixed-use classification, which includes 211,000 square feet of retail/restaurant space and 244 multi-family residential units. Another three undeveloped industrial parcels are in the permitting process to build 1,000,000 square feet of distribution warehouses. Additionally, a new multifamily development comprised of 617 residential units is under construction.

- The City of Hialeah has embarked on an ambitious Master Plan for the vision of the next 25 years that aims to enhance the city's infrastructure and livability and increase the quality of life for City residents. The project kicked off in September 2023 and is expected to analyze existing conditions, identify needs related to infrastructure and regulatory gaps, and address development pressures. The city is committed to crafting a vision for Hialeah in time for the city's 100th anniversary in 2025.

The Hialeah 2050 Master Plan is an opportunity for the city to look forward and develop a roadmap for the next 25 years that is aligned with this community's goals and desires. The project team's objective is to develop a plan for Hialeah to become a vibrant, sustainable, and connected community. Link to Hialeah 2050 Masterplan Website: <https://www.hialeah2050.com/>

- Construction is active in the older part of the City (20 square miles), including redevelopment of shopping plazas, strip malls, industrial districts, trailer parks, dog tracks, racetrack parks, and older multifamily buildings, and the implementation of the Transit Oriented Districts. This includes the redevelopment of a 28-acre former Kennel site into a residential development including 576 multifamily units 66 townhomes, and complementary amenities including gardens, sports courts, pools, and a lounge. This new development adds to the ongoing transformation of the Amelia District as an entertainment district to serve the north end of the City. The first phase of redevelopment of the famous Hialeah Racetrack, including approximately 300 garden-style units and complementary amenities, is under active construction.

Transit Oriented Development (TOD) and the Hialeah Transfer Station in the southeast area of the City. This area was envisioned as a strategic location for redevelopment due to its proximity to the Miami International Airport, Midtown, Downtown Miami, and the Brickell area. The Hialeah Transfer Station currently links the existing Tri-Rail and Metrorail services, and soon will be the node that will link the new coastal link (Downtown Miami-Biscayne Boulevard Corridor-Orlando) to the existing service. This district intends to promote and encourage mobility and connectivity within the district as well as to and from transit stations for pedestrians, bicycles, and automobiles. The TOD district is envisioned as a mixed-use urban setting where cars will not be the only transportation option to go to work, school, shop, recreation, entertainment, and retail will be available to residents within walking distance of their homes. There are two completed projects (23 units) and three (36 units) under advanced construction for small multifamily developments, one large mixed-use development (620 units) under advanced construction, and four large developments are in the building permitting process. When completed, the entitled developments will add a total of 3,700 housing units.

- The 1,920 acres of land (3 square miles) at the northwestern edge of the City of Hialeah, annexed in 2003 and known as Hialeah Heights, continues growing. The two remaining vacant residential parcels are proposed to be developed with multifamily developments, including approximately 400 residential units.

The City is in the preliminary planning stages of developing a multiservice City facility to serve residents and businesses in the area, including a police and fire sub-station, a library, and facilities for community development services. An environmental clean-up is necessary before development, and the City is working to obtain funding.

- The City of Hialeah completed 75% of the Master Plan that was started in September 2023, analyzing the existing conditions, identifying areas of opportunity for future development or redevelopment, outlining new transit and mobility options, and identifying needs related to infrastructure. The plan is expected to be completed by May 2025 and serve as a guide for regulatory updates and future development. The project team's objective is to develop a plan for Hialeah to become a vibrant, sustainable, and connected community.

Link to Hialeah 2050 Masterplan website: <https://www.hialeah2050.com/>

- Construction is active in the older part of the City (20 square miles), including redevelopment of the City's mall, industrial districts, racetrack park, older multifamily buildings, and the implementation of the Transit Oriented Districts. This includes the redevelopment of a 15-acre former Sears site into an upscale mixed-use residential development, including 815 multifamily units and 21,000 square feet of commercial space, mostly for entertainment businesses that will complement the existing thriving mall businesses. The first phase of redevelopment of the famous Hialeah Racetrack, including approximately 300 garden-style units and complementary amenities, is under active
- In October 2016, the city created two Transit Oriented Districts (Hialeah Market Station TOD and Hialeah Transfer Station TOD) in the SE area of the City. The conjunction of national rail service (Amtrak), regional rail service (Tri-Rail), and local rail service (Metrorail) in the Hialeah Transfer Station is unique within the Tri-County area. This area was envisioned by the City as a strategic location for redevelopment due to the existing transit services and its proximity to the Miami International Airport, Midtown, Downtown Miami, and the Brickell area. At this time, there are 18 developments entitled to develop following TOD regulations, totaling 3,955 new residential units, from which 30 are already built and occupied, 559 units and ground floor commercial space will be completed by April 2025, and 300 more are under active construction. The implementation of the TOD, now on the ground, and the determination that Amtrak service will not reach the Miami International Airport, had prompted the related transit agencies to recognize that this area is a truly primary transit hub where the different existing services need to improve their pedestrian connectivity. Preliminary plans for the redevelopment of the hub are

currently ongoing. The Transfer Station TOD is the area of the City where the most growth is expected in the upcoming years.

- A new linear park, the Hialine, to be developed underneath the elevated Metrorail lines, now undermaintained and underutilized vacant land, is advancing its planning stage, including a recent approval by the Miami-Dade County Tourism and Recreation Committee and the Board of County Commissioners. The County and the City will enter into an interlocal agreement for the development of this area into a linear park/mobility path. The Hialine first phase will connect the Hialeah Transfer Station with Hialeah Park, and future phases will follow the 2050 Masterplan recommendations.

LONG-TERM FINANCIAL PLAN

In fiscal year 2013, the City Council adopted a minimum fund balance policy for the General Fund. The policy requires that the unassigned fund balance at fiscal year-end be equal to 10% of the current fiscal year's General Fund operating expenditures. This targeted reserve shall be in addition to all other reserves or designations of fund balance. The total unassigned fund balance in the General Fund at the end of fiscal year 2024 is approximately \$61.1 million, which is approximately 22% of the General Fund budget and represents 2.5 months of the city's operational commitments.

The City continues to pursue and use grant and other funding opportunities to provide needed infrastructure improvements to the City, such as roadway projects, water & sewer projects, sidewalks, and improvements to city parks and recreational programs. In fiscal year 2024, the City secured \$20 million in Federal and State grant funding for infrastructure projects and Life and Safety improvements.

MAJOR INITIATIVES AND PROGRAMS

The City's emphasis has been restoring, maintaining, and expanding urban and residential infrastructure through major renovations and capital improvements. The City's parks, streets, sidewalks, water & sewer infrastructure, and affordable housing projects have all been positively impacted by these investments, while improving operational efficiencies.

Due to the increased activity in the annex area, the City of Hialeah has completed and continues additional roadway construction to provide streets for development and economic opportunities. Along with the roadway construction, water and sewer utility lines have been installed to support the annexed area development. Additionally, new production wells and pumps have been installed to handle the increase usage of the water system as part of a strategic initiative to improve the City's infrastructure.

The City continues to repair and modernize sewer pump stations and sewer pipelines (City-wide) per the Miami-Dade County Consent Order. These stations and pipelines are upgraded with the latest state-of-the-art systems, enhancing on already efficient water and sewer operation. The City's Department of Public Works is also working on lining the City's sewer lines to avoid infiltration of groundwater, decreasing the volume of wastewater. Completion of these sewer lining projects is expected to reduce costs to our residents by decreasing the volume of sewage and payments to Miami-Dade County Water and Sewer Department for sewage transmission, treatment, and disposal fees.

In the City's southeast area, there are two Transit Oriented Districts created to increase redevelopment in the area. Envisioned as a mixed-use urban setting for shopping, entertainment, and recreational activities, the districts are within walking distance of various modes of transportation.

RELEVANT FINANCIAL POLICIES

Budgetary Controls - The annual budget serves as a foundation for the City of Hialeah's financial planning and control. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) in the United States. Annually, the City adopts appropriated budgets for the general fund, special revenue funds (except for CDBG, Emergency Solutions, HOME, SHIP, the Law Enforcement Trust funds, and the Emergency Disaster funds), debt service funds, and the capital projects funds. The City follows the procedures below in establishing the budgetary data reflected in the accompanying financial statements. Before the first public budget hearing, the Mayor submits to the City Council a proposed operating budget for the ensuing fiscal year, commencing October 1. The operating budget includes proposed expenditures and the means of funding them. Before October 1, the budget is legally enacted through passage of an ordinance. At any time, the Mayor may transfer any unencumbered appropriation balance or portion thereof between classifications of expenditures within a department. At the request of the Mayor and only after the first six months of the budget year have passed, the City Council, in the form of a resolution, may transfer any part of the unencumbered balance of an appropriation between the departments.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated and shall be subject to future appropriations. The legal level of control is at the department level. The City Council approves supplemental appropriations. Budget-to-actual comparisons are provided in this report for each fund for which an appropriated annual budget has been adopted.

The City continues to repair and modernize sewer pump stations and sewer pipelines (City-wide) per the Miami-Dade County Consent Order. These stations and pipelines are upgraded with the latest state-of-the-art systems, enhancing an already efficient water and sewer operation. The City's Department of Public Works is also working on lining the City's sewer lines to avoid infiltration of groundwater, decreasing the volume of wastewater. Completion of these sewer lining projects is expected to reduce costs to our residents by decreasing the volume of sewage and payments to Miami-Dade County Water and Sewer Department for sewage transmission, treatment, and disposal fees.

In the City's southeast area, there are two Transit Oriented Districts (TOD) created to increase redevelopment in the area. Envisioned as a mixed-use urban setting for shopping, entertainment, and recreational activities, the districts are within walking distance of various modes of transportation.

Risk Management - The City administers a self-insurance program for workers' compensation, general liability, and group health insurance programs, subject to certain stop-loss provisions. The health insurance program is administered by an independent administrator. The workers' compensation and liability programs are administered by another administrator. For group health insurance, the City funds the program on a pay-as-you-go basis. Insurance coverage is maintained with independent carriers for property damage to City facilities. The City maintains stop-loss coverage with an independent carrier for the City's self-funded group health plan.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Hialeah for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2023. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. This was the twelfth consecutive year that the City of Hialeah has achieved this prestigious award.

To be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period one year only. It is our strong belief that our 2024 Annual Comprehensive Report continues to meet high standards of the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA for consideration of the award certificate.

ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Management Department, and the City's external audit firm, CBIZ, CPA's. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit must also be given to the City Council for their unfailing support and for maintaining the highest standards of professionalism in the management of the City of Hialeah's finances.

Respectfully submitted,

A handwritten signature in blue ink that reads "Jacqui Garcia-Roves".

Jacqueline Garcia-Roves
Mayor

A handwritten signature in blue ink that appears to read "Jorge Blanco".

Jorge Blanco, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Hialeah
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Executive Director/CEO



List of Elected City Officials
September 30, 2024
Strong Mayor Form of Government



Jacqueline Garcia-Roves
Mayor



Luis Rodriguez
Council President



Carl Zogby
Council Vice President



Melinda De La Vega
Council Member



Juan Junco
Council Member



Monica Perez
Council Member

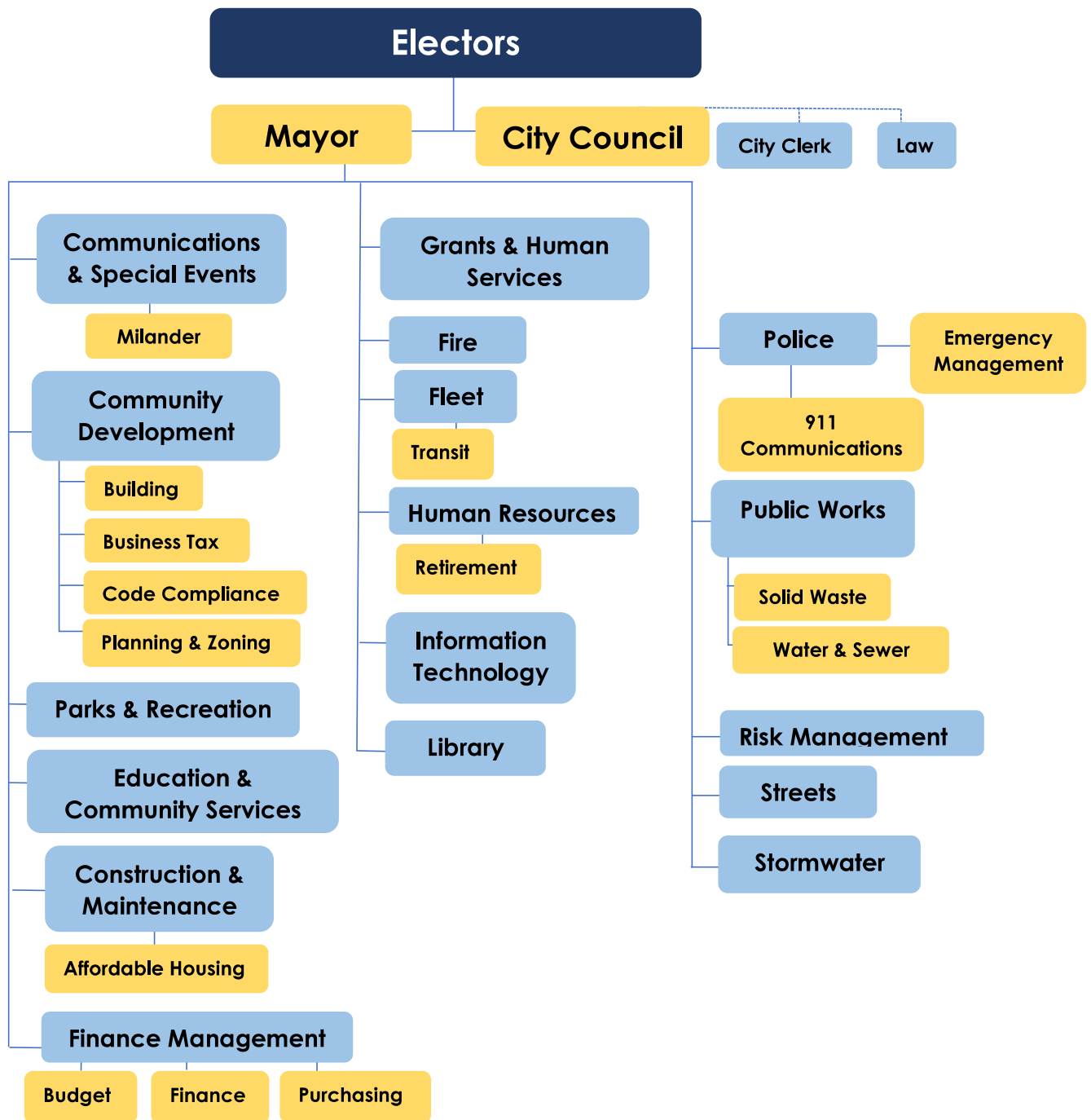
Rafael E. Suarez-Rivas, Esq.
City Attorney

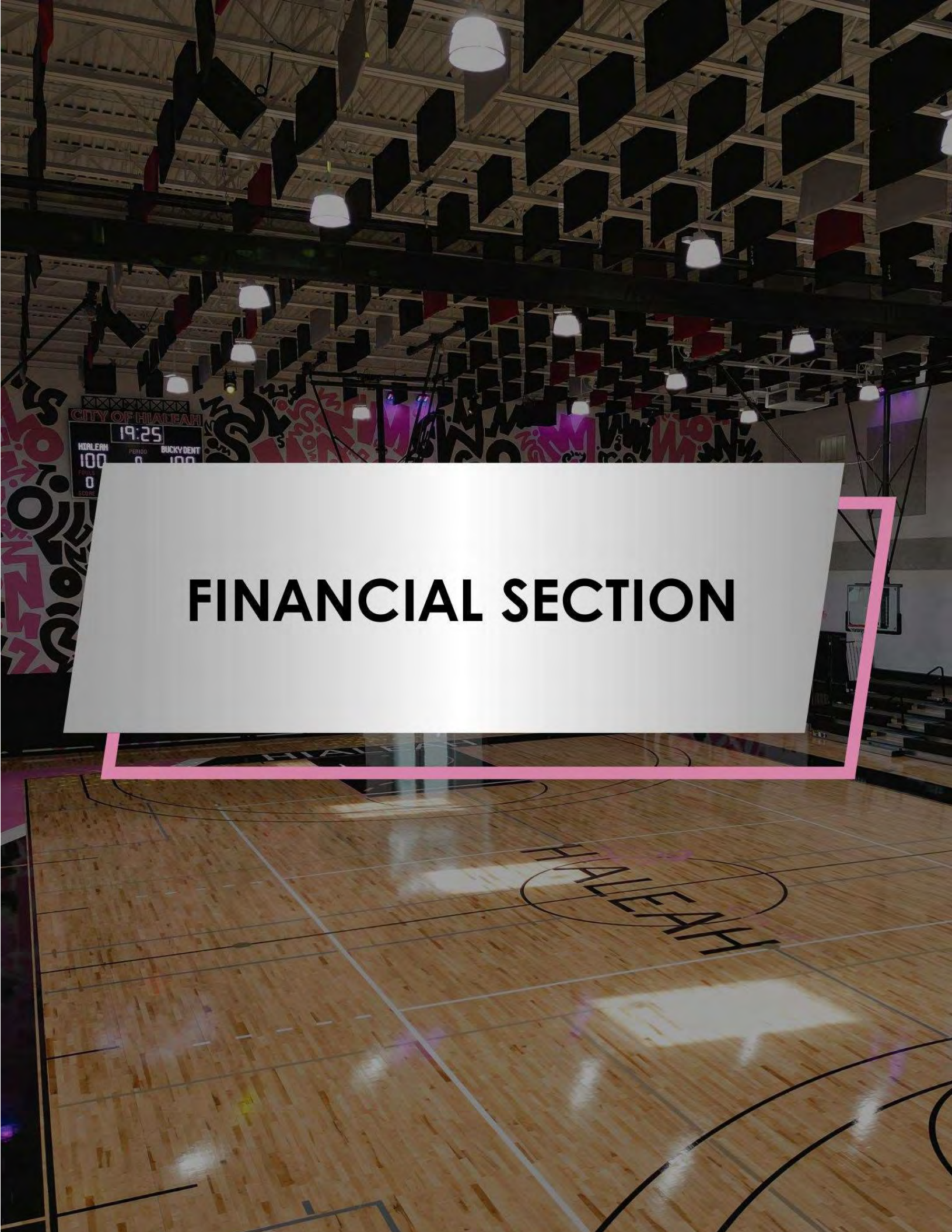


Jesus Tundidor
Council Member

Marbelys Fatjo, Esq.
City Clerk

Prepared by:
Finance Department and Administration





FINANCIAL SECTION

An aerial photograph of a suburban neighborhood with numerous houses, trees, and a road. A large, semi-transparent white rectangle with a pink border is overlaid on the image, containing the text 'INDEPENDENT AUDITORS' REPORT'.

INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

The Honorable Mayor and Members of the City Council
City of Hialeah, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Emphasis of Matter – Correction of an Error

As discussed in Note 17 to the financial statements, the September 30, 2023 net position balances have been restated for the correction on an error. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the schedules included in the required supplementary information section in the accompanying table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements, as listed in the table of contents, and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General of the State of Florida, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Miami, FL
June 30, 2025

This page is intentionally left blank.

A photograph of the City of Hialeah building, a white structure with a clock tower and a balcony. A large circular sign on the building reads "CITY OF HIALEAH 100 YEARS 1925 - 2025 FLORIDA". In the foreground, there is a large agave plant. A white rectangular box with a pink border is overlaid on the image, containing the text "MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)".

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

As management of the City of Hialeah, Florida, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024.

Financial Highlights

- The liabilities and deferred inflows of resources of the City of Hialeah's governmental and business-type activities exceed its assets and deferred outflows of resources at the close of the most recent fiscal year by a deficit of \$214.8 million.
- Net position of the City's governmental activities decreased by \$28.9 million (10.69%) during the current fiscal year to a deficit of \$298.9 million. This was primarily due to a restatement of Net Position as of September 30, 2023 (see note 17), and an increase in net pension liability during the current year.
- Net position of the City's business-type activities decreased by \$2.7 million (3.11%) during the current fiscal year to \$84.1 million. This was primarily due to a restatement of Net Position as of September 30, 2023 (see note 17), and an increase in net pension liability during the current year.
- At the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$182.5 million, an increase of approximately \$17.2 million.
- At the close of the current fiscal year, the unassigned fund balance for the General Fund was approximately \$62.1 million, or 69% of the total fund balance of \$89.6 million. The non-spendable fund balance was \$1.5 million which represents inventory, which is an amount that is not spendable in nature. The committed amount of \$6.3 million is for future expenditures determined by a formal action of the City Council. The \$19.7 million of assigned fund balance was approved for future use on specific purposes. The \$62.1 million of unassigned fund balance is considered undesignated at the closing of the year and are funds available for spending at the government's discretion. It is important for readers to understand that these funds available for spending are essential for long-term commitments and unanticipated contingencies and should not be considered superfluous.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to these basic financial statements, this report contains other supplementary information.

Government-wide financial statements

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

- The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, 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.

Overview of the Financial Statements (Continued)

Government-wide financial statements (Continued)

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

The governmental activities of the City include police, fire, streets, grants, bus circulator and human services, state housing initiative, library, code compliance, licenses, fleet maintenance, construction and maintenance, recreation and community services, building, planning and development, and general and administrative services.

The business type activities of the City include solid waste, water and sewer and storm-water operations. The government-wide financial statements can be found on pages 31-35 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City'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, the reader may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and the Building Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregate presentation.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Governmental funds (Continued)

Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund, Building Fund, and other governmental funds. Budgetary comparison statements have been provided for the General Fund, Building Fund, and governmental funds with legally adopted budgets to demonstrate compliance with these budgets. The basic governmental fund financial statements can be found on pages 33-35 of this report.

Proprietary funds

The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, solid waste, and storm-water operations.

The proprietary funds provide 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 and sewer, solid waste, and storm-water operations, which are considered to be major funds of the City. The basic proprietary fund financial statements can be found on pages 36-40 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 41-42 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 43-102 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including, but not limited to, budgetary comparison schedules of the General Fund and Building Fund, Coronavirus State and Local Fiscal Recovery Fund, and information concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 103-111 of this report. The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information. Combining and individual statements and schedules can be found on pages 112-145 of this report.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of the City's financial position. In the case of the City of Hialeah, the liabilities and deferred inflows of resources the City exceed its assets and deferred outflows of resources at the close of the most recent fiscal year by \$214.8 million net position (deficit). This is a 17.22% increase compared to last year's net position (deficit) of \$183.2 million. This was due to an increase to the deficit of \$28.9 million in governmental activities and an increase in \$2.7 million in business-type activities respectively.



CITY OF HIALEAH - NET POSITION						
	Governmental Activities	Business-type Activities	Total 2024	Governmental Activities	Business-type Activities	Total 2023
Current and other assets	\$ 275,605,445	\$ 83,927,681	\$ 359,533,126	\$ 233,268,081	\$ 73,841,325	\$ 307,109,406
Restricted assets	4,066,548	19,346,736	23,413,284	4,775,159	27,167,115	31,942,274
Capital assets, net	248,302,195	187,981,117	436,283,312	238,369,460	193,201,585	431,571,045
Total assets	527,974,188	291,255,534	819,229,722	476,412,700	294,210,025	770,622,725
Deferred outflows of resources	76,909,691	12,932,906	89,842,597	165,843,968	24,634,542	190,478,510
Long-term liabilities	723,069,254	166,814,492	889,883,746	702,419,648	173,533,041	875,952,689
Other liabilities	84,538,614	37,999,400	122,538,014	83,388,064	37,265,233	120,653,297
Total liabilities	807,607,868	204,813,892	1,012,421,760	785,807,712	210,798,274	996,605,986
Deferred inflows of resources	96,137,644	15,285,169	111,422,813	126,457,303	21,255,562	147,712,865
Net position						
Net investment in capital assets	174,639,561	141,893,013	316,532,574	165,675,071	144,982,224	310,657,295
Restricted	95,666,482	-	95,666,482	90,698,252	-	90,698,252
Unrestricted	(569,167,676)	(57,803,634)	(626,971,310)	(526,381,670)	(58,191,493)	(584,573,163)
Total net position	\$ (298,861,633)	\$ 84,089,379	\$ (214,772,254)	\$ (270,008,347)	\$ 86,790,731	\$ (183,217,616)

Note: Amounts reported as of September 30, 2023, derived from the 2023 audited financial statements and have not been adjusted for a restatement to ending Net Position as of September 30, 2023. Restating historical information presented in the required supplementary information, including the MD&A, as of October 1, 2022 and for prior years was deemed impractical, as such changes would span back to the implementation date of GASB Statement No. 68 (fiscal year 2014). See Note 17 to the financial statements.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Government-wide Financial Analysis (Continued)

By far the largest portion of the City's net position \$316.5 million reflects its investment in capital assets; less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, they are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position \$95.7 million represents resources that are subject to external restrictions on how they may be used. The remaining balance is considered unrestricted net position and that amount is a \$627.0 million deficit. This figure illustrates that if all liabilities became due at this point in time, total assets would be insufficient to cover all of our obligations. Capital assets of the City would need to be sold in order to meet contingencies.

Net position of the City's governmental activities increased by \$28.1 million (10.69%) from \$270.0 million deficit for last fiscal year, compared to \$298.9 million deficit in the current fiscal year. See detailed explanation under Financial Highlights.

Net position of the City's business-type activities decreased by \$2.7 million (3.11%) from \$86.8 million for last fiscal year, compared to \$84.1 million in the current fiscal year.

Governmental activities

Inclusive of the restatement of Net Position and Fund Balance as of September 30, 2023, Governmental activities increased the City's deficit net position by \$28.9 million in the current fiscal year, while the net change in fund balance for the governmental funds increased by \$20.0 million in the current fiscal year. These changes reported in the statement of activities do not require the use of current financial resources. Revenues in ad valorem taxes increased by approximately \$14.0 million in the current fiscal year; this was due to an increase in the assessed property values within the City by the Miami-Dade County Property Appraisers' Office. The increased in ad valorem tax revenue collected helped the City maintain the high level of services provided to the City's residents while the City's operational expenditures, such as salaries, health insurance and pension contributions continue to increase at a steady rate, the City of Hialeah has diligently maintained its promise not to raise taxes and in fact it maintained the City's millage rate of 6.3018 from the prior year and it will remain the same for the coming fiscal year.

Business-type activities

Inclusive of the restatement of Net Position as of September 30, 2023, net position of the City's business-type activities decreased by \$2.7 million in the current fiscal year. The Water and Sewer Utility fund decreased by \$9.8 million, the Solid Waste fund increased by \$4.5 million, and the Stormwater Utility fund increased by \$2.6 million. See further explanation regarding the Solid Waste fund deficit in Note 1 (D), item 21. See detailed explanation under Financial Highlights.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

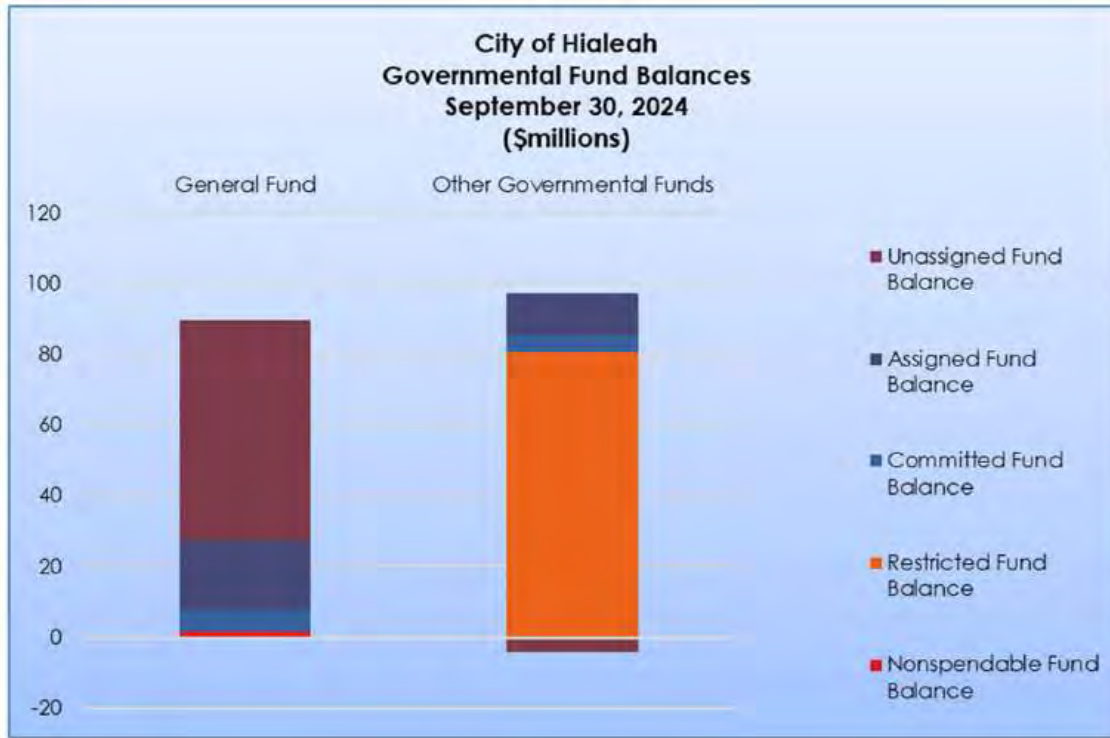
Government-wide Financial Analysis (Continued)

	CITY OF HIALEAH - CHANGES IN NET POSITION					
	Governmental Activities	Business-type Activities	Total 2024	Governmental Activities	Business-type Activities	Total 2023
Revenues:						
Program revenues:						
Charges for services	\$ 8,920,320	\$ 128,099,974	\$ 137,020,294	\$ 54,136,217	\$ 119,222,725	\$ 173,358,942
Operating grants & contributions	24,236,103	-	24,236,103	22,502,980	-	22,502,980
Capital grants & contributions	40,099,940	14,204	40,114,144	6,527,636	-	6,527,636
General Revenues:						
Property taxes	107,254,522	-	107,254,522	93,270,127	-	93,270,127
Utility taxes	28,814,018	-	28,814,018	27,324,060	-	27,324,060
Franchise fees on gross receipts	21,178,458	-	21,178,458	18,947,653	-	18,947,653
Intergovernmental revenue	40,976,036	-	40,976,036	41,555,164	-	41,555,164
Unrealized gain (loss) on investments	-	1,441,786	1,441,786	-	52,823	52,823
Gain on disposal of capital assets	56,611	-	56,611	266,389	-	266,389
Unrestricted interest	9,372,502	1,809,867	11,182,369	6,222,767	1,547,320	7,770,087
Total revenues	\$ 280,908,510	\$ 131,365,831	\$ 412,274,341	\$ 270,752,993	\$ 120,822,868	\$ 391,575,861
Expenses:						
General government	91,852,245	-	91,852,245	79,403,672	-	79,403,672
Police	90,040,659	-	90,040,659	71,283,219	-	71,283,219
Fire	72,821,797	-	72,821,797	61,847,983	-	61,847,983
Streets	6,992,050	-	6,992,050	5,019,820	-	5,019,820
Recreation and community services	17,057,401	-	17,057,401	13,879,858	-	13,879,858
Interest on long-term debt	2,733,637	-	2,733,637	2,684,136	-	2,684,136
Water & sewer	-	110,178,603	110,178,603	-	93,289,082	93,289,082
Solid waste	-	18,450,263	18,450,263	-	12,125,255	12,125,255
Stormwater	-	2,395,027	2,395,027	-	4,635,878	4,635,878
Total expenses	281,497,789	131,023,893	412,521,682	234,118,689	110,050,215	344,168,904
Increase (decrease) in net position before transfers	(589,279)	341,938	(247,341)	36,634,304	10,772,653	47,406,957
Transfers	(874,166)	874,166	-	(3,903,081)	3,903,081	-
Change in net position	(1,463,445)	1,216,104	(247,341)	32,731,223	14,675,734	47,406,957
Net position - beginning as previously reported	(270,008,347)	86,790,731	(183,217,616)	(302,897,883)	72,114,997	(230,782,886)
Errors and adjustments (note 17)	(27,389,841)	(3,917,456)	(31,307,297)	158,313	-	158,313
Net position - Beginning as Restated	(297,398,188)	82,873,275	(214,524,913)	(302,739,570)	72,114,997	(230,624,573)
Net position-ending	\$ (298,861,633)	\$ 84,089,379	\$ (214,772,254)	\$ (270,008,347)	\$ 86,790,731	\$ (183,217,616)

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Financial Analysis of the City's Funds

As noted earlier, the City of Hialeah uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.



Governmental funds

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

As of the end of the current fiscal year, the City's *other governmental funds* reported combined ending fund balances (restricted, committed and non-spendable) of \$39.5 million, an increase of approximately \$1.3 million. The individual *statement of revenues, expenditures and changes in fund balances* for nonmajor governmental funds can be found on pages 118-122 of this report.

Unassigned fund balance in the amount of \$62.0 million in the General Fund constitutes an amount which is available for spending as explained earlier under Financial Highlights. The remainder of fund balance is *non-spendable* to indicate it is not available for spending because they are in non-spendable form (i.e., inventory and prepaid expenses), restricted by creditors, assigned for specific purposes, and committed is for future expenditures determined by a formal action of the City Council.

The General Fund is the chief operating fund of the City. General tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. General operating expenses, fixed charges and capital improvement costs not paid through other funds are paid from this fund.

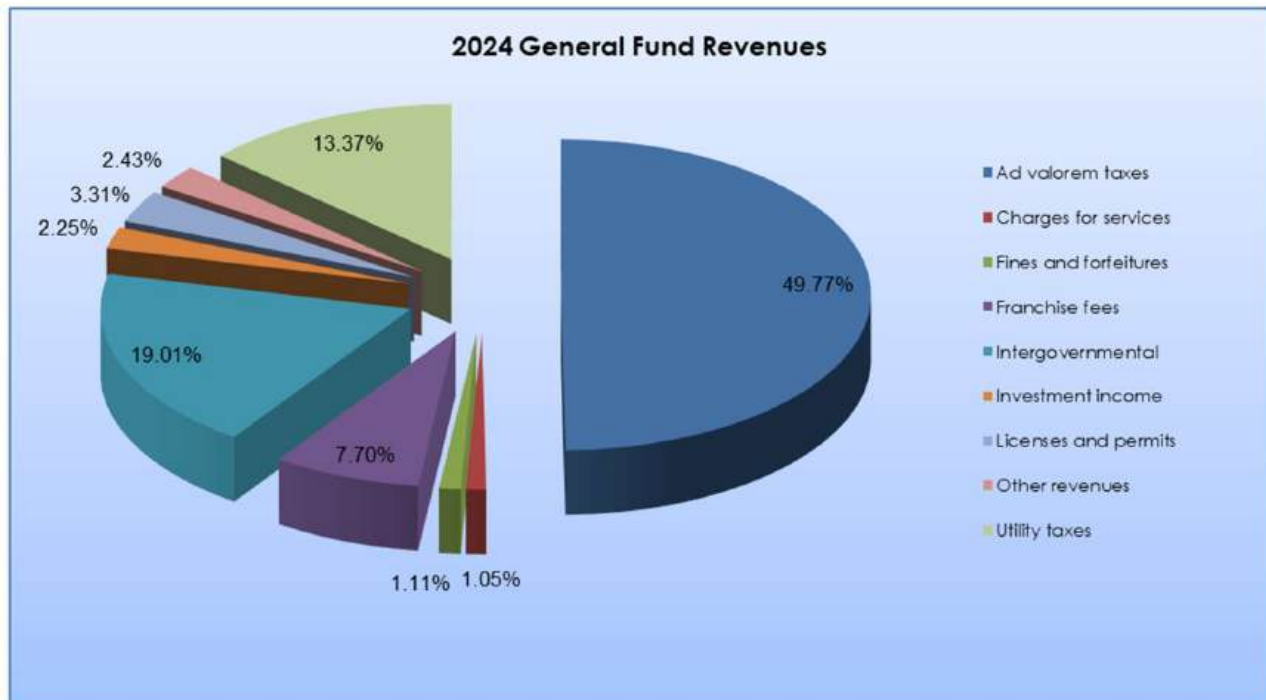
CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Financial Analysis of the City's Funds (Continued)

Governmental funds (Continued)

The amount of General Fund revenue from various sources, the percentage of the total and the amount of change compared to last fiscal year are shown in the following schedule:

Revenue Sources	2024		2023		Amount	Percent
	2024 Amount	Percent of Total	2023 Amount	Percent of Total	Incr (Decr) From Prior Year	Incr (Decr) From Prior Year
Ad valorem taxes	\$ 107,254,522	49.77%	\$ 93,270,127	46.88%	\$ 13,984,395	14.99%
Charges for services	2,266,484	1.05%	2,065,426	1.04%	201,058	9.73%
Fines and forfeitures	2,391,258	1.11%	2,136,370	1.07%	254,888	11.93%
Franchise fees	16,585,444	7.70%	16,725,503	8.41%	(140,059)	-0.84%
Intergovernmental	40,976,036	19.01%	41,555,164	20.89%	(579,128)	-1.41%
Investment income	4,851,186	2.25%	3,535,060	1.78%	1,316,126	27.13%
Licenses and permits	7,142,973	3.31%	7,059,270	3.55%	83,703	1.17%
Other revenues	5,237,741	2.43%	5,286,862	2.66%	(49,121)	-0.94%
Utility taxes	28,814,018	13.37%	27,324,060	13.73%	1,489,958	5.45%
Total	<u>\$ 215,519,662</u>	<u>100.00%</u>	<u>\$ 198,957,842</u>	<u>100.00%</u>	<u>\$ 16,561,820</u>	<u>8.32%</u>



Total General Fund revenues increased by \$16.5 million or 8.32% in fiscal year 2024. The larger increases in revenues include, increases of approximately \$14.0 million in ad valorem taxes , approximately \$1.3 million in investment income, approximately \$1.5 million in utility taxes. The City experienced a decrease in franchise fees of approximately \$140 thousand, intergovernmental of approximately \$579 thousand, and other revenues of approximately \$49 thousand during fiscal year 2024.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Financial Analysis of the City's Funds (Continued)

Governmental funds (Continued)

The amount of the General Fund expenditures by department, the percentage of the total and the amount of change compared to last fiscal year are shown in the following schedule:

<u>Expenditures</u>	2024		2023		Amount	Percent
	Percent of		Percent of		Incr (Decr)	Incr (Decr)
	<u>2024 Amount</u>	<u>Total</u>	<u>2023 Amount</u>	<u>Total</u>	<u>From Prior Year</u>	<u>From Prior Year</u>
911 communications	\$ 6,627,978	3.21%	\$ 5,585,860	3.09%	\$ 1,042,118	18.66%
Business tax	1,332,463	0.65%	1,111,245	0.62%	221,218	19.91%
City Clerk's office	1,986,512	0.96%	1,479,828	0.82%	506,684	34.24%
Code compliance	1,255,912	0.61%	748,065	0.41%	507,847	67.89%
Communication and special events	2,213,774	1.07%	1,205,807	0.67%	1,007,967	83.59%
Construction & maintenance	3,628,458	1.76%	3,547,477	1.96%	80,981	2.28%
Education and community services	2,734,103	1.32%	2,470,037	1.37%	264,066	10.69%
Emergency management	115,792	0.06%	24,342	0.01%	91,450	375.69%
Employee retirement	972,992	0.47%	824,168	0.46%	148,824	18.06%
Finance	2,043,922	0.99%	1,663,622	0.92%	380,300	22.86%
Fire	53,133,864	25.73%	49,969,862	27.66%	3,164,002	6.33%
Fleet maintenance	3,425,236	1.66%	3,710,687	2.05%	(285,451)	-7.69%
General government	6,221,225	3.01%	3,481,935	1.93%	2,739,290	78.67%
Human resources	1,630,040	0.79%	1,473,654	0.82%	156,386	10.61%
Information technology	3,619,157	1.75%	2,828,385	1.57%	790,772	27.96%
Law	1,881,858	0.91%	1,678,382	0.93%	203,476	12.12%
Library	2,152,546	1.04%	1,931,282	1.07%	221,264	11.46%
Marketing and sponsorship	5,796	0.00%	-	0.00%	5,796	0.00%
Milander center	933,278	0.45%	1,249,173	0.69%	(315,895)	-25.29%
Office of the Mayor	507,037	0.25%	548,808	0.30%	(41,771)	-7.61%
OMB	979,499	0.47%	948,369	0.53%	31,130	3.28%
Parks and recreation	13,758,776	6.66%	12,667,992	7.01%	1,090,784	8.61%
Planning and zoning	1,915,712	0.93%	1,150,425	0.64%	765,287	66.52%
Police	71,637,608	34.68%	65,012,138	35.99%	6,625,470	10.19%
Purchasing	1,042,630	0.50%	940,924	0.52%	101,706	10.81%
Risk management	641,641	0.31%	845,123	0.47%	(203,482)	-24.08%
Debt service	3,493,609	1.69%	2,192,025	1.21%	1,301,584	59.38%
Capital outlay	<u>16,646,460</u>	<u>8.06%</u>	<u>11,339,163</u>	<u>6.28%</u>	<u>5,307,297</u>	<u>46.81%</u>
Total	<u>\$ 206,537,878</u>	<u>100.00%</u>	<u>\$ 180,628,778</u>	<u>100.00%</u>	<u>\$ 25,909,100</u>	<u>14.34%</u>

Note: Amounts reported for fiscal year 2023, derived from the 2023 audited financial statements and have not been adjusted for a restatement disclosed in Note 17.

Financial Analysis of the City's Funds (Continued)

Governmental funds (Continued)

Building Fund

This fund is used to account for all revenues and expenditures related to building fund activities. During the current fiscal year, the fund reported revenues of approximately \$10.9 million mainly from permit fees and expenditures of approximately \$7.9 million. The fund balance at year end was approximately \$53.4 million.

Coronavirus State and Local Fiscal Recovery Fund

This fund is used to account for all revenues and expenditures related to The American Rescue Plan Act of 2021. During the current fiscal year, the fund reported revenues of approximately \$985 thousand from the resources allocated to the City, and expenditures of approximately \$985 thousand.

Proprietary funds

The City maintains three proprietary funds. *Enterprise funds* are used to provide the same type of information found in the government-wide financial statements, but in more detail. The City uses proprietary funds to account for its water and sewer, solid waste, and storm-water operations.

Unrestricted net position of all the enterprise funds at the end of the year amounted to a \$57.8 million deficit; \$33.9 million deficit for the Water and Sewer fund, \$28.6 million deficit for the Solid Waste fund, and \$4.7 million surplus for the Stormwater Utility fund.

General Fund Budgetary Highlights

The differences in the *actual* revenues and expenditures as compared to the *budget* are summarized as follows:

- Fines and forfeitures revenues were greater than budgeted figures by \$435 thousand or 22.8%, primarily due to an increase in code enforcement citations.
- Investment income revenues were greater than budgeted figures by \$851 thousand or 21.2% primarily due to an increase in investment return earnings.
- Charges for services revenues were greater than budgeted figures by \$224 thousand or 11.0%, primarily due to an increase in park services and rental fees.
- Other revenues were greater than budgeted figures by \$849 thousand or 19.4%, primarily due to an increase in miscellaneous revenues.
- Intergovernmental revenues were greater than budgeted figures by \$3.3 million or 8.9%, primarily due to an increase half cent tax and state revenue sharing's.
- The Police department expenditures were less than budgeted figures by \$1.7 million or 2.2% primarily due to salary savings from various vacancies in sworn personnel.
- The 911 Communications division expenditures were less than budgeted figures by \$646 thousand or 8.6% primarily due to salary savings from various vacancies.
- The Emergency Management department expenditures were less than budgeted figures by \$396 thousand or 74.5%, primarily due to savings from vacancies.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Capital Assets and Debt Administration

Capital assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2024 totals \$436.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, improvements other than buildings, and machinery and equipment. The total increase in the City's investment in capital assets for the current fiscal year was approximately \$4.7 million.

	CAPITAL ASSETS (NET OF DEPRECIATION)					
	September 30, 2024			September 30, 2023		
	Governmental	Business-Type	Total	Governmental	Business-Type	Total
Land	\$ 29,694,984	\$ 4,202,141	\$ 33,897,125	\$ 29,694,984	\$ 4,202,141	\$ 33,897,125
Construction in progress	7,005,903	519,768	7,525,671	22,390	2,084,157	2,106,548
Buildings and utility plants	88,349,979	53,306,839	141,656,818	89,701,523	53,831,715	143,533,238
Improvements other than buildings	2,552,300	-	2,552,300	3,108,734	-	3,108,734
Furniture, fixtures, machinery and equipment	29,525,253	1,875,681	31,400,934	23,792,299	493,774	24,286,073
Furniture, fixtures, machinery and equipment - Charter School	-	-	-	1,531,329	-	1,531,329
Infrastructure	81,759,602	128,076,688	209,836,290	87,886,653	132,589,797	220,476,450
Leases (Right-to-use asset)	1,008,603	-	1,008,603	1,882,575	-	1,882,575
Subscription arrangements	8,405,570	-	8,405,570	748,972	-	748,972
Total capital assets	<u>\$ 248,302,194</u>	<u>\$ 187,981,117</u>	<u>\$ 436,283,311</u>	<u>\$ 238,369,459</u>	<u>\$ 193,201,585</u>	<u>\$ 431,571,045</u>

Additions and transfers to capital assets before depreciation for governmental activities equaled approximately \$36.7 million, including CIP of approximately \$7.0 million. The following additions and transfers include the following items:

- Additions to building and utility plants for re-roofing, cooling system installation and elevator maintenance for Police Department, and installation of generators for Affordable Housing Program totaled approximately \$1.2 million.
- Additions to infrastructure for roadway and drainages improvements of several City Street projects totaling approximately \$2.2 million and for enhancing the City's Park infrastructure system totaling approximately \$1.7 million.
- Additions in the asset category of furniture, fixtures, machinery equipment were due primarily to the purchase of various equipment and vehicles for City departments, in the amount of approximately \$15.2 million for the current fiscal year.

Additions and transfers to capital assets before depreciation for business type activities equaled approximately \$5.5 million. The following additions and transfers include the following items:

- Additions and transfers to infrastructure include sewer pump stations and fire hydrants throughout the City totaling approximately \$519 thousand.
- Additions to building for re-roofing of the Public Works Buildings and capital repairs for RO Plant totaling approximately \$394 thousand.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Capital Assets and Debt Administration (Continued)

Additional information on the City's capital assets can be found in Note 10, starting on page 68 of this report.

Long-term debt

The City's net outstanding debt increased by approximately \$15.8 million during the current fiscal year. The change was primarily due to a decrease in OPEB liability of \$20.8 million, and an increase in net pension liability of \$38.4 million. Additional information on the City's long-term debt can be found in the notes to the financial statements. More in depth detail can be found in Note 11, starting on page 69 of this report.

OUTSTANDING DEBT		
	2024	2023
Bonds, loans and notes payable	\$105,812,513	\$112,673,381
Leases	4,741,285	5,673,427
Leases (Right-to-use asset)	1,055,671	1,892,561
Subscription arrangements	8,141,269	674,382
Other long-term debt	751,159,914	734,193,401
Total	<u>\$870,910,652</u>	<u>\$855,107,152</u>

Economic Factors and Next Year's Budgets and Rates

The City's local economy is primarily based upon industrial, light manufacturing and service-related companies.

During the current fiscal year, unassigned fund balance in the General Fund increased to \$62.1 million. The unassigned fund balance is approximately four and half months of the General Fund budgeted expenditures for fiscal year 2024-2025.

The following graph shows the City's unassigned fund balance for the last eight years:



CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Economic Factors and Next Year's Budgets and Rates (Continued)

In 1995, the State of Florida limited all local governments' ability to raise homestead assessed property value in any given year by 3% or cost of living, whichever is lower. As the following graph indicates, the City's property tax rates were reduced by almost 1/4 of a mill in 2013. The City's operational expenditures, such as salaries, health insurance and pension contributions continue to increase steadily, and the City's revenue resources increased during fiscal year 2024 due to favorable housing market conditions but these increases are more limited. During fiscal year 2023-2024 the City maintained the millage rate at 6.3018 mills, as it was in the previous fiscal year. The City has improved and has invested significant revenue resources to cover the cost of government operations, while maintaining a full complement of municipal services (police, fire, parks, recreation, libraries, education, community services and affordable housing) at optimum levels without the need for additional voter approved debt.



2024 Fiscal Year Accomplishments

During the 2023–2024 fiscal year, the City of Hialeah strategically invested revenues from a variety of sources in ways that reflect a forward-looking vision. These investments aim to benefit both current residents and future generations. Below is a summary of some of the City's most significant accomplishments this year:

- **Hialeah 2050 Master Plan Progress**

The City completed 75% of its Master Plan, launched in September 2023. This comprehensive plan assesses current conditions, identifies areas for development and redevelopment, outlines new transit and mobility options, and evaluates infrastructure needs. The plan is scheduled for completion by May 2025 and will guide regulatory updates and future growth. The project team aims to transform Hialeah into a vibrant, sustainable, and well-connected community. Visit the Hialeah 2050 Master Plan website: <https://www.hialeah2050.com/>

- **Active Redevelopment in Historic Areas**

Significant construction is underway in the City's older 20-square-mile area, including projects in the mall district, industrial zones, the historic racetrack, and aging multifamily neighborhoods. Notably, a 15-acre former Sears site is being redeveloped into an upscale, mixed-use community featuring 815 multifamily units and 21,000 square feet of commercial space, primarily for entertainment venues. These new developments will complement the area's existing thriving small businesses.

2024 Fiscal Year Accomplishments (Continued)

• Hialeah Racetrack Redevelopment

The first phase of the Hialeah Racetrack redevelopment is actively under construction. It will feature approximately 300 garden-style residential units and associated amenities, revitalizing this iconic location.

• Transit-Oriented Development (TOD) Expansion

The City's two TOD districts Hialeah Market Station and Hialeah Transfer Station are leveraging the area's unique combination of Amtrak, Tri-Rail, and Metrorail services. So far, 18 projects totaling 3,955 residential units have been approved. Of these, 30 units are occupied, 559 will be completed by April 2025, and 300 are under construction. The implementation of the TOD districts and confirmation that Amtrak will not extend to Miami International Airport have prompted transit agencies to recognize the Transfer Station area as a primary transit hub. Plans are underway to enhance pedestrian connectivity and support further redevelopment in this area, which is expected to experience the highest growth in the coming years. Improved pedestrian connectivity is planned to enhance the area's role as a regional transit hub.

• Continued Growth in Hialeah Heights

Hialeah Heights, a 1,920-acre (3-square-mile) area annexed in 2003 on the City's northwestern edge, continues to grow. Two vacant parcels are slated for multifamily developments totaling approximately 400 residential units. The City is in the early planning stages of constructing a multi-service facility to serve residents and businesses in the area. The facility will include a police and fire substation, a library, and offices for community development services. Environmental cleanup is required prior to development, and the City is actively pursuing funding to support this process.

• The Hialine Linear Park Initiative

Plans for the Hialine a new linear park and mobility corridor under the elevated Metrorail tracks are moving forward. This currently underused and undermaintained land is being reimagined to enhance recreational and transportation options. The project recently received approval from the Miami-Dade County Tourism and Recreation Committee and will soon be considered by the Board of County Commissioners. Phase one will link the Hialeah Transfer Station with Hialeah Park, with future phases aligning with the Hialeah 2050 Master Plan.

911 Communications

- Hired 10 Public Safety Dispatchers/Information Officers.
- Began building the 911 Public safety Communications Tower.
- Replaced UPS at the Police Compound/EOC Building.
- Implemented Autura Tow Management System.
- Installed/outfitted over 50 Police radios in patrol units.
- Implemented employee appreciation week and employee lounge was equipped.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

2024 Fiscal Year Accomplishments (Continued)

Building

- Refined and simplified the permit application process through Tyler's Energov permitting software.
- Upgraded workstations to provide improved efficiency and performance for daily tasks and activities.
- Streamlined the submittal process for various minor permits from different disciplines to allow a full electronic review and issuance.

Business Tax

- Continued our quarterly Business News Letter.
- Implemented Tyler Software.
- Exceeded our budgeted revenues.
- Adopted Code enforcement procedures.
- Worked with other departments and council members to help write ordinances.

City Clerk

- Successfully implemented the Public Records Request Portal with Next Request
- Successfully has begun to setting up the platform for Agenda Quick to create paperless meeting agendas.
- This Department is negotiating a contract with VoterFocus.
- Began the transitioning City-wide records to access and reclassified a Records Clerk from Part-time to full-time.
- Commenced registering speakers to participate in the City Council Meetings.

Code Compliance

- Launched the foreclosure registry program with HERA.
- Hired (4) code enforcement officers and (2) code enforcement inspectors obtained level 3 certification.
- Implemented weekends and after-hours task force.

Communications and Special Events

- 1st Place Instagram- Florida Festivals and Events Association.
- 2nd Place – Social Media Advertising Campaign for the city of Hialeah Independence Day Celebration.
- 3rd Place – Television Ad for the City of Hialeah Independence Day Celebration.

Construction and Maintenance

- Completed JFK re-roof, JFK Walkway, JFK Historical room, bathroom to ADA in JFK.
- Completed Edgar J Hall Fitness Center and Fleet Road Recovery System project.
- Installed LED Lighting in Bucky Dent, Milander aquatic, McDonald aquatic, Cotson Parks.
- Renovated the Main Drain line and new footing for Burn House in Fire station #7.
- Repaired Generators City-Wide.
- Retrofitted fit base with LED lighting and office.
- Renovated Public works lobby and Finance, Purchasing and Law offices.

Education and Community Services

- ECS Division received 3 CDBG grants for Therapeutic, Senior and Step Ahead Social Enrichment.
- Re-awarded a grant of \$1,300,000.00 a year from the Children's Trust for the after school and summer programming beginning August 15, 2024.
- Re-awarded a grant for young leaders with Character Orange Program serving students in grades 6-8th at Hialeah Middle, COHEA, and Henry H Filer for the 2024-2025 year.
- Completed the Edgar J. Hall Special Olympics "Milton Fitness Center" and recreation room renovation with a generous donation from the Jose Milton Foundation.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

2024 Fiscal Year Accomplishments (Continued)

- Continued building existing partnerships with Florida International University, Miami-Dade County Public Schools, Hialeah Adult Education Center and Hialeah-Miami Lakes Adult Education Center.

Finance

- Assisted Fleet Department in enhancing inventory and fuel reporting.
- Collaborated with Parks Departments revising their Parks and Pool refund Policy process.
- Worked with IT and Clerks Office to implement online payments for PRRs.
- Assisted Public Works in Springbrook ERP System and reconciliation process.
- Trained all Finance employees on Microsoft Office Suite.
- Finance team attended 2 ½ days at GFOA workshop preparing for ERP project.
- Finance team has been fully cross-trained to have backup each position and support during the ERP project.
- Modified operation in the Cashier's Office with Tyler Software.

Fire

- Purchased 3 new rescue trucks and purchased and replaced 200 Motorola P25portable radio batteries and 50 Motorola radio antennas.
- Purchased and replaced aging fire apparatus Quint-9, 24 thermal imaging cameras, 95 SCBA and 280 SCBA masks.
- Updated and remodeled Kitchen for Fire Station 7.5.1.
- Purchased 158 sets of Firefighters Bunker gear, 6 set of old gasoline powerplant hydraulic extrication tools, new fire hose of all sizes, 5 batteries operated exhaust fans, and a new fire engine -7.
- Updated the Elite patient report writing software, completed training of the City of Hialeah staff.
- Continued to update the Hialeah Police Department officers in First Aid and provide them with tourniquets, first aid equipment and Intra Nasal Narcan and Intramuscular Narcan training for fentanyl exposures.
- Participated in HEROS grant program, and updated the Combined EMS Common Protocol Manual.
- Completed training in ASHER, Active shooter protocol, and heat exhaustion treatment protocol.
- Updated 50% of fire Prevention SOGs, introduced Food Truck Ordinance, established and expanded code enforcement, and raised awareness of Carbon Smoke alarm detector safety.
- Participated in Fire Prevention Week and Awareness week, and provided fire prevention news.
- Participated in the Second Annual Human Trafficking Seminar, received new fire prevention vehicles, and purchased updated state-of-the-art burn building.
- Completed training and certification in Rope OPS and Rope Tech Level.
- Maintained our Fire Department Class one ISO rating.
- Completed all permits for ALS and BLS units and established our fire department Uniform Manual.

Fleet

- Upgraded fuel dispensers.
- Renewed Fleet service Trucks.
- Advance in Sustainability Efforts implementing LED lighting.

Human Resources

- Expanded existing partnership with local universities and colleges for summer internship opportunities.
- Assisted Law Department with the formation of a Certified Legal Internship Program with local universities.
- Administered trainings City-Wide and recognized the Second Employee of the Year.
- Introduced numerous HR forms to establish processes and procedures.

2024 Fiscal Year Accomplishments (Continued)

- Established an onboarding/new hire orientation for new employees.
- Administered examinations to employees classified as temporary/provisional, attended various job fairs and continued processing merit and annual evaluations City-wide.
- Conducted surveys to assist with Union negotiations.
- Created a manual for current payroll and recruitment procedures.

Information technology

- Deployed Wi-Fi in various City Buildings, Fire Stations and Parks.
- Assisted in Workday ERP, OpenGov, Inventory and Work orders.
- Assisted with the 911 phone service upgrade to ESINet.
- Replaced 232 computers, 48 laptops, 66 police MDTs, and 14 fire MDTs.
- Upgraded a portion of the City's virtual server environment and network infrastructure.
- Deployed Laserfiche to Public Works.
- Provided Security Awareness Training City-Wide.
- Assisted with Tyler technologies and began the migration of the City's authentication infrastructure.

Library

- Expanded public service hours and added Passport Services at main Library.
- Created a Local History room to house the growing Hialeah History Collection/Archive at Main Library.
- Completed the renovation of the public restrooms, and finalized JFK Library's walkway repairs.
- Provided a series of Digital Literacy Workshops.
- Offered a multi-week series of interactive ESOL classes for adults and children ages 6-12.
- Participated in youth and family programs that develop reading, listening, and critical thinking skills.
- Increased participation in informational, cultural, and literature-based programs and events.
- Expanded access to digital materials through addition of the Palace App.
- Applied for and was awarded a Florida State Aid to Libraries Grant, and a Federal Communications C's Universal Service Fund Grant.
- Renewed the Reciprocal Borrowing Agreement with Miami-Dade Public library system, the City of North Miami Public Library, and North Miami Beach Public Library.

Parks & Recreation

- Expanded youth and adult recreational programs in sport, implemented survey and evaluation guidelines, expanded Start Smart Program, inaugurated first season of intercity basketball league, and moved all league games indoors.
- Inaugurated Jr. NBA Program, new travel programs under "Hialeah Elite", conducted a camp to promote girls' basketball, opened a new e-sports lounge at Cotson Park, and competed for the first time at the Sunshine State Games.
- Implemented Recreation Center enhancements, landscape and beautification, upgraded lighting, increased staffing coverage, implemented CivicRec online registration platform.
- Received a grant for future capital project to construct turf field at Sparks Park.
- Completed capital improvement in Babcock Park, Babcock Community Pool, Bright Park, Bucky Dent Aquatic Center, Bucky Dent Park, Cotson Park, Ethel Primus Park, Goodlet Park, Graham Park, McDonald Park, Milander Aquatic Center, Milander park, Senator Roberto Casas Park, Southeast Park, Sparks Park, Walker Park, Wilde Community Park.
- Completed monument sign beautification at Ken Mattingly Park, Ethel Primus Park, and Timothy Artman Park.
- Continued reforestation projects targeting facilities with low shade canopy.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

2024 Fiscal Year Accomplishments (Continued)

Planning & Zoning

- Incorporated a Principal Planner into the Department to be in line with the increased demand related to high development activity.
- Cooperated in the preparation of P3 package for new city hall or analyze alternative options.
- Advanced the COH 2050 masterplan to meet 2025 deadline.
- Worked on TPO and other agencies to obtain funding for multi-modal mobility improvements.

Police

- Received 20 new officers.
- Acquired a state-of-the-art command vehicle equipped with cutting edge technology and to coordinate operations efficiently.
- Added 9 new motorcycles and 52 interceptor explorers
- Our efforts reduced the violent crimes and bolstered the safety of our neighborhoods.
- Organized engaging events and initiatives with local residents and schools.

Public Works

- Continued re-lining the city's sewer lines to avoid infiltration of ground water, decreasing the volume of wastewater treated.
- Implemented a bi-monthly customized customer service training program.
- Issued advisories about water breaks to ensure public safety.
- Continued with the water quality sampling for the City's Stage 2 Disinfection.
- Used by-product rules and FDOH
- Filled vacancies for critical position within the utility
- Upgraded the Utility Billing System to a cloud -based platform.
- Leveraged new capital project funding from State and Federal grants.
- Provided over \$2.5M in financial assistance to certain disadvantaged water and sewer customers.
- Implemented the 2023-2024 retail water and sewer rates approved by the City Council.

Purchasing

- Issued a combined 69 formal and informal solicitations and 2492 purchase orders.
- Implemented a new federal procurement Policy, new e-procurement, and cooperative policies.
- Started migration to an e-procurement platform.
- Issued a combined fifty-eight formal and informal solicitations
- Issued two thousand four hundred ninety-two purchase orders

Retirement

- Renewed the contracts with vendors.
- Completed and processed 4195 payroll change requests.
- Annual State report submitted and approved on time.
- Processed 52 normal/deferred/joint option retirements and 34 deceased retirees.
- Enrolled 84 participants into the 401A plan and 30 into ERS.
- Distributed 195 annuity savings funds and 95 pension contributions to resigned/retired employees.
- Distributed 9 DROP monies to resigned/retired employees.
- Expanded remote service capabilities.

Stormwater

- Extended and installed new French Drain systems at four flood-prone locations.
- Completed 496 work orders and serviced 1395 drains.

Transit

- Implemented the New Transit App ETA.
- Implemented infotainment system in the buses.
- Added Three On-demand Vehicles.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

2024 Fiscal Year Accomplishments (Continued)

Office of Management and budget

- Presented a consolidated annual operating budget and Capital improvement Plan (CIP) to the City Council, aligned with the City's vision, goals, and strategic plan, complying with statutory requirements and adhering to the Government Finance Officers Association (GFOA) standards and guidelines.
- Achieved the GFOA Distinguished Budget Presentation Award. This represents the 18th consecutive year that the City has received this prestigious award.
- Ensured strong fiscal stewardship by balancing the FY 2024 budget while improving public-facing services.
- Completed multiple departmental training sessions and attended various webinars from organizations such as the GFOA, State of Florida Department of Revenue, ICMA, and Workday.
- Created several new cost centers to enhance the tracking and monitoring of department budgets and activities.
- Continued to develop a more robust, balanced 5-year capital plan during the FY 2024 budget process.

Risk Management

- Engaged our insurance consultant to review and document the appropriate vendor Certificates of Insurance (COI) limits and coverages for all city vendors.
- Continued to conduct safety and OSHA classes for employees, supervisors, and management.
- Continue to provide safety inspections at different City facilities and review accidents and injuries with different departments monthly.
- Restructure the dependent verification process of the health insurance plans through open enrollment with benefits counselors.
- Conducted 10-15 OSHA safety classes in all City Departments.
- Code Ordinance Health Insurance Retiree.
- None payment Health Insurance Termination Notice process by FL State Law.
- Introduction of New Wellness equipment, we are pleased to announce the introduction of a state-of-the-art blood pressure machine in the lounge area.
- Stricter COI Review Procedure.

Streets

- Began the roadway and drainage improvements to W4 to 8 Ave from 16 to 17 St.
- Began the roadway and drainage improvements to E 4 to 6 Ave from 9 to 12 St.
- Began the roadway and drainage improvements to E 13th St, from E 6 Ave to E 10 Ave.
- Began the roadway and drainage improvements to E 44 to 6 Ave from 12 to 17 St.
- Pressure-washed 12 main corridor roadways throughout the City, including medians, sidewalks, curbs, and gutters. The City cleaned approximately 3.7 million square feet of concrete along the 12 main corridors.
- Planted 124 new trees throughout the City streets.
- Supplemented the City's Street Sweeping program to maintain the streets neater and minimize pollution and contamination entering the City's drainage systems.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Future Outlook

911 communications

- Continue hiring 911 Public safety Dispatchers/Information Officers.
- Explore Carbyne/Intrado's 911 Phone System Upgrades.
- Replace all computers/monitors in the 911 Communications Division.
- Explore upgrading Computer Aided Dispatch (CAD) system.
- Explore replacing the current Audio Recording System.
- Fully Staff the 911 Communications Division with cross trained employees.

Building

- Continue to provide outreach through community engagement to educate customers on basic permitting requirements.
- Improve workforce development and training to ensure all staff members are equipped to handle technology and respond consistently to inquiries.
- Develop a watershed masterplan initiative in conjunction with the Florida Department of Emergency Management to improve the community rating system classification of the city.

Business Tax

- Complete Consent Agreement requirements with DERM.
- Host small New Business Workshops with different subjects that interest the business community.
- Continue to update and adopt City Ordinances to aid or assist business.
- Finalize our new system with Tyler Technologies to facilitate all applications and renewal processes.
- Create a social media platform (Instagram, Facebook) for the Hialeah Business Community with educational material to help guide them.
- Exceed the appropriated revenue.

City Clerk

- Remain committed to establishing and maintaining the trust and confidence of the public in City government.
- Continue to provide high quality, effective and efficient public service, all while minimizing the cost to the City.

Code Compliance

- Increased Special Master Hearing Frequency to reduce the backlog in cases.
- Create an outreach program suitable for associations and condominiums to educate residents on common code violations.
- Roll out of RV ordinance, education and implementation.
- New Code enforcement Officers will obtain Level I Certification.

Communication & Special Events

- Create a branding guide for the City of Hialeah involves establishing clear guidelines and standards to ensure consistency, professionalism, and alignment with the municipality's values and objectives.
- As digital platforms continue to dominate communication channels, municipal communication departments will increasingly focus on enhancing their online presence.
- Strengthening community partnerships and marketing for events.

Education & Community Services

- Finalize obtaining a licensed Adult Day Training Certification at Edgar J. Hall
- Successfully comply with goals, objectives, and deliverables required by the program.
- Apply for the Nita M. Lowey 21st Community Learning Centers Grant RFP.
- Allow for training opportunities to ensure that all of the staff in the K-5th grade program have a minimum of 10 hours as required by DCF regulations.

Future Outlook (Continued)

Education & Community Services (Continued)

- Continue to enhance opportunities to facilitate the inclusion of persons with disabilities in all programming.
- Continue to develop additional partnerships and funding opportunities while exploring grant opportunities and expanding educational partnerships.
- Apply for CDBG funding.

Finance

- Continue having a successful Workday ERP implementation and focus on reaching each planned milestone.
- Continue providing professional development and training to the Finance Dept personnel in order to continue our pursuit of excellence.
- Continue focusing on strong internal controls and best practices working with GFOA and Workday.
- Expect to continue strengthening the personnel skillset to best serve their mission and the residents of Hialeah.
- The New Workday ERP will allow the City and the Finance Department to provide timelier financial and operational information to all the external and internal stakeholders.

Office of management and budget

- Prepare and present a fiscally responsible and transparent budget to the Mayor and City Council
- Monitor the City budget to ensure revenues and expenses are aligned with the City's initiatives.
- Improve the city's annual budget process to make it more efficient, accurate, and timely.
- Pursue efficiencies, cost-savings and revenue enhancements through performance reviews and perform special projects at the request of the Mayor and City Council.
- Pursue and obtain GFOA Distinguished Budget Presentation Award Program.
- Actively collaborate with other City departments on the final implementation of the new Enterprise Resource Planning (ERP) software, Workday.

Risk Management

- Educate and promote Health Insurance Wellness programs to the employees.
- Continue to provide safety inspections at different City facilities and review accidents and injuries with different departments monthly.
- Continue the review of the Workers Compensation and Liability Program with the third-party administrator.
- Continue doing educational workshops and programs.
- Continue conducting 10-15 OSHA safety classes in all City Departments.
- Continue to perform a detailed analysis of existing liability cases to identify cost-reduction opportunities to reduce Citywide Liability.
- Enhanced Safety Protocols.
- Emphasis on Employee Wellness Programs.
- Continue to COI Review Procedure.
- Tracking driver's licenses for liability purposes involves maintaining accurate records of employees or individuals who drive as part of their job responsibilities.
- Continue minimizing cost and monitoring all Risk Management programs.
- Involve a strategic and technology-driven approach to optimize the efficiency of various risk management programs while achieving long-term cost savings.

Fire

- Apply for FEMA AFG grant and purchase and replace our operations Chief response unit.
- Continue to expand Stroke treatment.
-

Future Outlook (Continued)

Fire (Continued)

- Continue to expand ASHER protocol and development, and do new inventory and tracking system for supplies and equipment.
- Continue to establish procedures for a BDA Protocol.
- Establish Hydrant Maintenance Ordinance.
- Continue to enhance code enforcement policies and procedures.
- Promote installation of fire sprinklers, fire alarms, hazard system.
- Continue to provide bi-annual fire prevention news/flyers.
- Continue maintaining ISO rating requirements.

Human Resources

- Establish COH as an employer of choice.
- Obtain talented professionals in a cost-effective manner.
- Streamline the hiring process by becoming more innovative through Workday's applicant tracking system.
- Increase flow of communication between hiring personnel and the Human Resources Department.
- Implement additional training programs to improve workforce culture.
- Promote effective communication throughout the entire City.
- Strive for a continued collaborative relationship with the unions.
- Support new employees by providing insight to the correlation between the importance of their positions and the role it plays in the COH.
- Continuously provide public records in a timely manner.
- Collaborate during the planning and construction stages of the ERP project to ensure absolute success.
- Continue partnership with Best Buddies and the American Heart Association.

Information Technology

- Finalize migration to O365 to include file services.
- Assist with the deployment of OpenGov in various departments.
- Continue deploying Wi-Fi in various Affordable Housing buildings and Parks.
- Continue enhancing the deployment of various Cybersecurity products to improve the City's Cybersecurity posture.
- Continue computer hardware replacement citywide.
- Continue to upgrade the City's virtual server environment, allowing for less power consumption and better manageability.
- Upgrade the City's network infrastructure.
- Complete the migration of the City's authentication infrastructure.
- Migrate the City's phone system to the Cloud.
- Continue to assist in selecting new technologies that allow for operational efficiencies, transparency, and accountability across the organization to better serve the residents of the City.

Library

- Participate in the City's Centennial planning.
- Implement an effective Marketing Automation solution.
- Continue to grow the library's print and digital collections.
- Continue to enhance access to technology.
- Continue to provide computer and digital literacy instruction.
- Enhance the Library's Homework Help service.
- Continue to host ESOL classes in partnership with MDC and MDCPS.
- Continue to offer professional development opportunities to library staff in core areas.

Future Outlook (Continued)

Library (Continued)

- Update the Library's outdated phone system.
- Continue to incorporate sustainability practices.
- Increase public awareness of Library services.
- Continue to advocate for library funding and resources.

Fleet

- Upgrading Fuel Dispensers.
- Renewing Fleet Service Trucks.
- Advancing Sustainability Efforts.
- Efficiency in Vehicle Maintenance.
- Expanding Training and development.
- Maintain and elevate the standards of service.

Construction and maintenance

- Complete the Main Police Station Roof.
- Do (2) Elevator Modernization in the Main police/Police Administration Building.
- Retrofit LED Lighting in Main Police Station.
- Implement Preventive Maintenance System Citywide.
- Implement New EMS (Energy Management System).
- Continue working with all departments to renovate roofs, HVAC, and LED Lightning.

Parks and Recreation

- Develop and implement initiatives to further the strategic priorities to better serve the residents of Hialeah.
- "Customer service first" focused operations.
- Diverse programming in sports, aquatics, fitness, wellness, STEM, cultural arts, and special events for all ages, abilities, and interests.
- Increasing volunteerism amongst the City's youth and adult populations.
- Creating memorable spaces that welcome visitors and reflect the unique identity of Hialeah.
- Beautification of the City's parks.
- Building a financially sustainable and resilient department.

Planning & Zoning

- Incorporate a Principal planner into the Department to be in line with the increased demand related to high development activity.
- Cooperate in the preparation of P3 package for new city hall or analyze alternative options.
- Advance the COH 2050 to meet 2025 deadline.
- Continue working with TPO and other agencies to obtain funding for multi-modal mobility improvements.

Police

- Prioritize community engagement, technological advancement, and excellence in policing standards.
- Foster trust, collaboration, and mutual respect with the community.
- Continue harnessing the power of technology to prevent crime, improve response times, and bolster investigative capabilities.
- Embracing drones, robotics, and other emerging technologies.
- Upholding the highest standards of professionalism, integrity, and accountability.
- Achieve accreditation from the Commission on Accreditation for law Enforcement Agencies (CALEA) by 2025.

Future Outlook (Continued)

Public Works

- Fully implement the 2024-2025 retail water and sewer rates approved by City Council.
- Implement and updated sewer lining program.
- Continue with the water quality sampling for the City's Stage 2 Disinfection By-Product Rules and FDOH.
- Implement a new payment method (Xpress BillPay) for residents to pay.
- Continue to improve the Customer experience by implementing new processes and procedures.
- Work in a resolution of flow charge disputes with Miami Dade Water and Sewer Department.
- Reduce financial stress on the utility.

Purchasing

- Complete e-procurement platform.
- Continue to find ways to streamline the purchasing Policies and Procedures.
- Update Purchasing Policies and Procedures.
- Modernize Printshop Operations.
- All Purchasing staff being certified by NIGP.
- Continue internal department training on various Purchasing topics and processes.

Retirement

- Digitalize wire transfers.
- Cross training all employees within the Retirement Division.
- Improve the Retirement page on the City website for employees.
- Implement AI driven tools to provide personalized retirement planning advice, and guidance tailored to individuals' unique financial situations, preferences, and goals.
- Enhance remote work infrastructure and support systems within the retirement division to facilitate seamless telecommuting for employees, improving efficiency, flexibility, and continuity of operations.
- Offer a broader range of retirement savings and investment options.
- Embrace a culture of innovation and adaptability to anticipate and respond to evolving needs and trends in retirement planning.

Streets

- Finalize multi-million-dollar roadway and drainage improvement projects that broke ground in FY 2023-2024.
- Continue roadway resurfacing.
- Continue sidewalk restoration projects in the City's ongoing sidewalk restoration plan.
- Continue citywide right-of-way landscaping enhancements with the addition of 191 new trees slated for planting in late 2024.
- Begin design of 6 new roadway and drainage improvement projects.
- Continue sidewalk restoration and canopy reforestation projects throughout the City.
- Continue roadway pavement marking projects.

Transit

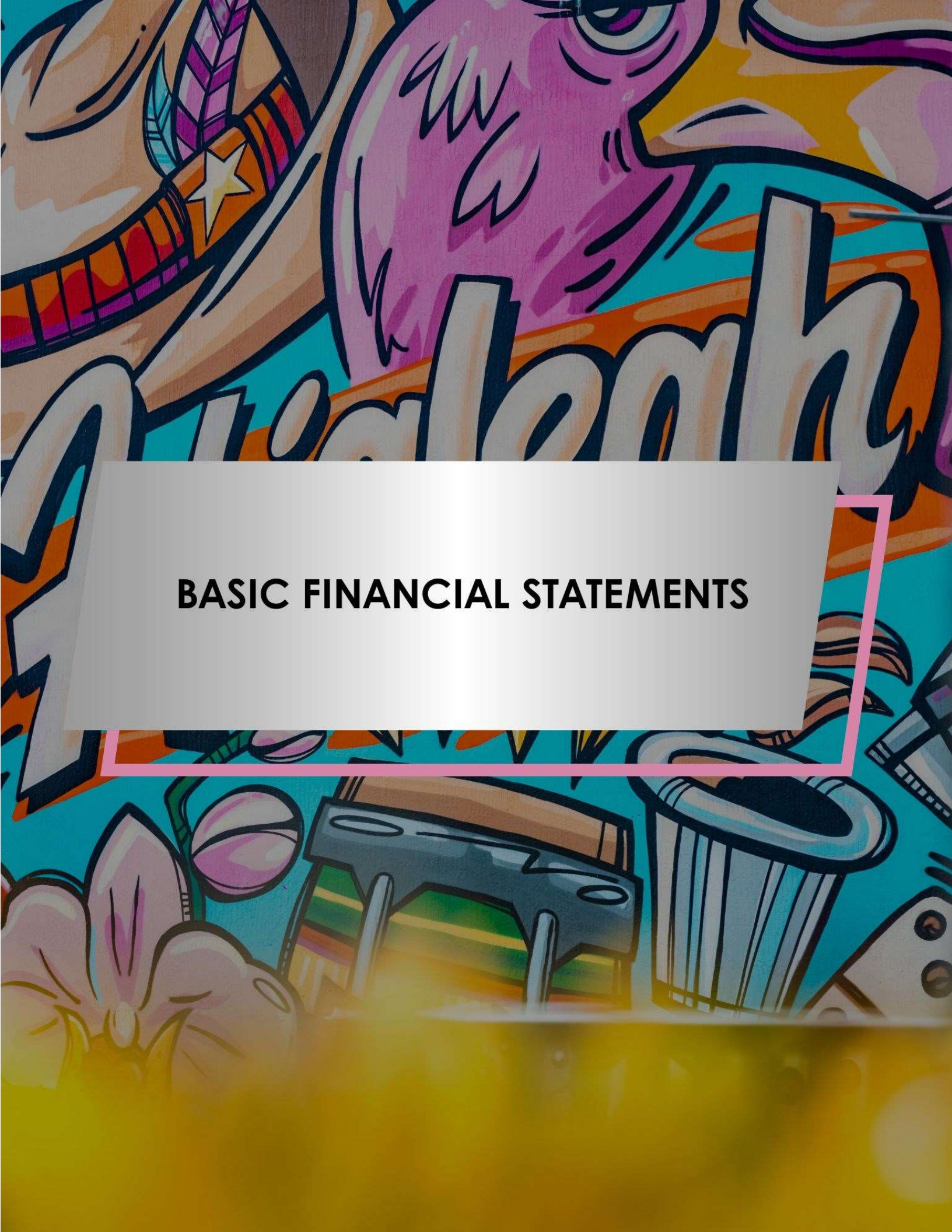
- Continue to improve service for On-demand dependent population.
- Continue to match Transit service coverage with passenger demands.
- Look into a people mover system.
- Continue to provide accessibility to major employment, Recreation, Educational, Healthcare, and Cultural Attractions in the City.

CITY OF HIALEAH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Request for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances.

Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Jorge Blanco, Division Director of Finance and Chief Accountant, Finance Department, City of Hialeah, 501 Palm Avenue, Hialeah, Florida 33010. In addition, the City's Annual Comprehensive Financial Report may be obtained through the City's website at **<https://www.hialeahfl.gov>**.



BASIC FINANCIAL STATEMENTS

CITY OF HIALEAH, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	<u>Governmental</u> <u>Activities</u>	<u>Business Type</u> <u>Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 212,070,866	\$ 35,876,997	\$ 247,947,863
Investments	-	15,164,212	15,164,212
Receivables, net	26,967,223	36,403,429	63,370,652
Lease receivable	4,330,185	-	4,330,185
Internal balances	4,671,448	(4,671,448)	-
Inventories	1,522,029	1,154,491	2,676,520
Net pension asset	3,043,694	-	3,043,694
Advance contribution to pension	23,000,000	-	23,000,000
Restricted assets:			
Cash, cash equivalents and investments	4,066,548	19,346,736	23,413,284
Capital assets:			
Non-depreciable	36,700,887	4,721,909	41,422,796
Depreciable, net of depreciation/amortization	211,601,308	183,259,208	394,860,516
Total assets	<u>527,974,188</u>	<u>291,255,534</u>	<u>819,229,722</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension	66,268,004	11,126,852	77,394,856
OPEB	10,641,687	1,806,054	12,447,741
Total deferred outflows of resources	<u>76,909,691</u>	<u>12,932,906</u>	<u>89,842,597</u>
<u>LIABILITIES</u>			
Accounts payable and other current liabilities	19,452,576	36,807,917	56,260,493
Accrued interest	56,823	891,500	948,323
Unearned revenue	65,029,215	299,983	65,329,198
Liabilities payable from restricted assets	-	18,964,864	18,964,864
Other liabilities	-	8,230	8,230
Non-current liabilities:			
Due within one year	35,020,443	3,986,779	39,007,222
Due in more than one year	688,048,811	143,854,619	831,903,430
Total liabilities	<u>807,607,868</u>	<u>204,813,892</u>	<u>1,012,421,760</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Local business tax	1,961,968	-	1,961,968
Leases	4,111,954	-	4,111,954
OPEB	90,063,722	15,285,169	105,348,891
Total deferred inflows of resources	<u>96,137,644</u>	<u>15,285,169</u>	<u>111,422,813</u>
<u>NET POSITION</u>			
Net invested in capital assets	174,639,561	141,893,013	316,532,574
Restricted			
Debt service	13,461,488	-	13,461,488
Human services	605,156	-	605,156
Public safety	2,964,669	-	2,964,669
Recreation and community services	70,777	-	70,777
Pension	3,043,694	-	3,043,694
Other	75,520,698	-	75,520,698
Unrestricted	(569,167,676)	(57,803,634)	(626,971,310)
Total net position	<u>\$ (298,861,633)</u>	<u>\$ 84,089,379</u>	<u>\$ (214,772,254)</u>

See notes to basic financial statements

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

<u>Functions/Programs</u>	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Primary government:							
Governmental activities:							
General government	\$ 91,852,245	\$ 7,019,990	\$ 23,892,697	\$ 39,117,069	\$ (21,822,489)	\$ -	\$ (21,822,489)
Police	90,040,659	-	19,728	5,440	(90,015,491)	-	(90,015,491)
Fire	72,821,797	1,791,926	57,077	231,478	(70,741,316)	-	(70,741,316)
Streets	6,992,050	108,404	255,137	344,585	(6,283,924)	-	(6,283,924)
Recreation and community services	17,057,401	-	11,464	401,368	(16,644,569)	-	(16,644,569)
Interest on long term debt	2,733,637	-	-	-	(2,733,637)	-	(2,733,637)
Total governmental activities	281,497,789	8,920,320	24,236,103	40,099,940	(208,241,426)	-	(208,241,426)
Business-type activities:							
Water and sewer	110,178,603	100,396,159	-	14,204	-	(9,768,240)	(9,768,240)
Solid waste	18,450,263	23,931,743	-	-	-	5,481,480	5,481,480
Stormwater	2,395,027	3,772,072	-	-	-	1,377,045	1,377,045
Total business-type activities	131,023,893	128,099,974	-	14,204	-	(2,909,715)	(2,909,715)
	\$ 412,521,682	\$ 137,020,294	\$ 24,236,103	\$ 40,114,144	\$ (208,241,426)	\$ (2,909,715)	\$ (211,151,141)
General revenues:							
Property taxes					107,254,522	-	107,254,522
Utility taxes					28,814,018	-	28,814,018
Franchise fees on gross receipts					21,178,458	-	21,178,458
Intergovernmental revenues not restricted to specific program					40,976,036	-	40,976,036
Unrealized gain on investments					-	1,441,786	1,441,786
Gain on sale of capital assets					56,611	-	56,611
Unrestricted interest					9,372,502	1,809,867	11,182,369
Transfers					(874,166)	874,166	-
Total general revenues					206,777,981	4,125,819	210,903,800
Change in net position					(1,463,445)	1,216,104	(247,341)
Net position - beginning as previously reported					(270,008,347)	86,790,731	(183,217,616)
Errors and adjustments (note 17)					(27,389,841)	(3,917,456)	(31,307,297)
Net position beginning, as restated					(297,398,188)	82,873,275	(214,524,913)
Net position - ending					\$ (298,861,633)	\$ 84,089,379	\$ (214,772,254)

See notes to basic financial statements

CITY OF HIALEAH, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	<u>General</u>	<u>Coronavirus State and Local Fiscal Recovery Fund</u>	<u>Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>					
Cash and cash equivalents	\$ 212,070,866	\$ -	\$ -	\$ -	\$ 212,070,866
Receivables, net	13,353,086	-	80,449	13,533,688	26,967,223
Lease receivable	4,330,185	-	-	-	4,330,185
Due from other funds	27,471,483	59,899,115	54,325,449	48,408,550	190,104,597
Inventories	1,508,484	-	-	13,545	1,522,029
Advance contribution to pension	23,000,000	-	-	-	23,000,000
Restricted cash, cash equivalents, and investments	-	-	-	4,066,548	4,066,548
Total assets	<u>281,734,104</u>	<u>59,899,115</u>	<u>54,405,898</u>	<u>66,022,331</u>	<u>462,061,448</u>
<u>LIABILITIES</u>					
Accounts payable and accrued liabilities	13,952,779	211,652	1,025,209	4,262,936	19,452,576
Separation payable	1,447,719	-	-	-	1,447,719
Self-insurance claims payable	362,310	-	2,112	-	364,422
Due to other funds	170,583,624	2,164,070	-	12,685,455	185,433,149
Unearned revenue	9,566	57,523,393	-	7,496,256	65,029,215
Total liabilities	<u>186,355,998</u>	<u>59,899,115</u>	<u>1,027,321</u>	<u>24,444,647</u>	<u>271,727,081</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Local business tax	1,699,429	-	-	262,539	1,961,968
Leases	4,111,954	-	-	-	4,111,954
Unavailable revenues	-	-	-	1,763,270	1,763,270
Total deferred inflows of resources	<u>5,811,383</u>	<u>-</u>	<u>-</u>	<u>2,025,809</u>	<u>7,837,192</u>
<u>FUND BALANCES</u>					
Nonspendable	1,508,484	-	-	13,545	1,522,029
Restricted	-	-	41,380,977	39,244,211	80,625,188
Committed	6,309,400	-	-	4,612,934	10,922,334
Assigned	19,662,600	-	11,997,600	-	31,660,200
Unassigned	62,086,239	-	-	(4,318,815)	57,767,424
Total fund balances	<u>89,566,723</u>	<u>-</u>	<u>53,378,577</u>	<u>39,551,875</u>	<u>182,497,175</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 281,734,104</u>	<u>\$ 59,899,115</u>	<u>\$ 54,405,898</u>	<u>\$ 66,022,331</u>	

Amounts reported for the 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 funds	248,302,195
Long-term liabilities, including bonds payable, and other financing obligations, are not due and payable in the current period	(64,465,694)
Compensated absences	(30,273,719)
Claims payable	(48,543,451)
Accrued interest	(56,823)
Unavailable revenue recognized	1,763,270
Net pension asset	3,043,694
Net pension liability	(358,053,964)
Deferred outflows - pensions	66,268,004
Leases (right-to-use asset)	(1,055,671)
Subscription arrangements	(8,141,269)
Deferred outflows - OPEB	10,641,687
Deferred inflows - OPEB	(90,063,722)
OPEB liability	(210,723,345)
Net position	<u>(298,861,633)</u>

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

	General Fund	Coronavirus State and Local Fiscal Recovery Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Ad valorem taxes	\$ 107,254,522	\$ -	\$ -	\$ -	\$ 107,254,522
Charges for services	2,266,484	-	-	6,653,835	8,920,319
Fines and forfeitures	2,391,258	-	-	-	2,391,258
Franchise fees	16,585,444	-	-	4,593,014	21,178,458
Impact fees	-	-	-	1,096,694	1,096,694
Intergovernmental	40,976,036	985,116	-	40,649,288	82,610,440
Investment income	4,851,186	-	3,871,617	649,699	9,372,502
Licenses and permits	7,142,973	-	7,052,351	-	14,195,324
Other revenues	5,237,741	-	1,828	146,646	5,386,215
Utility taxes	28,814,018	-	-	-	28,814,018
Total revenues	215,519,662	985,116	10,925,796	53,789,176	281,219,750
Expenditures:					
Current:					
911 communications	6,627,978	-	-	1,246,481	7,874,459
Business tax division	1,332,463	-	-	-	1,332,463
City Clerk's office	1,986,512	-	-	-	1,986,512
Code compliance	1,255,912	-	-	-	1,255,912
Communications and special events	2,213,774	-	-	-	2,213,774
Construction and maintenance	3,628,458	-	-	-	3,628,458
Education and community services	2,734,103	-	-	-	2,734,103
Emergency management	115,792	-	-	-	115,792
Employee retirement	972,992	-	-	-	972,992
Finance	2,043,922	-	-	-	2,043,922
Fire	53,133,864	-	-	5,617,329	58,751,193
Fleet maintenance	3,425,236	-	-	-	3,425,236
General government	6,221,225	2,745	7,225,736	6,649,918	20,099,624
Grants and human services	-	-	-	8,253,294	8,253,294
Human resources	1,630,040	-	-	-	1,630,040
Information technology	3,619,157	-	-	-	3,619,157
Law	1,881,858	-	-	-	1,881,858
Library	2,152,546	-	-	-	2,152,546
Marketing and sponsorship	5,796	-	-	-	5,796
Milander center	933,278	-	-	-	933,278
Office of Management and Budget	507,037	-	-	-	507,037
Office of the Mayor	979,499	-	-	-	979,499
Parks and recreation	13,758,776	-	-	2,800	13,761,576
Planning and zoning	1,915,712	-	-	-	1,915,712
Police	71,637,608	-	-	1,005,426	72,643,034
Purchasing	1,042,630	-	-	-	1,042,630
Risk management	641,641	-	-	-	641,641
State housing initiative program	-	-	-	12,371	12,371
Streets	-	-	-	5,640,806	5,640,806
Capital outlay	16,646,460	982,371	691,912	19,350,351	37,671,094
Debt Service:					
Principal	3,026,016	-	-	4,749,430	7,775,446
Interest	467,593	-	-	2,266,044	2,733,637
Total expenditures	206,537,878	985,116	7,917,648	54,794,250	270,234,892
Excess of revenues over expenditures before other financing sources (uses)	8,981,784	-	3,008,148	(1,005,074)	10,984,858
Other financing sources (uses):					
Proceeds from disposal of capital assets	56,611	-	-	-	56,611
Initiation of Lease (Righ-of-use asset)	122,282	-	-	-	122,282
Initiation of Subscription Arrangements	8,827,426	-	-	-	8,827,426
Transfers in	-	-	-	2,975,318	2,975,318
Transfers out	(2,300,848)	-	-	(674,470)	(2,975,318)
Total other financing sources (uses)	6,705,471	-	-	2,300,848	9,006,319
Net change in fund balances	15,687,255	-	3,008,148	1,295,774	19,991,177
Fund balances, beginning as previously reported	73,879,468	-	50,370,429	41,032,069	165,281,966
Errors and adjustments (note 17)	-	-	-	(2,775,968)	(2,775,968)
Fund balances beginning, as restated	73,879,468	-	50,370,429	38,256,101	162,505,998
Fund balances, ending	\$ 89,566,723	\$ -	\$ 53,378,577	\$ 39,551,875	\$ 182,497,175

See notes to basic financial statements

CITY OF HIALEAH, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

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

Net change in fund balances - total governmental funds (Page 34) \$ 19,991,177

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 and amortization expense. This is the amount by which depreciation exceeded capital outlays in the current period.

The details of the difference are as follows:

Capital outlay	37,671,094	
Depreciation/Amortization expense	<u>(25,192,945)</u>	
Net adjustment		12,478,149

The net effect of various transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase (decrease) net position.

Capital outlay which did not meet the threshold for capitalization	(3,171,970)	
Transfer to Business-type Activities	<u>(874,166)</u>	
Net adjustment		(4,046,136)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

The details of the difference are as follows:

Unavailable revenue - CITT funds	<u>(367,851)</u>	
		(367,851)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

The details of the differences are as follows:

Principal payments:		
Notes payable	4,729,610	
Leases	932,139	
Subscription arrangement acquisitions	(8,827,426)	
Subscription arrangement	1,342,705	
Lease (Right-of-use asset) acquisitions	(122,282)	
Lease (Right-of-use asset)	<u>977,006</u>	
Net adjustment		(968,248)

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:

OPEB liability	39,747,664	
Pension liability/asset	(60,210,997)	
Change in long-term liabilities	(9,500,177)	
Claims payable	(1,194,321)	
Amortization of bond discount/premium	(206,014)	
Compensated absences	<u>2,813,309</u>	
Net adjustment		<u>(28,550,536)</u>

Change in net position of governmental activities (Page 32) \$ (1,463,445)

See notes to basic financial statements

CITY OF HIALEAH, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Water and Sewers Utility System	Solid Waste Utility System	Stormwater Utility System	Total
<u>ASSETS</u>				
Current assets:				
Cash and cash equivalents	\$ 28,781,123	\$ 6,504,823	\$ 591,051	\$ 35,876,997
Investments	15,164,212	-	-	15,164,212
Customers accounts receivable, net	25,862,455	2,957,403	1,099,319	29,919,177
Other receivables	5,534,718	941,304	-	6,476,022
Due from other funds	45,349	-	7,950,508	7,995,857
Inventories	1,154,491	-	-	1,154,491
Restricted assets:				
Cash, cash equivalents and investments	19,346,736	-	-	19,346,736
Total current assets	95,889,084	10,403,530	9,640,878	115,933,492
Non-current assets:				
Interfund loan receivable	8,230	-	-	8,230
Capital assets, not being depreciated	4,277,840	444,069	-	4,721,909
Capital assets, net of accumulated depreciation	164,981,131	2,971,375	15,306,702	183,259,208
Total capital assets, net	169,258,971	3,415,444	15,306,702	187,981,117
Total non-current assets	169,267,201	3,415,444	15,306,702	187,989,347
Total assets	265,156,285	13,818,974	24,947,580	303,922,839
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Pension	7,622,785	2,990,915	513,152	11,126,852
OPEB	1,237,292	485,470	83,292	1,806,054
Total deferred outflows of resources	8,860,077	3,476,385	596,444	12,932,906

CITY OF HIALEAH, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
(CONTINUED)
SEPTEMBER 30, 2024

	Water and Sewers Utility System	Solid Waste Utility System	Stormwater Utility System	Total
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 32,897,317	\$ 3,872,365	\$ 38,235	\$ 36,807,917
Accrued Interest payable	891,500	-	-	891,500
Current portion of self-insurance claims payable	213,235	276,138	26,519	515,892
Current portion of loans payable	1,495,516	-	712,171	2,207,687
Current portion of compensated absences	1,070,973	102,399	89,828	1,263,200
Due to other funds	5,895,690	6,767,658	3,957	12,667,305
	<u>42,464,231</u>	<u>11,018,560</u>	<u>870,710</u>	<u>54,353,501</u>
Current liabilities payable from restricted assets:				
DERM payable	7,340,552	-	-	7,340,552
Other payables	33,375	-	-	33,375
Customer deposits	11,590,937	-	-	11,590,937
Total current liabilities payable from restricted assets	<u>18,964,864</u>	<u>-</u>	<u>-</u>	<u>18,964,864</u>
Total current liabilities	<u>61,429,095</u>	<u>11,018,560</u>	<u>870,710</u>	<u>73,318,365</u>
Non-current liabilities:				
Revolving loan	86,319	-	-	86,319
Loan payable	36,621,007	-	7,173,091	43,794,098
Interfund loan payable	-	8,230	-	8,230
Unearned revenues	269,983	30,000	-	299,983
Net pension liability	41,630,369	16,334,308	2,802,475	60,767,152
Self-insurance claims payable	1,096,657	1,337,439	117,007	2,551,103
OPEB liability	24,500,470	9,613,132	1,649,324	35,762,926
Compensated absences payable	730,062	30,075	132,884	893,021
Total non-current liabilities	<u>104,934,867</u>	<u>27,353,184</u>	<u>11,874,781</u>	<u>144,162,832</u>
Total liabilities	<u>166,363,962</u>	<u>38,371,744</u>	<u>12,745,491</u>	<u>217,481,197</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
OPEB	10,471,566	4,108,678	704,925	15,285,169
Total deferred inflow of resources	<u>10,471,566</u>	<u>4,108,678</u>	<u>704,925</u>	<u>15,285,169</u>
<u>NET POSITION</u>				
Net investment in capital assets	131,056,129	3,415,444	7,421,440	141,893,013
Unrestricted	(33,875,295)	(28,600,507)	4,672,168	(57,803,634)
Total net position	<u>\$ 97,180,834</u>	<u>\$ (25,185,063)</u>	<u>\$ 12,093,608</u>	<u>\$ 84,089,379</u>

CITY OF HIALEAH, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Water and Sewers Utility System	Solid Waste Utility System	Stormwater Utility System	Total
Operating revenues:				
Metered water sales	\$ 30,416,809	\$ -	\$ -	\$ 30,416,809
Sanitary sewer service	63,306,900	-	-	63,306,900
Sanitation fees	-	23,432,505	-	23,432,505
Intergovernmental	519,767	-	-	519,767
Stormwater fees	-	-	3,772,072	3,772,072
Other	6,152,683	499,238	-	6,651,921
Total operating revenues	100,396,159	23,931,743	3,772,072	128,099,974
Operating expenses:				
Operating, administrative and maintenance	102,005,892	18,298,946	(477,131)	119,827,707
Depreciation	6,379,316	143,087	2,669,380	9,191,783
Total operating expenses	108,385,208	18,442,033	2,192,249	129,019,490
Operating income (loss)	(7,989,049)	5,489,710	1,579,823	(919,516)
Non-operating revenues (expenses):				
Unrealized gain on investments	1,441,786	-	-	1,441,786
Investment Income	1,207,038	36,633	566,196	1,809,867
Interest expense	(1,793,395)	(8,230)	(202,778)	(2,004,403)
Net non-operating revenues (expenses)	855,429	28,403	363,418	1,247,250
Gain (loss) before contributions	(7,133,620)	5,518,113	1,943,241	327,734
Capital contributions	14,204	-	874,166	888,370
Change in net position	(7,119,416)	5,518,113	2,817,407	1,216,104
Net position - beginning as previously reported	106,984,021	(29,650,158)	9,456,868	86,790,731
Errors and adjustments (note 17)	(2,683,771)	(1,053,018)	(180,667)	(3,917,456)
Net position beginning, as restated	104,300,250	(30,703,176)	9,276,201	82,873,275
Net position - ending*	\$ 97,180,834	\$ (25,185,063)	\$ 12,093,608	\$ 84,089,379

*See note 1, paragraph 21

CITY OF HIALEAH, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Water and Sewers Utility System	Solid Waste Utility System	Stormwater Utility System	Totals
Cash flows from operating activities:				
Cash received from customers	\$ 97,865,639	\$ 25,064,455	\$ 4,775,567	\$ 127,705,661
Cash received from others	11,128,507	3,816,292	-	14,944,799
Cash for interfund services (used)	(8,375,265)	(1,124,971)	1,195,751	(8,304,485)
Cash payments to suppliers	(79,190,220)	(20,952,163)	(3,742,954)	(103,885,337)
Cash payments to employees	(24,134,098)	(267,399)	(1,183,496)	(25,584,993)
Net cash provided by (used in) operating activities	<u>(2,705,437)</u>	<u>6,536,214</u>	<u>1,044,868</u>	<u>4,875,645</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(2,880,079)	(26,446)	(88,893)	(2,995,418)
Proceeds from interfund note receivable	2,477,710	-	-	2,477,710
Interest paid	(1,823,645)	(8,230)	(235,949)	(2,067,824)
Capital contributions - third party	-	-	-	-
Payments on interfund note payable	-	(2,469,480)	-	(2,469,480)
Payments on long-term debt	(1,436,086)	-	(695,171)	(2,131,257)
Net cash provided by (used in) capital and related financing activities	<u>(3,662,100)</u>	<u>(2,504,156)</u>	<u>(1,020,013)</u>	<u>(7,186,269)</u>
Cash flows from investing activities:				
Interest received on investments	1,207,038	36,633	566,196	1,809,867
Net cash provided by investing activities	<u>1,207,038</u>	<u>36,633</u>	<u>566,196</u>	<u>1,809,867</u>
Net increase (decrease) in cash and cash equivalents	(5,160,499)	4,068,691	591,051	(500,757)
Cash and cash equivalents, beginning	<u>53,288,358</u>	<u>2,436,132</u>	<u>-</u>	<u>55,724,490</u>
Cash and cash equivalents, ending	<u>48,127,859</u>	<u>6,504,823</u>	<u>591,051</u>	<u>55,223,733</u>
Cash and cash equivalents per statement of net position:				
Unrestricted	28,781,123	6,504,823	591,051	35,876,997
Restricted - current	19,346,736	-	-	19,346,736
	<u>\$ 48,127,859</u>	<u>\$ 6,504,823</u>	<u>\$ 591,051</u>	<u>\$ 55,223,733</u>

See notes to basic financial statements

CITY OF HIALEAH, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
(CONTINUED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Water and Sewers Utility System	Solid Waste Utility System	Stormwater Utility System	Totals
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (7,989,049)	\$ 5,489,710	\$ 1,579,823	\$ (919,516)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	6,379,316	143,087	2,669,380	9,191,783
Amortization	(65,506)	-	33,171	(32,335)
Changes in operating assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	3,730,926	1,631,950	1,003,495	6,366,371
Other receivables	(422,491)	689,523	-	267,032
Due from other funds	3,048,760	-	(1,166,537)	1,882,223
Other assets	2,100	-	-	2,100
Inventories	239,191	-	-	239,191
Deferred outflows	4,253,663	2,494,105	1,036,412	7,784,180
Increase (decrease) in:				
Accounts payable and accrued liabilities	(1,123,497)	1,526,220	(404,796)	(2,073)
Other payables	650,983	-	-	650,983
Unearned revenue	269,983	(5,000)	-	264,983
Self insurance claims payable	(579,131)	(218,528)	(55,630)	(853,289)
Compensated absences payable	68,540	(19,438)	603	49,705
OPEB liability	(1,545,785)	(1,966,926)	(1,340,733)	(4,853,444)
Deferred inflows	(3,159,090)	(1,951,456)	(859,847)	(5,970,393)
Net pension liability	4,548,671	(152,062)	(1,454,430)	2,942,179
Due to other funds	(11,424,025)	(1,124,971)	3,957	(12,545,039)
Customer deposits	411,004	-	-	411,004
Total adjustments	5,283,612	1,046,504	(534,955)	5,795,161
Net cash provided by (used in) operating activities	\$ (2,705,437)	\$ 6,536,214	\$ 1,044,868	\$ 4,875,645
Schedule of non-cash capital and related financing activities:				
Contributions of capital assets from governmental activities	\$ -	\$ -	\$ 874,166	\$ 874,166
Increase in fair value of investments	1,441,786	-	-	1,441,786

See notes to basic financial statements

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

<u>ASSETS</u>	<u>Pension Trust</u>
Securities lending cash collateral	\$ <u>37,229,128</u>
Receivables:	
Accrued investment income	2,114,303
Accounts receivable: sale of investments	472,529
Other receivables	<u>264,241</u>
Total receivables	<u>2,851,073</u>
Investments, at fair value:	
Equity securities	386,318,402
Corporate bonds	94,716,808
Government securities	187,966,980
Pooled index trust fund	40,708,448
Closely-held limited liability fund	22,562,789
Closely-held limited partnership fund	14,482,746
Closely-held real estate fund	15,958,494
Limited partnerships	3,446,565
Collective Investment equity fund	175,588
Equity Mutual funds	8,865,390
Bond Mutual funds	5,064,108
Real Estate Investment Trust	<u>700,702</u>
Total investments	<u>780,967,020</u>
Loans to members	<u>5,952,696</u>
Total assets	<u>826,999,917</u>
 <u>LIABILITIES</u>	
Accounts payable	108,250
Accounts payable purchase of investments	2,348,882
Advance contribution from City	<u>23,000,000</u>
Total liabilities	<u>25,457,132</u>
 <u>NET POSITION RESTRICTED FOR PENSIONS</u>	
Net position restricted for pensions	792,694,566
Net position restricted for DROP benefits	<u>8,848,219</u>
 <u>NET POSITION RESTRICTED FOR PENSIONS</u>	 <u>\$ 801,542,785</u>

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

	Pension <u>Trust</u>
ADDITIONS	
Contributions:	
Employer	\$ 34,152,136
Employee	5,196,606
Employee - buyback	309,056
Employee	3,765,570
State	461,877
Total contributions	<u>43,885,245</u>
Investment income:	
Net appreciation in fair value of investments	130,024,483
Investment Income	<u>17,514,039</u>
Total investment Income	147,538,522
Less investment expenses	<u>1,830,698</u>
Net investment income	<u>145,707,824</u>
Other income	<u>142,533</u>
Total Additions	<u>189,735,602</u>
DEDUCTIONS	
Pension benefits	69,803,391
DROP benefits	5,178,641
Refunds of contributions	9,590,517
Administrative expenses	<u>222,774</u>
Total deductions	<u>84,795,323</u>
Net increase	104,940,279
Net position restricted for pensions:	
Beginning of year	<u>696,602,506</u>
End of year	<u><u>\$ 801,542,785</u></u>

NOTES TO BASIC FINANCIAL STATEMENTS



CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Hialeah, Florida (the “City”) was incorporated in 1925. The City operates under a strong mayor form of government with the legislative function being vested in a seven-member council. The City provides the following services as authorized by its charter: public safety (police and fire), streets, water and wastewater, sanitation, social services, culture-recreation, public improvements, planning and zoning and general administrative services. The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental and financial reporting principles. The more significant of the City's accounting policies are described below.

A. The Financial Reporting Entity

As required by GAAP, these basic financial statements present the reporting entity of the City. Component units are legally separate entities for which the government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the City's combined financial statements to be misleading or incomplete. The primary government is considered financially accountable if it appoints a voting majority of an organization's governing body and 1) it is able to impose its will on the organization or 2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the Board. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity financial statements to be misleading or incomplete. The City fiduciary component units are further discussed in Note 14-Employees' and Elected Officials Retirement Systems.

Related Organization - The City Council is also responsible for appointing the members of the Board of the Hialeah Housing Authority, but the City's accountability for this organization does not extend beyond making the appointments.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government. For the most part, 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 segment. Program revenues include:

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

- 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment.
- 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.
- 3) Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

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 to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, insurance claims, pensions and other post-employment benefits are recorded only when payment is due or when the City has made a decision to fund these obligations with current available resources.

Property taxes, franchise fees, utility taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the cash is received by the City.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

In the government-wide financial statements, amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from 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. Operating expenses for enterprise funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City policy to use restricted resources first, and then unrestricted resources as needed.

The City reports the following major governmental funds:

General Fund

This 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.

Building Division Fund

This fund is responsible for the safety and welfare of the general public by ensuring that the review and inspection of permitted activity is in compliance with the Florida Building Code, State Statutes, and local ordinances.

Coronavirus State and Local Fiscal Recovery Fund

This fund accounts for the Coronavirus State and Local Fiscal Recovery Funds that congress has allocated to state, local, territorial, and Tribal governments, in order to support their response to and recovery from the COVID-19 public health emergency.

The City reports the following major proprietary funds:

Water and Sewers Utility System Fund

This fund accounts for the activities of the water and sewers department. The Department operates the sewage treatment plan, sewage pumping stations and collection systems, and the water distribution system.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Solid Waste Utility System Fund

This fund accounts for providing solid waste services to customers of the City.

Stormwater Utility System Fund

This fund accounts for providing stormwater services to customers of the City.

The City reports the following non-major governmental funds:

Special Revenue Funds

These funds account for the proceeds of specific revenue sources (other than those for major capital projects) that are restricted legally to expenditures for specified purposes.

Debt Service Funds

These funds account for the financial resources that are restricted for the periodic payment of principal and interest expenditures on long-term debt of the governmental funds.

Capital Projects Funds

These funds account for the financial resources that are restricted or committed for the acquisition or construction of specific capital projects.

Additionally, the City reports the following fund type:

Pension Trust Funds

These funds account for the activities of the retirement plans for the Employees' Retirement System and Elected Officials' Retirement System, which accumulate resources for pension benefits to those qualified employees.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

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

The City's retirement plans are authorized by its governing boards to invest in obligations of the U.S. Government, common stocks, corporate bonds, real estate, and other investment types allowed by Florida Statutes.

Investments in the City's Retirement Plans are governed by each of the Plans' investment policies.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

1. Deposits and Investments (Continued) - Investments are reported at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Certain investments are recorded at net asset value (NAV) per share. This method of determining fair value uses member units to which a proportionate share of net assets is attributed.

Investments are categorized according to the fair value hierarchy established by GASB Statement No. 72, Fair Value Measurement and Application, which requires the City to use valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach, or income approach. The Statement establishes a hierarchy of inputs used to measure fair value consisting of three levels.

Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs, and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability.

Unrealized gains and losses are presented as net appreciation (depreciation) in fair value of investments along with gains and losses realized on the sales of investments. Purchases and sales of investments are recorded on a trade-date basis.

2. Interfund Receivables, Payables, and Transfers - Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

3. Lease Receivables - City of Hialeah's lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow resources is amortized on a straight-line basis over the term of the lease.
4. Inventories and Prepaid Items - Inventories of the governmental funds are valued at cost determined on the first-in/first-out (FIFO) method, and consist of gasoline and expendable supplies available for consumption. Inventories of governmental funds are recorded as expenditures when

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

4. Inventories and Prepaid Items (Continued) - consumed rather than when purchased. Inventories of the water and sewer fund are valued at cost and consist of pipe, valves, fittings and meters.

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. The cost of prepaid items is recorded as an expenditure/expense when consumed (consumption method).

5. Capital Assets - Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable government or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 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. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Estimated Useful Lives (Years)</u>
Buildings	10-50
Improvements other than buildings	10-25
Furniture, fixtures, machinery and equipment	5-20
Public domain and system infrastructure	15-50
Right-to-use assets	Through lease maturity
Subscription arrangements	Through subscription maturity

6. Deferred Outflows/Inflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net asset that applies to a future period and therefore will not be recognized as an outflow of resources (expense/expenditure) until then. The City has pension, and other post-employment benefits items

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

6. Deferred Outflows/Inflows of Resources (Continued)- that it reports in this category in the amount of \$77,394,856, and \$12,447,741, respectively.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net asset that applies to a future period and therefore will not be recognized as inflows of resources (revenue) until that time. The City has other postemployment benefits, leases, and local business tax receipts/fire prevention fees, that qualify for reporting in this category in the amount of \$105,348,891, \$4,111,954 and \$1,961,968, respectively. Unavailable revenues consist of CITT Surtax funds, and the Emergency Assistance Program Fund received after the period of availability.

7. Unearned Revenues - Unearned revenues represents grants and similar items received in advance for which the City has not all the eligibility requirements to allow for revenue recognition.
8. Leases (Right-to-Use Asset) – the leases (right-to-use asset) are initially measured at an amount equal to the initial measurement of the related lease liability plus lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The leases (right-to-use asset) are amortized on a straight-line basis over the life of the related lease.
9. Subscription-Based Information Technology Arrangements (SBITA) - The SBITA assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term less SBITA incentives, plus any ancillary charges necessary to place the SBITA into service. The SBITA assets are amortized on a straight-line basis over the life of the related contract.
10. Compensated Absences - City employees are granted vacation and sick leave in varying amounts based on length of service and the department which the employee services. The City's vacation and sick leave policy is to permit employees to accumulate earned but unused vacation and sick benefits. Such leave is accrued and reported as a fund liability when it is probable that the City will compensate the employee with expendable available financial resources. All vacation and sick leave are accrued when incurred in the government-wide financial statements and in the proprietary fund financial statements as a fund liability. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

11. 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 proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are expensed in the period incurred.

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

12. Net Position – As of September 30, 2024, net position is categorized as follows:

- Net investment in capital assets
This category consists of capital assets (including restricted capital assets), net of accumulated depreciation/amortization and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, and improvements of those assets.
- Restricted net position
This category consists of net position restricted in their use by (1) external groups such as grantors, creditors or laws and regulations of other governments; or (2) law, through constitutional provisions or enabling legislation.
- Unrestricted net position
This category includes all of the remaining net position that does not meet the definition of the other two categories.

13. Net Position Flow Assumption - Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide financial statements, a flow assumption must be made about the order in which resources are considered to be applied. The City considers restricted net position to have been depleted before unrestricted net position is applied.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

14. Fund Balance – As of September 30, 2024 fund balances of the governmental funds are classified as follows:

- Non-spendable
Amounts that cannot be spent either because they are not in spendable form (e.g., inventories and prepaid) or are legally or contractually required to be maintained intact.
- Restricted
Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- Committed
Amounts that can be used only for specific purposes determined by a formal action of the City Council. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the City Council. Ordinances and resolutions are equally binding and are the highest level of decision-making authority.
- Assigned
Assigned fund balances are amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Intent is established by the City Council who has the authority to assign, modify or rescind amounts to be used for specific purposes. This is delineated in the policy approved by the Council. This balance includes (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as non-spendable, restricted, or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue or capital projects fund are assigned for the purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the City itself.
- Unassigned
Unassigned fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

	<u>General Fund</u>	<u>Coronavirus State and Local Fiscal Recovery Fund</u>	<u>Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balances:					
Nonspendable:					
Inventories	\$ 1,508,484	\$ -	\$ -	\$ 13,545	\$ 1,522,029
Prepays	-	-	-	-	-
Notes receivable	-	-	-	-	-
Restricted:					
General government	-	-	53,378,577	2,643,037	56,021,614
Human services	-	-	-	675,933	675,933
Parks and recreation	-	-	-	13,571,568	13,571,568
Public safety	-	-	-	5,164,857	5,164,857
Road improvements	-	-	-	17,188,816	17,188,816
Committed:					
General government	4,733,700	-	-	14,482,776	19,216,476
Human services	-	-	-	-	-
Parks and recreation	891,900	-	-	1,995,900	2,887,800
Public safety	683,800	-	-	482,229	1,166,029
Road improvements	-	-	-	4,187,034	4,187,034
Assigned:	19,662,600	-	-	-	19,662,600
Unassigned:	62,086,239	-	-	(20,853,820)	41,232,419
Total Fund Balances	\$ 89,566,723	\$ -	\$ 53,378,577	\$ 39,551,875	\$ 182,497,175
Fund Balances:					
Nonspendable	\$ 1,508,484	\$ -	\$ -	\$ 13,545	\$ 1,522,029
Restricted	-	-	41,380,977	39,244,211	80,625,188
Committed	6,309,400	-	-	4,612,934	10,922,334
Assigned	19,662,600	-	11,997,600	-	31,660,200
Unassigned	62,086,239	-	-	(4,318,815)	57,767,424
Total Fund Balances	\$ 89,566,723	\$ -	\$ 53,378,577	\$ 39,551,875	\$ 182,497,175

15. Capital Contributions - Capital contributions in proprietary fund financial statements arise from grants or transfers from governmental activities or outside contributions of resources restricted to capital acquisition and construction.

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

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

17. Employee Benefit Plans - The City provides two separate defined benefit pension plans for its employees and elected officials. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the Employees' Retirement System and the Elected Officials' Retirement System are presented in the government-wide statement of net position. The net pension asset (liability) is a function of the annual required contributions, interest, adjustments to the annual required contribution, annual pension costs and actual employer's contributions made to the Plans. Please refer to Note 14 for further information.
18. Post-Employment Benefits Other Than Pensions (OPEB) - Pursuant to Section 112.0801, Florida Statutes, the City is mandated to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retirees are required to pay 100% of the premium rates where premiums are determined based upon a blended rates used for active employees and retirees. These premium rates were adjusted to reflect differing utilization rates by age and gender and the impact of the Medicare program on claim costs. The blended rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

The City currently provides these benefits in accordance with the vesting and retirement requirement of the City of Hialeah Employees' Retirement System and Elected Officials Retirement Plan covering substantially all elected officials, regular full time general, police, and fire department employees of the City.

The plan is not accounted for as a trust fund and an irrevocable trust has not been established to fund this plan. The City is financing the post employee benefits on a pay-as-you go basis. The OPEB plan does not issue separate financial statements.

19. Risk Management - The City is self-insured for automobile liability, general liability, and property damage claims pursuant to Florida Statute Section 768.28 (Waiver of Statute of Limitations; Exclusions; Indemnifications; Risk Management Programs). The City is protected by Florida Statute 768.28, which limits losses to (a) \$100,000 per person / \$200,000 per occurrence for claims arising between October 1, 1981 and October 1, 2011; and (b) \$200,000 per person / \$300,000 per occurrence for claims arising after October 1, 2011. These limits do not apply, though, to action brought in federal courts or to claim relief bills approved by the Florida legislature. The City is also self-insured for worker's compensation claims. The City is self-insured for health claims and uses a commercial carrier as the administrator. The discounted accrued liability for estimated insurance claims represents an estimate of the ultimate cost of settling claims arising prior to year-end including claims incurred but not yet reported.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

20. Use of Estimates - The financial statements and related disclosures are prepared in conformity with GAAP in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources, the disclosure of contingent assets/deferred outflows and liabilities/deferred inflows at the date of the financial statements and revenue and expenditures/expenses during the period reported. These estimates include assessing the collectability of accounts receivable, the use and recoverability of inventory, pension and postretirement obligations, useful lives of capital assets, impairment of tangible assets, and the determination of the actuarially accrued liability for unpaid claims. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

21. Fund Deficits - The following fund had a deficit in the amount indicated as of September 30, 2024.

<u>Fund</u>	<u>Deficit</u>
Proprietary Fund:	
Solid Waste Utility System	\$ 25,185,063
Special Revenue Funds:	
Rescue Transport Fund	\$ 406,249
Emergency Disaster Fund	\$ 326,882
Affordable Housing Fund	\$ 1,620
Emergency Covid-19 Fund	\$ 2,353,186

The Solid Waste Utility System fund had a prior year ending fund deficit of \$30.7 million.

The City has completed the transition from municipal services to private services for Solid Waste, which began in November 2015, and amounts applicable for employee personnel expenses remain fairly consistent. For the fiscal year 2023-2024 the change in net position for the Solid Waste Utility System was approximately \$6.5 million. This change is inclusive of a credit to expenses for other post-employment benefits of approximately \$3.6 million, and a debit to expenses for pension of approximately \$1.1 million. The City's business-type activity funds continue to have significant fluctuations in operating income/losses due to adjustments and changes in actuarially determined long term liabilities. The City Council adjusted the monthly Solid Waste fee charged to customers \$36.50. Given the current monthly retail rate for solid waste services it is projected that additional adjustments in FY 2024-2025 are necessary to cover operating expenses. The City anticipates annual CPI adjustments to the residential monthly fees in FY 2024, including a fuel adjustment. Financial estimates, as adjusted by CPI, show the fund achieving a net operating surplus of an estimated amount of \$6.5 million during the period of FY 23-24, after accounting for debt service payments to the Water and Sewers fund.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

22. Excess of Expenditures over Appropriations - For fiscal year ended September 30, 2024, expenditures exceeded appropriations in the following non-major governmental funds:

	Final Budget	Actual	Amount in Excess of Final Budget
Emergency Solutions Grant	\$ 17,419	\$ 188,875	\$ 171,456
CITT Surtax Transportation Fund	3,627,000	4,361,661	734,661
Emergency Disaster	-	67,424	67,424
E - 911 Wireless Fund	1,064,000	1,112,771	48,771
Affordable Housing	3,871,000	4,072,787	201,787
Alliance for Aging	2,250,000	2,373,419	123,419

These excess expenditures were funded with excess revenues received in the current fiscal year or available fund balance.

NOTE 2 - PROPERTY TAXES

Property taxes (ad valorem taxes) are assessed on January 1 and are billed and payable November 1, with discounts of one to four percent if paid prior to March 1 of the following calendar year. All unpaid taxes on real and personal property become delinquent on April 1 and accrue interest charges from April 1 until a tax sale certificate is sold at auction. Assessed values are established by the Miami-Dade County Property Appraiser at approximately fair market value. The County bills and collects all property taxes for the City.

Under Florida law, the assessment of all properties and the collection of all county, municipal, school district and special district property taxes are consolidated in the offices of the Miami Dade County Property Appraiser and County Tax Collector.

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed valuation) for general governmental services (other than the payment of principal and interest on general obligation long-term debt). In addition, unlimited amounts may be levied for the payment of principal and interest on general obligation long-term debt, subject to a limitation on the amount of debt outstanding. The millage rate to finance general governmental services for the year ended September 30, 2024 was 6.3018 mills per \$1,000 of assessed valuation.

NOTE 3 - DEPOSITS AND INVESTMENTS

Deposits

In addition to insurance provided by the Federal Deposit 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 all Florida qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Deposits (Continued)

In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are deemed as insured or collateralized with securities held by the entity or its agent in the entity's name.

Investments

As required by Florida Statutes, the City has adopted a written investment policy, which may, from time to time, be amended by the City. The administration is authorized to invest in those instruments authorized by the Florida statutes and the City's investment policy. Investments consist of the Florida Municipal Investment Trust (FMLvT) administered by the Florida League of Cities, Inc., Vanguard funds, and investments held by the City's retirement funds. The FMLvT is a local government investment pool designed for Florida's municipalities to pool their surplus funds and invest them in various portfolios. Membership in the Trust is limited to agencies or political subdivisions in or of the State of Florida. The City's investment is the FMLvT portfolio, not the individual securities held within each FMLvT portfolio. The investments held in the Plans' may be invested in obligations of the U.S. Government or its agencies, first mortgages or first mortgage bonds, corporate bonds, and common and preferred stock.

Interest Rate Risk - Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. In accordance with its investment policy, the City places no limit on the amount that may be invested in securities of the U.S.

Investments – City

As of September 30, 2024, the City's investments consisted of the following:

	<u>Total</u>	<u>Fitch Rating</u>
FMLvT 0-2 Year High Quality Bond	\$ 819,234	AAAf/S1
FMLvT 1-3 Year High Quality Bond	826,894	AAAf/S2
FMLvT Broad Market High Quality Fund	3,492,035	AAf/S4
FMLvT Intermediate High Quality Bond	3,519,609	AAf/S3
	<u><u>\$ 8,657,772</u></u>	
Inter-Term Bond Index Adm	4,182,991	Af/S4
Short-Term Corp Bnd lx Ad	1,263,320	Af/S3
Inter-Term Corp Bond	1,054,474	BBBf/S4
Prime Money Mkt Fund	5,656	NR
Total	<u><u>\$ 6,506,441</u></u>	

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>		
		<u>Less Than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>
Vanguard - Bond	\$ 6,506,441	\$ 5,656	\$ 1,263,320	\$ 5,237,465
FMLvT Portfolios	8,657,772	819,234	7,838,538	-
Total	<u><u>\$ 15,164,213</u></u>	<u><u>\$ 824,890</u></u>	<u><u>\$ 9,101,858</u></u>	<u><u>\$ 5,237,465</u></u>

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Concentration Credit Risk - Disclosure of investments in any one issuer that represents 5% or more of the total of the City's investments is required. Conversely, investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds or pools are excluded from the concentration of credit risk disclosure requirement.

Investments - Pension Plans

The Board of Trustees has developed certain investment policies and has retained investment managers. The investment managers are expected to maximize the return on the investment portfolio and may make transactions consistent with that expectation within the Board's policies. The investment managers are compensated based on a percentage of their portfolio's market value.

The Plans' investment policies are determined by each Board who is responsible for directing the investment of the assets of the Plans to ensure that there will be adequate monies for future benefits. The policies have been identified by each Board to conduct the operations of the Plans in a manner so that the assets will provide the pension and other benefits provided under applicable laws, including City ordinances, preserving principal while maximizing the rate of return.

Employee Retirement System (PERS) – The Plan's investments follow Florida Statutes and its own policy, which allow the Board of Trustees to invest in domestic and international stocks, bonds, diversified assets, emerging markets, and real estate. All investments follow the Prudent Person Rule, focusing on safety and reasonable returns rather than speculation.

To reduce risk, the Plan uses a multi-manager approach, with each asset manager assigned to a specific area and overseen by an investment consultant. The Board sets and can update the asset allocation policy, aiming for long-term total returns to fully fund the Plan's benefits. The investment policy was last updated on October 17, 2023, with the adopted asset allocation in place as of September 30, 2024.

Elected Officials' Retirement System (EORS) - Investment in all equity securities shall be limited to those listed on a major U.S. stock exchange or traded over-the-counter. The equity position in any one company shall not exceed 5% of the total cost of equity investments. Fixed income securities must be rated "BBBf" or higher by a major rating agency. The average quality rating of the fixed income portfolio shall be "A" or better by a major rating agency.

Types of Investments - Florida statutes and the Plans' investment policies authorize each Board to invest funds in various investments. The current target allocation of these investments at fair value is as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	
	<u>Employees'</u> <u>Retirement System</u>	<u>Elected Officials</u> <u>Retirement System</u>
Domestic Equity	50.00%	45.00%
International Equity	5.00%	10.00%
Domestic fixed	40.00%	30.00%
Alternatives - Other	5.00%	15.00%
	<u>100%</u>	<u>100%</u>

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Investments - Pension Plans (Continued)

Rate of Return - For the year ended September 30, 2024 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 20.64% and 23.20% for the PERS and EORS, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. Inputs to the internal rate of return calculations are determined on a monthly basis.

As of September 30, 2024, the Plans had the following investments:

<u>City of Hialeah Employees' Retirement System</u>		<u>Investment Maturities (In Years)</u>			
<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
Corporate Bonds	\$ 79,508,023	\$ 348,555	\$ 35,029,369	\$ 39,769,257	\$ 4,360,842
Asset-backed securities	15,208,785	-	13,786,288	1,422,497	-
U.S. Treasury notes	83,206,197	5,711,666	42,279,571	35,214,960	-
U.S. Treasury bonds	1,207,187	-	-	-	1,207,187
U.S. agency securities	3,734,400	-	3,734,400	-	-
Collateralized mortgage obligations	6,650,203	-	-	7,591	6,642,612
Mortgage-backed Securities	93,168,993	-	84,567	340,080	92,744,346
Total	\$ 282,683,788	\$ 6,060,221	\$ 94,914,195	\$ 76,754,385	\$ 104,954,987

<u>Elected Officials' Retirement Plan</u>		<u>Investment Maturities (In Years)</u>			
<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
Vanguard-IT Bond mutual funds	\$ 3,593,536	\$ -	\$ -	\$ 3,593,536	\$ -
Vanguard-HY Bond mutual funds	1,470,572	-	-	-	1,470,572
Sub-total	\$ 5,064,108	\$ -	\$ -	\$ 3,593,536	\$ 1,470,572
Vanguard-equity mutual funds	8,865,390				
Real estate investment trusts	700,702				
Total Fair Value	\$ 14,630,200				

Interest Rate Risk – Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. The Plan does not have a formal investment policy that limits investments maturities as means of managing its exposure to market value losses arising from increasing interest rates.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Investments - Pension Plans (Continued)

Credit Risk – The Plans invest in various securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities are expected to occur. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The Plan's investment policy limits investments by restricting at least 40% and 30% for PERS and EORS respectively of their investments in fixed income securities to U.S. government and agency securities, or corporate bonds which are rated BBB or higher by a major rating service – (Standard and Poor's, Moody's Investors Services and Fitch Ratings).

As of September 30, 2024, the Plan's fixed income portfolio shall have a minimum rating of investment grade as required by a major crediting service. The Plan's investments in fixed income securities had ratings as follows:

Credit Rating by Moody's Rating	Fair Value	Corporate bonds	Asset-backed securities	U.S. Treasury notes	U.S. Treasury bonds	U.S. agency securities	Collateralized	
							mortgage obligations	Mortgage-backed securities
Aaa	\$ 173,288,831	\$ -	\$ 1,141,001	\$ 69,488,049	\$ 1,207,187	\$ 3,734,400	\$ 4,549,201	\$ 93,168,993
Aa2	252,500	252,500	-	-	-	-	-	-
Aa3	934,030	934,030	-	-	-	-	-	-
A1	20,125,123	20,125,123	-	-	-	-	-	-
A2	2,676,733	2,676,733	-	-	-	-	-	-
A3	5,711,412	4,787,623	923,789	-	-	-	-	-
Baa1 and Below	31,909,623	31,909,623	-	-	-	-	-	-
Not Rated	47,785,536	18,822,391	13,143,995	13,718,148	-	-	2,101,002	-
Total	\$ 282,683,788	\$ 79,508,023	\$ 15,208,785	\$ 83,206,197	\$ 1,207,187	\$ 3,734,400	\$ 6,650,203	\$ 93,168,993

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

Concentration Credit Risk - Disclosure of investments in any one issuer that represents 5% or more of the total of the City's investments is required. Conversely, investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds or pools are excluded from the concentration of credit risk disclosure requirement. As of September 30, 2024, no investments in any one issuer represented 5% or more of the total of the City's investments.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the City of Hialeah Employees' Retirement System's (the "Plan") investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name.

Foreign Currency Risk - Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of the investment or a deposit. The investment policy of the Plan limits the foreign investments to no more than 5% of the Plan's investment balance. As of September 30, 2024, the Plan had no investments denominated in foreign currency.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 - FAIR VALUE MEASUREMENTS

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City does not have any investments that are categorized as Level 3.

As of September 30, 2024, the City had the following investments within the fair value hierarchy:

<u>Investments by fair value level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
FMLvT 0-2 Year High Quality Bond	\$ 819,234	\$ -	\$ 819,234
FMLvT 1-3 Year High Quality Bond	826,894	-	826,894
FMLvT Broad Market High Quality Fund	3,492,035	-	3,492,035
FMLvT Intermediate High Quality Bond	3,519,609	-	3,519,609
Inter-Term Bond Index Adm	4,182,991	4,182,991	-
Short-Term Corp Bnd lx Ad	1,263,320	1,263,320	-
Inter-Term Corp Bond	1,054,474	1,054,474	-
Prime Money Mkt Fund	5,656	5,656	-
Total Investments by fair value level	\$ 15,164,213	\$ 6,506,441	\$ 8,657,772

FMLvT portfolios invest mainly in US government and agency securities, asset-backed securities and corporate bonds and notes. The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. The City is reporting these shares as level 2, since the value is based on market-corroborated data. Vanguard securities are traded in an active market with available quoted prices (Level 1).

As of September 30, 2024, the Elected Officials' Retirement System had the following investments within the fair value hierarchy:

<u>Investments by fair value level</u>	<u>Total</u>	<u>Quoted Prices in Active Markets</u>	
		<u>for Identical Assets</u>	<u>Significant Other Observable Inputs</u>
		<u>Level 1</u>	<u>Level 2</u>
Equity Mutual Funds	\$ 8,865,390	\$ 8,865,390	\$ -
Bond Mutual Funds	5,064,108	5,064,108	-
Real Estate Investment Trust	700,702	-	700,702
Total Investments by fair value level	\$ 14,630,200	\$ 13,929,498	\$ 700,702

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

The Plan's investments are measured at fair value in accordance with the fair value hierarchy, which prioritizes the inputs used to measure fair value into three levels:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Observable inputs other than quoted prices, such as quoted prices for similar assets, interest rates, credit risks, etc.
- Level 3 – Unobservable inputs reflecting the Plan's own assumptions about the assumptions market participants would use.

Prices for Level 1 and Level 2 investments are obtained from various pricing sources by the Plan's custodian.

Level 1 Investments

Equity securities traded on national or international exchanges, including common stock, American Depositary Receipts (ADRs), foreign equities, mutual fund equities, and Real Estate Investment Trusts (REITs), are classified as Level 1. These investments are valued at the last reported sales price on the exchanges on which they are traded or based on current exchange rates.

Level 2 Investments

Debt securities are valued using pricing inputs that reflect the assumptions that market participants would use in pricing the assets, including observable market data obtained from independent sources. These investments include, but are not limited to:

- U.S. Treasury bonds and notes
- Asset-backed securities
- Inflation-indexed bonds
- Securities issued by U.S. federal agencies
- Mortgage-backed and collateralized securities
- Municipal bonds
- Corporate obligations
- Mutual bond funds
- Foreign bonds and notes

These are classified as Level 2 due to the use of market-corroborated inputs and valuation models.

Investments Measured at Net Asset Value (NAV)

The Plan also holds investments in alternative asset classes including pooled index trust funds, closely-held limited liability and partnership funds, real estate equity funds, and collective investment equity funds. These investments do not have readily available market quotations and are measured using the net asset value (NAV) provided by the respective fund managers.

The NAV is determined based on each fund's proportionate share of the underlying investments and incorporates valuation techniques such as pricing models and discounted cash flows. As a practical expedient, these investments are not classified within the fair value hierarchy (Levels 1, 2, or 3), but their fair values are presented separately in the fair value disclosures.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

The following table presents the Plan's fair value hierarchy for investments at fair value as of September 30, 2024:

<u>Investments by fair value level</u>	<u>Total</u>	<u>Quoted Prices in Active</u>		<u>Significant Other</u>	<u>Significant</u>
		<u>Markets</u>	<u>for Identical Assets</u>	<u>Observable Inputs</u>	<u>Unobservable Inputs</u>
		<u>Level 1</u>		<u>Level 2</u>	<u>Level 3</u>
Equity securities:					
Common stocks	\$ 359,265,524	\$ 359,265,524		\$ -	-
International equity	5,193,068	5,193,068		-	-
Equity mutual funds	10,630,542	10,630,542		-	-
REITs	11,229,268	11,229,268		-	-
Total equity securities	386,318,402	386,318,402		-	-
Debt Securities:					
Corporate bonds	79,508,023	-		79,508,023	-
Asset-backed securities	15,208,785	-		15,208,785	-
U.S. Treasury notes	83,206,197	83,206,197		-	-
U.S. Treasury bonds	1,207,187	1,207,187		-	-
U.S. agency securities	3,734,400	-		3,734,400	-
Collateralized mortgage obligations	6,650,203	-		6,650,203	-
Mortgage backed securities	93,168,993	-		93,168,993	-
Total debt securities	282,683,788	84,413,384		198,270,404	-
Total investments by fair value level	\$ 669,002,190	\$ 470,731,786		\$ 198,270,404	\$ -
Investments measured at the net asset value (NAV)*					
Pooled index trust fund	40,708,448				
Closely-held limited liability fund	22,562,789				
Closely-held limited partnership fund	14,482,746				
Closely-held real estate equity fund	15,958,494				
Limited partnerships	3,446,565				
Collective investment equity fund	175,588				
Total investments measured at NAV	97,334,630				
Total investments	\$ 766,336,820				

*As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the statement of fiduciary net position.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions.

<u>Investments by fair value level</u>	<u>Fair Value</u>	<u>Unfunded</u> <u>Commitments</u>	<u>Redemption Frequency</u> <u>(if currently eligible)</u>	<u>Redemption</u> <u>Notice Period</u>
Pooled index trust fund	40,708,448	-	Daily	N/A
Closely-held limited liability fund	22,562,789	-	Quarterly	90 days
Closely-held limited partnership fund	14,482,746	-	Quarterly	60 days
Closely-held real estate equity fund	15,958,494	-	Daily	N/A
Limited partnerships	3,446,565	567,819	Quarterly	95 Days
Collective investment equity fund	175,588	-	N/A	N/A
Total Investments by fair value level	\$ 97,334,630	\$ 567,819		

1. *Pooled index trust fund*: This investment objective of the trust is to seek long-term growth of capital by investing primarily in common stocks of issuers whose market capitalization fall within the range of companies within the MSCI EAFE Index.
2. *Closely-held limited liability fund*: The Fund is a private investment company that seeks to achieve its performance objective by originating, purchasing and holding loans secured by agricultural land located in the United States. The Fund also invests in real estate assets, primarily by making equity investments in agricultural land, but such investments shall not exceed 20% of the aggregate gross value of the Fund's investment.
3. *Closely-held limited partnership fund*: The fund was formed to operate as a perpetual life, open-end, commingled collective investment fund and intends to invest primarily in real estate primarily leased to the U.S. federal government either through the General Services Administration ("GSA") or other federal government agencies.
4. *Closely-held real estate equity fund*: This fund targets middle market real estate opportunities, investing in both debt and equity investments. The investment strategy of each Series of the fund will have a primary focus on private credit and specialty finance assets with short to intermediate-term durations and often contractual cash flows.
5. *Limited partnerships*: The partnership seeks to achieve above-average rates of return and long-term capital growth by investing opportunistically in a select group of funds and investment vehicles that are generally expected to be illiquid.
6. *Collective investment equity fund*: The Fund's objective is to achieve above-average rates of return and long-term capital growth through investment in or with a diversified portfolio of private investment entities and/or separately managed accounts.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 5 - RECEIVABLES

Receivables as of September 30, 2024 for the City's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Building</u>	<u>Water & Sewer</u>	<u>Solid Waste</u>	<u>Stormwater</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Receivables:							
Billed	\$ -	\$ -	\$ 18,023,556	\$ 1,578,180	\$ 752,791	\$ 2,739,622	\$ 23,094,149
Unbilled	-	-	12,323,501	1,379,223	346,528	-	14,049,252
Franchise and utility	4,731,468	-	-	-	-	-	4,731,468
State and local shared	1,733,863	-	-	-	-	-	1,733,863
Grants	316,703	-	-	-	-	5,932,262	6,248,965
Other	2,030,677	80,449	5,542,948	941,304	-	5,007,142	13,602,520
Sales taxes	4,540,375	-	-	-	-	-	4,540,375
Gross receivables	13,353,086	80,449	35,890,005	3,898,707	1,099,319	13,679,026	68,000,592
Less: allowance for uncollectibles	-	-	4,484,602	-	-	145,338	4,629,940
Net total receivables	\$ 13,353,086	\$ 80,449	\$ 31,405,403	\$ 3,898,707	\$ 1,099,319	\$ 13,533,688	\$ 63,370,652

Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. Revenues of the Rescue Transportation fund are reported net of uncollectible amounts.

At the end of the current fiscal year, unearned revenue reported in the governmental funds was as follows:

Grants and other unearned revenues	\$ 2,931,612
State Housing Initiative Program (SHIP)	4,564,644
Other General Fund deferred revenue	9,566
Coronavirus SLFR Fund	57,523,393
	<u>\$ 65,029,215</u>

NOTE 6 – LEASE RECEIVABLE

Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases* enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. A lessor is required to recognize a lease receivable and a deferred inflow of resources. The City recognized \$4,330,185 in the net book value lease receivable and a deferred inflow of resources of \$4,111,954 for the lessor agreements.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – LEASE RECEIVABLE (Continued)

The following schedule represents the future principal and interest revenue to be received:

Fiscal Year	Principal	Interest	Total
2025	\$ 623,752	\$ 214,212	\$ 837,964
2026	586,054	180,501	766,555
2027	463,059	152,350	615,409
2028	489,585	130,441	620,026
2029	392,697	107,303	500,000
2030-2033	1,775,037	224,964	2,000,001
Total	\$ 4,330,185	\$ 1,009,771	\$ 5,339,956

NOTE 7- INTERFUND ACTIVITY

The amounts due to/from other funds at September 30, 2024 were as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 27,471,483	\$ 170,583,624
Bulding Fund	54,325,449	-
Coronavirus State and Local Fiscal Recovery Fund	59,899,115	2,164,070
Non-Major Governmental Funds	48,408,550	12,685,455
Total Governmental Type Funds	190,104,597	185,433,149
Major Proprietary Type Funds		
Water and Sewer	45,349	5,895,690
Solid Waste	-	6,767,658
Stormwater	7,950,508	3,957
Total Major Proprietary Type Funds	7,995,857	12,667,305
Total Interfund Activity	\$ 198,100,454	\$ 198,100,454

- Amounts due from the non-major governmental funds to the general fund are for advances made to those funds to cover expenditures until the receivables on those funds are collected.
- Amounts due to the non-major governmental funds from the general fund are for amounts due to those funds for amounts collected on their behalf.
- Amounts due to the solid waste fund are for receivables collected by the water and sewer fund before year end which are owed to that fund.
- Amounts due from the water and sewer fund to the solid waste fund, stormwater fund and general fund is for waste fees collected and utility taxes collected at year end.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 - INTERFUND ACTIVITY (Continued)

As of September 30, 2024, major fund and non-major fund activity was as follows:

	<u>Transfers in</u>	<u>Transfers out</u>
General Fund	\$ -	\$ 2,300,848
Non-Major Governmental Funds	2,975,318	674,470
	<u>\$ 2,975,318</u>	<u>\$ 2,975,318</u>

The general fund transfers to the non-major governmental funds were made to provide additional resources for current operations.

NOTE 8 - INTERFUND LOAN

On December 10, 2013 the Council approved the internal transfer of assets comprised of 35.438 acres improved with buildings located at 900 East 56 Street, Hialeah, Florida in the amount of \$19,000,000 from the City of Hialeah to its Department of Public Works. The City determined the fair value of the assets, which includes the land and the CBS buildings, as the average of two asset appraisals by state-certified appraisers: 1) \$18,500,000 from Appraisal First Real Estate Appraisers, LLC; and 2) \$19,500,000 from Gallagher & Birch, Inc. The Department of Public Works utilized this asset transfer as part of the privatization of trash collection within the Solid Waste Fund, to lease a portion of the land and solid waste building to the private hauler for use of its contracted service, and to relocate and consolidate its fleet with the city fleet and to lease vacant land to a third party for a recycling/trash transfer station.

On June 9, 2015 the Council approved an amended resolution approving the terms of the unsecured promissory note to memorialize the interfund loan from the Water & Sewer Fund of the Public Works Department (the "Lender") to the Solid Waste Fund of the Public Works Department (the "Borrower"), in the amount of \$19,000,000, for the purpose of financing the internal transfer of assets from the City's General Fund (the "Transferor") to the Solid Waste Fund (the "Transferee") of the Public Works Department. Whereas, the Water & Sewer Fund of the Public Works Department loaned the sum of \$19,000,000 to the Solid Waste Fund of the Public Works Department to pay the fair value of the assets to the City's General Fund.

The solid waste fund, accelerated the payments required in the original note agreement, as of September 30, 2024 the note calls for final payment of principal and interest of \$8,230. The final payment will take place during fiscal year 2025.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8 - INTERFUND LOAN (Continued)

Annual payments to maturity for the above interfund loan are as follows:

Fiscal Year End	Principal	Interest	Total
2025	\$ 8,230	\$ 28	\$ 8,258
	\$ 8,230	\$ 28	\$ 8,258

NOTE 9 - RESTRICTED ASSETS

Restricted assets consist of the cash restricted for debt service, capital projects, advances, public safety and customer deposits at September 30, 2024:

Water and Sewers Fund

Customers' deposit - cash and investments	\$ 11,590,937
Department of Environmental Resource Management (DERM)	7,340,552
Other restricted assets	<u>415,247</u>
Total restricted cash water and sewers fund	<u>19,346,736</u>

Governmental Funds

Special Revenue Funds:

Rescue Transportation	185,025
Emergency Disaster Fund	10,000
Fire Prevention	1,105,185
Law Enforcement Trust - State	418,322
Law Enforcement Trust - Federal	637,117
Affordable Housing	<u>1,710,899</u>
Total Governmental Funds	<u>4,066,548</u>
Total restricted assets	<u>\$ 23,413,284</u>

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 10- CAPITAL ASSETS

A summary of the City's capital assets at September 30, 2024 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
<u>Governmental Activities:</u>					
Capital assets not being depreciated:					
Land	\$ 29,694,984	\$ -	\$ -	\$ -	\$ 29,694,984
Construction in Progress	22,390	7,005,903	-	(22,390)	7,005,903
Total capital assets not being depreciated	<u>29,717,374</u>	<u>7,005,903</u>	<u>-</u>	<u>(22,390)</u>	<u>36,700,887</u>
Capital assets being depreciated/amortized:					
Buildings	147,056,988	1,960,568	-	-	149,017,556
Improvements other than buildings	30,303,103	-	-	-	30,303,103
Furniture, fixtures, machinery and equipment - Charter School*	-	-	-	-	-
Furniture, fixtures, machinery and equipment	96,291,854	15,244,167	(391,288)	-	111,144,733
Infrastructure	329,356,041	4,370,828	-	(851,776)	332,875,093
Leases (Right-to-use asset)	2,838,067	122,282	(56,819)	-	2,903,530
Subscription arrangements	948,779	8,827,426	-	-	9,776,205
Total capital assets being depreciated/amortized	<u>606,794,831</u>	<u>30,525,271</u>	<u>(448,107)</u>	<u>(851,776)</u>	<u>636,020,219</u>
Less accumulated depreciation/amortization for:					
Buildings	57,355,463	3,312,112	-	-	60,667,575
Improvements other than buildings	27,194,368	556,435	-	-	27,750,803
Furniture, fixtures, machinery and equipment - Charter School*	-	-	-	-	-
Furniture, fixtures, machinery and equipment	72,499,555	9,511,213	(391,288)	-	81,619,480
Infrastructure	241,469,388	9,646,103	-	-	251,115,491
Leases (Right-to-use asset)	955,492	996,254	(56,819)	-	1,894,927
Subscription arrangements	199,807	1,170,828	-	-	1,370,635
Total accumulated depreciation/amortization	<u>399,674,073</u>	<u>25,192,945</u>	<u>(448,107)</u>	<u>-</u>	<u>424,418,911</u>
Total capital assets being depreciated/amortized, net	<u>207,120,757</u>	<u>5,332,326</u>	<u>-</u>	<u>(851,776)</u>	<u>211,601,308</u>
Governmental activities capital assets, net	\$ 236,838,130	\$ 12,338,229	\$ -	\$ (874,166)	\$ 248,302,194
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
<u>Business-type Activities:</u>					
Capital assets not being depreciated/amortized:					
Land	\$ 4,202,141	\$ -	\$ -	\$ -	\$ 4,202,141
Construction in progress	2,084,157	519,767	-	(2,084,157)	519,768
Total capital assets not being depreciated/amortized	<u>6,286,298</u>	<u>519,767</u>	<u>-</u>	<u>(2,084,157)</u>	<u>4,721,909</u>
Capital assets being depreciated/amortized:					
Buildings and utility plant	72,409,400	394,044	-	897,892	73,701,336
Improvements other than buildings	320,533	-	-	-	320,533
Furniture, fixtures, machinery and equipment	10,895,396	1,632,997	(92,434)	-	12,435,959
Infrastructure	313,085,754	550,340	-	2,060,431	315,696,525
Total capital assets being depreciated/amortized	<u>396,711,083</u>	<u>2,577,381</u>	<u>(92,434)</u>	<u>2,958,323</u>	<u>402,154,353</u>
Less accumulated depreciation/amortization for:					
Buildings and utility plant	18,577,683	1,816,814	-	-	20,394,497
Improvements other than buildings	320,533	-	-	-	320,533
Furniture, fixtures, machinery and equipment	10,401,623	251,089	(92,434)	-	10,560,278
Infrastructure	180,495,957	7,123,880	-	-	187,619,837
Total accumulated depreciation/amortization	<u>209,795,796</u>	<u>9,191,783</u>	<u>(92,434)</u>	<u>-</u>	<u>218,895,145</u>
Total capital assets being depreciated/amortized, net	<u>186,915,287</u>	<u>(6,614,402)</u>	<u>-</u>	<u>2,958,323</u>	<u>183,259,208</u>
Business-type activities capital assets, net	\$ 193,201,585	\$ (6,094,635)	\$ -	\$ 874,166	\$ 187,981,117

(*)Beginning balance was adjusted to consider the transfer of COHEA as a component unit of the City.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 10- CAPITAL ASSETS (Continued)

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

Governmental activities:

General government	\$ 8,084,501
Police	8,241,626
Fire	6,665,544
Streets	639,971
Recreation	1,561,303
Total depreciation/amortization expense - governmental activities	\$ 25,192,945

Business-type activities:

Water and sewer	\$ 6,379,316
Solid waste	143,087
Stormwater	2,669,380
Total depreciation expense - business-type activities	\$ 9,191,783

NOTE 11- LONG- TERM DEBT

1. Leases (Right-to-use Asset) The City has entered into multiple Lease agreements. The lease agreements qualify as other than short-term Leases under GASB Statement No. 87 and therefore; have been recorded at the present value of the future minimum payments as of the date of their inception.

The City entered into 3 lease agreements, of 48 months in duration, 60 months of duration and 72 months in duration respectively. As of September 30, 2024, the value of the lease liability was \$1,055,671. The net book value of the leased assets as of September 30, 2024 is \$1,008,604. Principal and interest payments made during the fiscal year totalled \$1,067,921.

The future minimum lease obligations and the net position value of these minimum lease payments as of September 30, 2024, were as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ 996,831	\$ 70,783	\$ 1,067,614
2026	52,710	18,974	71,684
2027	6,130	245	6,375
Total	\$ 1,055,671	\$ 90,002	\$ 1,145,673

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 11- LONG- TERM DEBT (Continued)

2. Subscription-Based Information Technology Arrangements (SBITA)) – The City has entered into multiple subscription arrangements. The subscription arrangements qualify as other than short-term lease under GASB Statement No.96 and therefore; have been recorded at the present value of the future minimum payments as of the date of their inception.

The City entered into 5 subscription arrangements of 60 months in duration, 1 subscription arrangement of 120 months, and 3 subscription arrangements of 36 months in duration. An initial subscription arrangement liability was recorded in the amount of \$8,827,426 during the fiscal year ended September 30, 2024. As of September 30, 2024, the value of the subscription arrangement liability was \$8,141,269. The netbook value of the SBITA assets as of September 30, 2024 is \$8,405,570 with accumulated amortization of \$1,370,636. Principal and interest payments made during the fiscal year totaled \$1,584,882.

The future minimum subscription obligations and the net present value of these minimum lease payments as of September 30, 2024 were as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ 2,429,840	\$ 188,969	\$ 2,618,808
2026	830,432	134,021	\$ 964,453
2027	873,701	110,786	\$ 984,487
2028	771,382	86,156	\$ 857,538
2029	595,408	64,718	\$ 660,126
2030-2033	2,640,508	134,692	\$ 2,775,200
Total	\$ 8,141,269	\$ 719,342	\$ 8,860,611

Notes Payable

1. Tax-exempt Refunding Revenue Note – Series 2022- On May 1, 2003, the City executed a loan agreement with the Florida Municipal Loan Council to borrow \$48,135,000 the proceeds of the Florida Municipal Loan Council Revenue Bonds, Series 2003A, were for major roadway improvements and infrastructure projects. The loan bears interest at varying rates ranging from 2.0% to 5.25%.

On November 5, 2012, the City executed a loan agreement with the Florida Municipal Loan Council to borrow \$41,620,000 the purpose of the proceeds of the Florida Municipal Loan Council Revenue Bonds, Series 2012A, were to refinance Florida Municipal Loan Council Revenue Bonds, Series 2003A. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$4,090,000. The loan matures on May 1, 2033 and bears an interest rate of approximately 3.5%.

On September 22, 2021, the City executed a loan agreement with Truist Bank, to borrow \$28,400,000 taxable refunding revenue note, Series 2021. Proceeds of the bonds were used to refund the City's outstanding Florida Municipal Loan Council Revenue Bonds, Series 2012A. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$2.7 million. The loan matures on May 1, 2033 and bears an interest rate of 1.68%

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 11- LONG-TERM DEBT (Continued)

Notes Payable (Continued)

1. Tax-exempt Refunding Revenue Note – Series 2022 (Continued)

The debt is payable solely from the non-advalorem revenues received by the City. Non-advalorem revenues received from the current year were approximately \$108.3 million.

Annual debt service requirements to maturity for the Truist Bank Taxable Revenue Bond Series 2022 loan payable are as follows:

Tax-Exempt Refunding Revenue Note - Series 2021 (Refinanced 2012A Bond) (Refinanced 2003 Bond)							
<u>Fiscal Year End</u>	<u>Governmental Activities</u>			<u>Business - type Activities</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2025	\$ 1,904,000	\$ 312,346	\$ 2,216,346	\$ 476,000	\$ 78,086	\$ 554,086	
2026	1,944,000	280,358	2,224,358	486,000	70,090	556,090	
2027	1,984,000	247,699	2,231,699	496,000	61,925	557,925	
2028	2,024,000	214,368	2,238,368	506,000	53,592	559,592	
2029	2,064,000	180,365	2,244,365	516,000	45,091	561,091	
2030-2033	8,672,000	367,718	9,039,718	2,168,000	91,930	2,259,930	
	<u>\$ 18,592,000</u>	<u>\$ 1,602,854</u>	<u>\$ 20,194,854</u>	<u>\$ 4,648,000</u>	<u>\$ 400,714</u>	<u>\$ 5,048,714</u>	

2. Revolving Loan - On May 11, 2001, the City entered into a revolving loan agreement with the State of Florida Department of Environmental Protection for the purpose of providing financial assistance for planning and designing water and sewer system improvements. As of September 30, 2017, the project has been completed and the City has withdrawn \$2,779,844 for the project. The loan shall be repaid in 18 semi-annual loan payments beginning September 15, 2007, which is based on the total amount owed. The amount due as of September 30, 2024 was \$251,440.

Annual debt service requirements to maturity for the revolving loan payable are follows:

State Revolving Loan Fund			
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 165,121	\$ 5,854	\$ 170,975
2026	86,319	1,184	87,503
	<u>\$ 251,440</u>	<u>\$ 7,038</u>	<u>\$ 258,478</u>

3. Affordable Housing Note, Series 2011 - On March 23, 2011 City issued the City of Hialeah Affordable Housing Note, Series 2011 (the TD Bank Note) in the principal amount of \$14,489,840 to refund and extend the maturity of the Amended and Restated Bond Anticipation Refunding Note, Series 2010 and pay-off the mortgage payable due to the Miami-Dade Housing Agency

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 11- LONG-TERM DEBT (Continued)

Notes Payable (Continued)

3. Affordable Housing Note, Series (Continued) - The transaction resulted in an economic gain of approximately \$115,740. The proceeds of the Series 2010 note were used for the purpose of financing the construction of a 300-unit affordable housing project in the City of Hialeah. The TD Bank Note is secured by a pledge of net rental income and a covenant to budget and appropriate non-ad valorem revenues sufficient to pay the principal and interest due on the note for the fiscal year. At September 30, 2024, the TD Bank Note had an outstanding balance of \$8,544,385.

Annual debt service requirements to maturity for the TD Bank Note are as follows:

Affordable Housing Note, Series 2011			
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 592,023	\$ 364,556	\$ 956,579
2026	618,382	338,197	956,579
2027	645,915	310,663	956,579
2028	674,675	281,904	956,579
2029	704,714	251,864	956,579
2030-2034	4,023,120	759,774	4,782,894
2035-2036	1,285,555	46,869	1,332,424
	<u>\$ 8,544,385</u>	<u>\$ 2,353,827</u>	<u>\$ 10,898,212</u>

4. Utility System Revenue Refunding Bond Series 2022 - On May 1, 2011, the City executed a loan agreement with the Florida Municipal Loan Council to borrow \$48,235,000 from the proceeds of the Florida Municipal Loan Council Revenue Bonds, Series 2011D, for construction, expansion and improvements of the City's sewer treatment plant. The loan has an outstanding balance of \$45,220,000 and calls for annual principal payments due on October 1, commencing on October 1, 2012 through October 1, 2041 and semi-annual interest payments commencing on October 1, 2011 at varying rates of interest ranging from 3.0% to 5.5%. The arbitrage rebate requirement generally requires issuers of tax-exempt debt to rebate to the U.S. Treasury that investment income arising from the proceeds of tax-exempt debt to the extent that such income results from investments yields in excess of the bond yield. The City has pledged the net revenues (gross revenues after reduction of the cost of operation and maintenance of the project). Net available pledged revenue for the year ended September 30, 2024 was approximately \$3.4 million.

On May 19, 2022, the City executed a loan agreement with Morgan Stanley, to borrow \$38,270,000 tax-exempt utility system revenue refunding bonds, Series 2022. Proceeds of the bonds were used to refund the City's outstanding Florida Municipal Loan Council Revenue Bonds, Series 2011D.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 11- LONG-TERM DEBT (Continued)

4. Utility System Revenue Refunding Bond Series 2022 (Continued) - The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$3.5 million. The loan matures on October 1, 2041 and bears an interest rate of 5.0%.

Annual debt service requirements to maturity for the Series 2022 note payable are as follows:

Utility System Revenue Refunding Bonds, Series 2022			
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	1,260,000	1,751,500	3,011,500
2026	1,335,000	1,686,625	3,021,625
2027	1,390,000	1,618,500	3,008,500
2028	1,465,000	1,547,125	3,012,125
2029	1,540,000	1,472,000	3,012,000
2030-2034	8,940,000	6,094,000	15,034,000
2035-2039	11,410,000	3,561,725	14,971,725
2040-2042	8,320,000	637,525	8,957,525
	<u>\$ 35,660,000</u>	<u>\$ 18,369,000</u>	<u>\$ 54,029,000</u>

Revenue Bonds

5. Special Obligation Revenue Bonds Series 2015A and Special Obligation Refunding Revenue Bonds Series 2015B - On December 2, 2015, the City issued the Series 2015A and 2015B bonds in the amounts of \$25,000,000 and \$21,145,000 respectively. The Series 2015A bonds were issued to provide funds to finance a portion of the annual required contribution for fiscal years 2015 and 2016 with respect to the contributory defined benefit retirement plan known as the Employees' Retirement System ("ERS"). The Series 2015B bonds were issued to provide funds to pay the outstanding amount of a loan pursuant to a loan agreement between the City and the Florida Municipal Loan Council ("FMLC") dated February 1, 2005 (the "refunded bonds") and such funds will be used by FMLC to refund all of that portion of the outstanding Florida Municipal Loan Council Revenue Bonds, Series 2005A. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$2,555,000. The 2015 Bonds are special limited obligations of the City payable solely from and secured by a lien upon pledged Franchise Fee Revenues. Franchise Fee Revenues are defined in the Bond Ordinance to mean franchise fees levied and collected by the City, pursuant to Ordinance No. 07-55 (the "Electric Franchise Ordinance"). Available pledged revenues for the fiscal year ended September 30, 2024 was approximately \$14.4 million.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 11- LONG-TERM DEBT (Continued)

Revenue Bonds (Continued)

5. Special Obligation Revenue Bonds Series 2015A and Special Obligation Refunding Revenue Bonds Series 2015B- (Continued) The Series 2015A bonds have an outstanding balance of \$17,973,333 and calls for annual principal payments due on December 1, commencing on December 1, 2020 through December 2, 2035 and semi-annual interest payments commencing on June 1, 2016 at varying rates of interest ranging from 2.0% to 5.0%. The Series 2015B bonds has an outstanding balance of \$13,973,667 and calls for annual principal payments due on December 1, commencing on December 1, 2017 through December 1, 2035 and semi-annual interest payments commencing on June 1, 2016 at varying rates of interest ranging from 2.0% to 5.0%. The arbitrage rebate requirement generally requires issuers of tax-exempt debt to rebate to the U.S. Treasury that investment income arising from the proceeds of tax-exempt debt to the extent that such income results from investments yields in excess of the bond yield. There is no arbitrage rebate liability in connection with either of the Special Obligation Revenue Bonds at September 30, 2024.

Annual debt service requirements to maturity for the Series 2015A and B bonds payable are as follows:

REVENUE BOND 2015 A			
Governmental Activities			
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,360,000	\$ 784,363	\$ 2,144,363
2026	1,415,000	802,849	2,217,849
2027	1,475,000	743,126	2,218,126
2028	1,540,000	678,188	2,218,188
2029	1,610,000	608,383	2,218,383
2030-2034	9,315,000	1,783,376	11,098,376
2035	2,165,000	55,608	2,220,608
	<u>\$ 18,880,000</u>	<u>\$ 5,455,893</u>	<u>\$ 24,335,893</u>

REVENUE BOND 2015 B						
Governmental Activities				Business - type Activities		
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 812,000	\$ 366,767	\$ 1,178,767	\$ 203,000	\$ 140,075	\$ 343,075
2026	856,000	518,600	1,374,600	214,000	129,650	343,650
2027	900,000	474,700	1,374,700	225,000	118,675	343,675
2028	948,000	428,500	1,376,500	237,000	107,125	344,125
2029	992,000	380,000	1,372,000	248,000	95,000	343,000
2030-2034	5,768,000	1,084,200	6,852,200	1,442,000	271,050	1,713,050
2035	1,336,000	33,400	1,369,400	334,000	8,350	342,350
	<u>\$ 11,612,000</u>	<u>\$ 3,286,167</u>	<u>\$ 14,898,167</u>	<u>\$ 2,903,000</u>	<u>\$ 869,925</u>	<u>\$ 3,772,925</u>

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 11- LONG-TERM DEBT (Continued)

Leases

The City has entered into various lease agreements; a transit bus in the amount of \$340,400, a fire ladder truck in the amount of \$633,827, computer software in the amount of \$1,276,325, radio tower equipment in the amount of \$3,432,343, radios in the amount of \$4,600,925, computer equipment in the amount of \$171,655, various software in the amount of \$9,776,205.

These lease agreements qualify as leases for accounting purposes and therefore, have been recorded at the present value of the future minimum lease payments as of the inception date in the capital assets section and the related liability in the governmental-wide financial statements.

Capital assets acquired through the issuance of leases are as follows:

	Governmental Activities
Equipment	\$ 8,830,153
Vehicles	1,096,509
Infrastructure	3,432,343
Less: accumulated depreciation	(7,864,303)
	<u>\$ 5,494,702</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2024 are as follows:

Leases			
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 958,757	\$ 129,091	\$ 1,087,848
2026	986,147	101,700	1,087,848
2027	1,014,337	73,511	1,087,848
2028	1,045,895	44,498	1,090,394
2029	654,064	17,976	672,040
2030	82,085	810	82,894
	<u>\$ 4,741,285</u>	<u>\$ 367,587</u>	<u>\$ 5,108,872</u>

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 11- LONG-TERM DEBT (Continued)

Changes in Long-Term Liabilities

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

	October 1, 2023	Additions	Reductions	September 30, 2024	Due Within One Year
Governmental Activities					
<i>Revenue Bonds:</i>					
Special Obligation Revenue Bonds, Series 2015A	\$ 20,190,000	\$ -	\$ (1,310,000)	\$ 18,880,000	\$ 1,360,000
Special Obligation Refunding Revenue Bonds, Series 2015B	12,388,000	-	(776,000)	11,612,000	812,000
Refunding Revenue Note, Series 2022	20,464,000	-	(1,872,000)	18,592,000	1,904,000
<i>Notes:</i>					
TD Bank (Refi Suntrust Loan)	9,109,981	-	(565,596)	8,544,385	592,023
Total bonds and notes payable	<u>62,151,981</u>	<u>-</u>	<u>(4,523,596)</u>	<u>57,628,385</u>	<u>4,668,023</u>
<i>Plus deferred amounts:</i>					
Premium (2015A)	937,274	-	(92,283)	844,991	92,283
Premium (2015B)	1,364,764	-	(113,731)	1,251,033	113,731
	<u>2,302,038</u>	<u>-</u>	<u>(206,014)</u>	<u>2,096,024</u>	<u>206,014</u>
 Bonds and notes payable net	 <u>64,454,019</u>	 <u>-</u>	 <u>(4,729,610)</u>	 <u>59,724,409</u>	 <u>4,874,037</u>
<i>Lease Obligations</i>					
Banc of America Public Capital (Radio equip)	1,909,226	-	(357,440)	1,551,786	369,007
Motorola Solutions Credit Company, LLC (radios)	2,763,429	-	(429,046)	2,334,383	441,188
Banc of America Public Capital (Fire equipment)	1,000,772	-	(145,656)	855,116	148,561
<i>Lease (Right-to-use asset)</i>					
Axon Enterprise Inc. (Tasers)	431,253	-	(212,272)	218,981	218,980
Axon Enterprise Inc. (Body Cameras)	1,451,601	-	(714,511)	737,090	737,090
Bruce Rossmeier's Daytona Harley-davidson (Motorcycles)	9,707	122,282	(32,389)	99,600	40,761
<i>Subscription arrangements</i>	<u>674,382</u>	<u>8,827,426</u>	<u>(1,360,539)</u>	<u>8,141,269</u>	<u>2,429,840</u>
Total lease obligations	<u>8,240,370</u>	<u>8,949,708</u>	<u>(3,251,853)</u>	<u>13,938,225</u>	<u>4,385,427</u>
 Claims payable	 47,349,131	 19,139,693	 (17,580,951)	 48,907,873	 9,977,545
Compensated absences	33,087,028	14,023,293	(15,388,883)	31,721,438	15,783,435
OPEB liability	226,633,739	-	(15,910,394)	210,723,345	-
Net pension liability	<u>322,655,361</u>	<u>35,398,603</u>	<u>-</u>	<u>358,053,964</u>	<u>-</u>
	<u>629,725,259</u>	<u>68,561,589</u>	<u>(48,880,228)</u>	<u>649,406,620</u>	<u>25,760,980</u>
 Total Governmental activities	 <u>\$ 702,419,648</u>	 <u>\$ 77,511,297</u>	 <u>\$ (56,861,691)</u>	 <u>\$ 723,069,254</u>	 <u>\$ 35,020,443</u>
Business-Type Activities					
Revolving loan	\$ 412,020	\$ -	\$ (160,580)	\$ 251,440	\$ 165,121
Utility System Revenue Refunding Bonds, Series 2022	36,870,000	-	(1,210,000)	35,660,000	1,260,000
Special Obligation Refunding Revenue Bonds, Series 2015B	3,097,000	-	(194,000)	2,903,000	203,000
Refunding Revenue Note, Series 2022	5,116,000	-	(468,000)	4,648,000	476,000
Total bonds and loans payable	<u>45,495,020</u>	<u>-</u>	<u>(2,032,580)</u>	<u>43,462,440</u>	<u>2,104,121</u>
<i>Plus deferred amounts:</i>					
Premium (Series 2022)	2,356,908	-	(65,506)	2,291,402	70,395
Premium (2015B)	367,433	-	(33,171)	334,262	33,171
	<u>2,724,341</u>	<u>-</u>	<u>(98,677)</u>	<u>2,625,664</u>	<u>103,566</u>
Bonds and loans payable net	<u>48,219,361</u>	<u>-</u>	<u>(2,131,257)</u>	<u>46,088,104</u>	<u>2,207,687</u>
Claims payable	3,920,284	1,083,310	(1,936,599)	3,066,995	515,892
Compensated absences	2,106,516	1,130,864	(1,081,159)	2,156,221	1,263,200
OPEB liability	40,616,370	-	(4,853,444)	35,762,926	-
Net pension liability	<u>57,824,972</u>	<u>2,942,180</u>	<u>-</u>	<u>60,767,152</u>	<u>-</u>
	<u>104,468,142</u>	<u>5,156,354</u>	<u>(7,871,202)</u>	<u>101,753,294</u>	<u>1,779,092</u>
Total Business-type activities	<u>\$ 152,687,503</u>	<u>\$ 5,156,354</u>	<u>\$ (10,002,459)</u>	<u>\$ 147,841,398</u>	<u>\$ 3,986,779</u>

Claims and judgments, compensated absences, net pension and net OPEB obligations are generally liquidated by the General Fund for the governmental activities.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 12 – 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; injuries to employees; and natural disasters.

The City is self-insured for general liability, automobile, workers' compensation, and health. The City also purchases stop loss coverage on its health insurance program. For all other coverage, the City carries commercial insurance. The City currently reports all of its risk management activities in its General Fund, except those related to Enterprise Funds, which are reported in those funds.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (IBNR). Claims liabilities are actuarially determined using historical and recent claim settlement trends. There were no significant reductions in insurance coverage from coverage in the prior year, and there were no settlements that exceeded insurance coverage for each of the past three years.

The City only records the current portion of claims payable within the General Fund if there is a settled claim which is due and payable at year end and is outstanding. The long-term portion is reported in the statement of net position. Amounts payable from proprietary funds are accounted for within those funds.

The following is a summary of changes in claims payable for the year ended September 30, 2024:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Unpaid claims, beginning	\$ 51,269,415	\$ 53,169,604	\$ 56,575,842
Incurred claims (including IBNR)	20,223,003	17,106,505	16,758,101
Claims payments	(19,517,550)	(19,006,694)	(20,164,339)
Unpaid claims, ending	<u>\$ 51,974,868</u>	<u>\$ 51,269,415</u>	<u>\$ 53,169,604</u>

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 13 – COMMITMENTS AND CONTINGENCIES(Continued)

Water and Sewers Fund- Agreements with Miami-Dade County

In 2008, the City Council approved a 20-year agreement with Miami-Dade County (the "County") providing for the rendition of water service to the City by the County and the purchase of treated water from the County until 2027. In 2011, the City of Hialeah entered into a multi-year agreement with the County to provide wastewater treatment and disposal services until 2029. Rates paid by the City of Hialeah vary depending and costs incurred by the County. The charges to operations under these agreements for the year ended September 30, 2024 were \$15,983,084 for water services and \$57,317,704 for wastewater treatment and disposal services.

Joint Participation Agreement- Reverse Osmosis Water Treatment Plant

On December 27, 2007 (amended August 2009), the City entered into a Joint Participation Agreement with Miami-Dade County for the design, construction, and operation of a 17.5 MGD reverse osmosis water treatment plant ("the Plant") located within the City's annexation area. The City and County each hold a 50% ownership interest in the Plant and share equally in associated costs. The Plant began operations with a 10 MGD capacity (expandable to 17.5 MGD) and is currently operating at 7.5 MGD, serving the City, unincorporated Miami-Dade County, and Hialeah. The County has and continues to contribute for 50% of the costs for the plant, and the City has and continues to contribute 50% of the costs of the plant.

Each party receives 50% of the water produced, with the option to purchase the other's share if needed. The County has contributed over \$55 million to the project, representing its 50% share. To fund its portion, the City issued \$48.2 million in Florida Municipal Loan Council Revenue Bonds (Series 2011D), which were refinanced as Utility System Revenue Refunding Bonds, Series 2022, on May 19, 2022. Reconciliation of capital expenses and contributions from both the City and County as of September 30, 2024, is provided below.

	<u>October 1,</u> <u>2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>September 30,</u> <u>2024</u>
Land	\$ 3,300,000	\$ -	\$ -	\$ 3,300,000
RO Plant	<u>55,576,592</u>	<u>220,288.50</u>	<u>-</u>	<u>55,796,881</u>
	<u>\$ 58,876,592</u>	<u>\$ 220,288.50</u>	<u>\$ -</u>	<u>\$ 59,096,881</u>
Other Receivables - Miami Dade County	<u>\$ 3,359,626</u>	<u>\$ 3,495,585</u>	<u>\$ (2,608,943)</u>	<u>\$ 4,246,268</u>
Total Contributed by Miami Dade County				
Contributions to the City	\$ 50,356,064			
Due from Miami Dade County	3,359,626			
50% Share of interest income earned	731,190			
50% Share of value of the land	1,650,000			
50% Share of grants from SFWMD	<u>3,000,000</u>			
	<u>\$ 59,096,880</u>			

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 13 – COMMITMENTS AND CONTINGENCIES(Continued)

Construction Commitments

At September 30, 2024, the City had in process various construction projects that were not completed with a estimated completion cost of totaling approximately \$26,710,239 Funding of these projects is to be made primarily through tax revenues, fees and grants.

Encumbrances

As of September 30, 2024 the City reported encumbrances for the General fund of \$6,309,400.

Litigation

The City is a defendant in various lawsuits incidental to its operations. The outcome of these lawsuits is undeterminable as is an amount of range of potential loss.

Tax-Exempt Bonds

As disclosed in Note 11 Long-Term Debt; the City has issued tax-exempt bonds to fund capital projects and infrastructure. If the bonds were deemed to be taxable, then the City's interest costs would markedly rise; the potential increase in interest costs would only be determinable at the time such debt was deemed taxable. The City does not at this time; expect the tax-exempt status of the debt to change.

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS

Employees' Retirement System

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the City of Hialeah Employees' Retirement System Plan document for more complete information. The Plan issues an annual stand-alone audited financial statement. A copy can be requested in person by visiting City Hall, 501 Palm Avenue, Hialeah, FL 33010.

1. Plan Description – The City of Hialeah Employees' Retirement System is a single-employer defined benefit pension plan administered by a Board of Trustees. The Plan was established effective January 1, 1956, by City Ordinance No. 874 and has since been amended through subsequent ordinances relevant to the System. The Plan is designed to comply with the applicable provisions of the Florida Statutes, including Chapter 112, and Chapters 175 and 185, which govern Municipal Firefighters' and Police Officers' Retirement Trust Funds.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS

Employees' Retirement System

1. Plan Description (Continued) – Pension benefits under the plan are subject to collective bargaining and are address in the current agreements between the City of Hialeah and the following unions:

- AFSCME Local 161
- Dade County Police Benevolent Association
- International Association of Fire Fighters (IAFF)

As a City-sponsored plan, the Retirement System is reported as a pension trust fund within the City's Annual Comprehensive Financial Report (ACFR) and is considered part of the City's overall financial reporting entity.

On May 22, 2012, the City passed Ordinance No. 2012-27, retroactively to April 1, 2012, closing membership to the Plan for all general employees hired after April 1, 2012. New employees will instead participate in a new defined contribution plan. The latest available actuarial valuation is as of October 1, 2023.

Membership in the Plan as of October 1, 2023 consisted of the following:

Inactive plan members:

Beneficiaries currently receiving benefits	1,619
Entitled to benefits but not yet receiving them	308

Active plan members

760

Total

2,687

2. Loans to Members - The Employees' Retirement System Plan permits members to borrow from their annuity savings fund accounts from \$500 up to a maximum of \$50,000. The maximum amount allowed depends on the employee's account balance and vesting status. Loan terms may range from 1 to 5 years unless the loans are for the purchase of a primary residence. The loans are secured by the balance in the employee's annuity savings account, and bears interest at the prime rate, as published in the Wall Street Journal on the first business day of the week in which the loan application is made plus 1.5% Principal and interest would be paid ratably through biweekly payroll deductions.
3. Administrative Expenses - Administrative expenses incurred by the Plan is absorbed by the City.
4. Funding Requirements - The contribution requirements of the Plan members and the City are established and may be amended by the Employees' Retirement System Board of Trustees.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Employees' Retirement System (Continued)

- Plan Members Contribution - All members may contribute up to 7% of their compensation per year into the Annuity Savings Fund. All members not eligible for normal retirement on the date the ordinance took effect will also be required to make the following additional contributions:
 - Non-Police Officers and Firefighters must contribute 5.00% of pensionable compensation from May 15, 2014 to September 30, 2014 and 4.00% of pensionable compensation from October 1, 2014 forward except that it drops to 3.00% if the funded ratio is between 80% to 100% and 0% if it is 100% funded. 9.00% of pensionable compensation effective November 30, 2017.
 - Firefighters must contribute 5.00% of pensionable compensation from October 1, 2013 to September 30, 2014 (4.00% of pensionable compensation if hired on or after November 15, 2013) and 4.00% of pensionable compensation from October 1, 2014 forward except that it drops to 3.00% if the funded ratio is between 80% to 100% and 0% if it is 100% funded. 6.00% of pensionable compensation effective June 4, 2020. 8.00% of pensionable compensation effective October 1, 2020. 10.00% of pensionable compensation effective October 1, 2021.
 - Police Officers must contribute 5.00% of pensionable compensation from March 2, 2014 to September 30, 2014 and 4.00% of pensionable compensation from October 1, 2014. 6.00% of pensionable compensation from October 1, 2018. 8.00% of pensionable compensation effective October 1, 2019. 10.00% of pensionable compensation effective October 1, 2020.
- City Contribution - On August 25, 2009, the City passed Ordinance 09-54, which established a minimum City contribution ("floor") to the Plan equal to 22% of the member payroll. Once every five years, the City may increase or decrease the floor up to 2% of member payroll, if supported by an actuarial study.

The floor shall not be less than 16% or more than 28% of member payroll. The new provisions also indicate that the floor is subject to Section 70-168(b) which specifies the contribution shall be computed as a level percent of payroll in accordance with generally recognized actuarial principles and the provisions of Chapter 112 of the Florida Statutes. Provisions under Chapter 112 of the Florida Statutes. Provisions under chapter 112 of the Florida Statutes will take precedence in the event the required City contribution calculated under Chapter 112 exceeds the 28% of member payroll.

The City contributes at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. Effective May 30, 2012, the Division of Retirement mandated that local governments confer with the Plan's actuary to select and maintain contribution method (percentage of payroll or fixed dollar contributions) that best fits the funding requirements of the Plan. The Plan determined to use the "percentage of payroll contribution" method for the fiscal year ended September 30, 2024.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Employees' Retirement System (Continued)

5. Net Pension Liability - The City's net pension liability of \$418,821,116 was measured as of September 30, 2023, (GASB 68 measurement date).
6. Actuarial Assumptions – The total pension liability was determined using the following actuarial assumptions:

Measurement Date:	September 30, 2024	September 30, 2023
Actuarial Valuation:	October 1, 2023	October 1, 2022
Interest rates:		
Single Discount rate	7.5%	7.5%
Inflation rate	2.30%	2.50%
Salary Increases	Service Based	Service Based
Mortality table	Police Officers and Firefighters: <i>Healthy Active Lives:</i> Female: PubS.H-2010 (Below Median) for Employees, set forward one year. Male: PubS.H-2010 (Below Median) for Employees, set forward one year. <i>Healthy Retiree Lives:</i> Female: PubS.H-2010 (Above Median) for Healthy Retirees, set forward one year. Male: PubS.H-2010 (Above Median) for Healthy Retirees, set forward one year. <i>Beneficiary Lives:</i> Female: PubG.H-2010 (Above Median) for Healthy Retirees. Male: PubG.H-2010 (Above Median) for Healthy Retirees, set back one year. <i>Disabled Lives:</i> Female: 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees Male: 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees General Employees: <i>Healthy Active Lives:</i> Female: PubG.H-2010 for Employees. Male: PubG.H-2010 for Employees, set back one year. <i>Healthy Inactive Lives:</i> Female: PubG.H-2010 (Above Median) for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one year. <i>Beneficiary Lives:</i> Female: PubG.H-2010 (Above Median) for Healthy Retirees. Male: PubG.H-2010 (Above Median) for Healthy Retirees, set back one year. <i>Disabled Lives:</i> Female :PubG.H-2010 for Disabled Retirees, set forward three years. Male: PubG.H-2010 for Disabled Retirees, set forward three years. All rates are projected generationally with Mortality Improvement Scale MP-2018.	Police Officers and Firefighters: <i>Healthy Active Lives:</i> Female: PubS.H-2010 (Below Median) for Employees, set forward one year. Male: PubS.H-2010 (Below Median) for Employees, set forward one year. <i>Healthy Retiree Lives:</i> Female: PubS.H-2010 (Above Median) for Healthy Retirees, set forward one year. Male: PubS.H-2010 (Above Median) for Healthy Retirees, set forward one year. <i>Beneficiary Lives:</i> Female: PubG.H-2010 (Above Median) for Healthy Retirees. Male: PubG.H-2010 (Above Median) for Healthy Retirees, set back one year. <i>Disabled Lives:</i> Female: 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees Male: 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees General Employees: <i>Healthy Active Lives:</i> Female: PubG.H-2010 for Employees. Male: PubG.H-2010 for Employees, set back one year. <i>Healthy Inactive Lives:</i> Female: PubG.H-2010 (Above Median) for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one year. <i>Beneficiary Lives:</i> Female: PubG.H-2010 (Above Median) for Healthy Retirees. Male: PubG.H-2010 (Above Median) for Healthy Retirees, set back one year. <i>Disabled Lives:</i> Female :PubG.H-2010 for Disabled Retirees, set forward three years. Male: PubG.H-2010 for Disabled Retirees, set forward three years. All rates are projected generationally with Mortality Improvement Scale MP-2018.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Employee's Retirement System (Continued)

7. Long-Term Expected Rate of Return - 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 expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2024 and 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>2024</u>	<u>2023</u>
Domestic Equity	50.00%	7.25%	7.42%
International Equity	5.00%	6.25%	6.25%
Domestic Bonds	40.00%	4.11%	4.38%
Other	5.00%	6.50%	6.50%
Total	<u>100.00%</u>		

8. Discount Rate - The discount rate used to measure the total pension liability as of September 30, 2023 was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member's contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Employees' Retirement System (Continued)

9. Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Reporting period ending at September 30, 2023	\$ 1,064,656,084	\$ 684,175,751	\$ 380,480,333
Changes for the year:			
Service Cost	7,944,324	-	7,944,324
Interest	77,468,832	-	77,468,832
Change in Annuity Savings Fund	3,738,370	-	3,738,370
Differences between expected and actual experience	5,849,741	-	5,849,741
Changes of assumptions	-	-	-
Change of benefit terms	22,197,436	-	22,197,436
Contributions - Employer	-	-	-
Contributions - State	-	461,877	(461,877)
Contributions - Annuity Savings	-	3,738,370	(3,738,370)
Contributions - Employee	-	4,879,904	(4,879,904)
Contributions - Buy Back	251,501	251,501	-
Net investment income	-	70,026,537	(70,026,537)
Benefit payments, including refunds of employee contributions	(79,365,288)	(79,365,288)	-
Administrative expense	-	(248,768)	248,768
Net Changes	38,084,916	(255,867)	38,340,783
Reporting period ending at September 30, 2024	<u>\$1,102,741,000</u>	<u>\$ 683,919,884</u>	<u>\$ 418,821,116</u>
Plan fiduciary net position as a percentage of the total pension liability		62.02%	
Covered-employee payroll		\$ 55,037,786	
Net pension liability as a percentage of covered-employee payroll		760.97%	

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Employees' Retirement System (Continued)

10. Sensitivity of the Net Pension Liability to the Changes in the Discount Rate - The following presents the net pension liability of the City, calculated using the discount rate of 7.50% and 7.50% respectively, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher:

	Current Discount		
	1% Decrease	Rate	1% Increase
Reporting Date	6.50%	7.50%	8.50%
September 30, 2024	\$ 514,783,568	\$ 418,821,116	\$ 337,858,478

11. Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in a separately issued Plan financial report.
12. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions- For the year ended September 30, 2024, the City will recognize pension expense of \$86,264,578. At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 7,109,798	\$ -
Net difference between projected and Actual Earnings on Pension investments	61,965,000	-
Employer and State Contributions subsequent to the measurement date*	7,614,013	-
Total	\$ 76,688,811	\$ -

(*) The deferred outflow of resources, resulting from the City's contributions made after the measurement date of the net pension liability, but before the end of the City's reporting period will be recognized as a reduction of the City's net pension liability in the subsequent fiscal period rather than in the current fiscal period.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Employees' Retirement System (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

Year ended	
<u>September 30,</u>	
2025	\$ 20,938,415
2026	19,332,948
2027	33,073,224
2028	(4,269,789)
Total	<u>\$ 69,074,798</u>

13. Drop Plan – Effective February 19, 2008 for general employees, and March 1, 2007 for police officer and firefighters, employees are eligible to participate in a deferred retirement option program (DROP) upon completion of 25 years of service credit provided that the sum of the employee's age and service is equal to at least 70. The monthly retirement benefit (basic plus service pension), based on final average earnings and service upon entering the DROP, will be paid to the participant's DROP account. At the end of each fiscal year, interest will be credited to the DROP account at the same rate credited to the annuity savings account.

Employee contributions cease upon entering the DROP and the employee shall be eligible for disability benefits provided by the plan. Upon termination of employment or death, the DROP account balance will be paid in a cash lump sum. The maximum period of participation in the DROP is 36 months and participants cannot buy service in order to be eligible for the DROP. General Employees who are participants of the Plan are prohibited from entering the DROP on or after April 2, 2012.

Elected Officials' Retirement System

1. Plan Description - The City of Hialeah Elected Officials' Retirement System (EORS) is a single employer defined benefit pension plan administered by the City of Hialeah. The EORS was established by City Ordinance effective June 1998. The Plan is considered part of the City's financial reporting entity and is included in the City's financial statements as a pension trust fund. All qualified elected officials and city attorneys are eligible to participate in the plan. The Plan does not issue a stand-alone financial report. Benefit and contribution provisions are established by City ordinance and may be amended only by the City Council. The latest available actuarial valuation is as of October 1, 2021. The City of Hialeah Elected Officials' Retirement System (EORS) was closed January 1, 2014.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Elected Officials' Retirement System

Membership in the Plan consisted of the following:

Inactive plan members:	October 1, 2023	October 1, 2022
Beneficiaries currently receiving benefits	17	17
Entitled to benefits but not yet receiving them	5	5
Active plan members	<u>1</u>	<u>1</u>
Total	<u>23</u>	<u>23</u>

2. Pension Benefits - Participants earn one vesting credit for each year of service completed. A participant is considered fully vested after 8 years of credited service. After 8 years of credited service, the participant need not render any further service as an employee of the City, in order to begin receiving a pension benefit upon attaining eligibility.

A participant is eligible for normal retirement benefits when the participant has attained age 55 and 8 vesting credits or has attained 20 vesting credits regardless of age.

Normal retirement benefits are based on 3% of average final compensation multiplied by the years of service for each year of prior service.

3. Funding Requirement - Plan members are required to contribute 7% of their basic compensation. The City contributes at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. Effective May 30, 2012, the Division of Retirement mandated that local governments confer with the Plan's actuary to select and maintain a contribution method (percentage of payroll or fixed dollar contributions) that best fits the funding requirements of the Plan. The Plan determined to use the "percentage of payroll contribution" method for the fiscal year ended September 30, 2024.
4. Net Pension Asset - The City's net pension asset of \$3,043,694 was measured as of September 30, 2023 (GASB 68 measurement date). The Plan has reported a net pension asset of \$4,580,753 as of September 30, 2024 measurement date.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Elected Officials' Retirement System (Continued)

5. Actuarial Assumptions - The total pension liability was determined using the following actuarial assumptions:

Measurement Date:	September 30, 2024	September 30, 2023
Actuarial Valuation:	October 1, 2023	October 1, 2022
Interest rates:		
Single Discount rate	6.00%	6.00%
Inflation rate	2.75%	2.75%
Salary Increases	7.25%	7.25%
Mortality table	For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, setback 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.	For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, setback 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.
	For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018	For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018

6. Long-Term Expected Rate of Return - 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 expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2024 and 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>2024</u>	<u>2023</u>
Domestic Equity	45%	10.70%	9.68%
International Equity	10%	5.83%	5.44%
Fixed Income	30%	4.68%	4.19%
Cash	15%	2.48%	2.42%
	<u>100%</u>		

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Elected Officials' Retirement System (Continued)

7. Rate of Return - For the fiscal years ended September 30, 2024 and 2023, the annual money-weighted rate of return on Plan investments, net of investment expense, was 23.20% and 11.00%, respectively. The money-weighted rate of return expresses investment performance, net of investment manager and consultant expenses adjusted for the changing amounts actually invested. Inputs to the internal rate of return calculation are determined on a monthly basis.
8. Discount Rate - The discount rate used to measure the total pension liability as of September 30, 2024 and 2023 was 6.00 percent. The projection of cash flows used to determine the discount rate assumed that plan members' contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.
9. Changes in Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
	(a)	(b)	(a)-(b)
Reporting period ending at September 30, 2023	\$ 10,291,860	\$ 12,612,617	\$ (2,320,757)
Changes for the year:			
Service Cost	28,310	-	28,310
Interest	580,607	-	580,607
Differences between expected and actual experience	(24,926)	-	(24,926)
Assumption Changes	-	-	-
Contributions - Employer	-	-	-
Contributions - Employee	-	9,942	(9,942)
Net investment income	-	1,320,938	(1,320,938)
Benefit payments, including refunds of employee contributions	(1,236,923)	(1,236,923)	-
Administrative expense	-	(23,952)	23,952
Net changes	(652,932)	70,005	(722,937)
Reporting period ending at September 30, 2024	\$ 9,638,928	\$ 12,682,622	\$ (3,043,694)
Plan fiduciary net position as a percentage of the total pension liability		131.58%	
Covered-employee payroll		\$ 141,928	
Net pension asset as a percentage of covered-employee payroll		-2144.53%	

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Elected Officials' Retirement System (Continued)

9. Changes in Net Pension Asset (Continued)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
	(a)	(b)	(a)-(b)
Reporting period ending at September 30, 2024	\$ 9,638,928	\$ 12,682,622	\$ (3,043,694)
Changes for the year:			
Service Cost	28,906	-	28,906
Interest	594,111	-	594,111
Differences between expected and actual experience	666,373	-	666,373
Assumption Changes	-	-	-
Contributions - Employer	-	-	-
Contributions - Employee	-	10,186	(10,186)
Net investment income	-	2,836,460	(2,836,460)
Benefit payments, including refunds of employee contributions	(864,726)	(864,726)	-
Administrative expense	-	(20,197)	20,197
Net changes	424,664	1,961,723	(1,537,059)
Reporting period ending at September 30, 2025	\$ 10,063,592	\$ 14,644,345	\$ (4,580,753)
Plan fiduciary net position as a percentage of the total pension liability		145.52%	
Covered-employee payroll		\$ 154,364	
Net pension asset as a percentage of covered-employee payroll		-2967.50%	

10. Sensitivity of the Net Pension Asset to the Changes in the Discount Rate - The following presents the net pension asset of the Plan, calculated using the discount rate of 6.0%, as well as what the City's net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%):

Measurement Date	Current Discount Rate		
	1% Decrease 5.00%	6.00%	1% Increase 7.00%
September 30, 2024	\$ (3,531,862)	\$ (4,580,753)	\$ (5,457,891)
September 30, 2023	\$ (1,977,410)	\$ (3,043,694)	\$ (3,933,617)

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Elected Officials' Retirement System (Continued)

11. Pension Expense (income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2024, the EORS will recognize pension expense of \$(227,009). At September 30, 2024, the EORS reported deferred outflows of resources and deferred outflows of resources related to pensions from the following sources:

Contributions made after the measurement date of the net pension liability, but before fiscal year end will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2025.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience on liabilities	\$ -	\$ -
Changes of assumptions or other inputs	-	-
Net Difference Between Projected and Actual Earnings on the Pension Plan Investments	630,999	-
Employer Contributions subsequent to the measurement date	75,046	-
Total	\$ 706,045	\$ -

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

<u>Year ended September 30,</u>	
2025	\$ 82,672
2026	181,355
2027	487,313
2028	(120,341)
Total	\$ 630,999

The net pension liability/asset, deferred outflows and inflows of resources, and pension expense (income) related to these retirement plans at September 30, 2024 (Reporting Date) are summarized as follow:

	<u>Employee Retirement System</u>	<u>Elected Officials</u>	<u>Total</u>
Net Pension Liability	\$ 418,821,116	\$ -	\$ 418,821,116
Net Pension Asset	-	(3,043,694)	(3,043,694)
Deferred Outflows of Resources	76,688,811	706,045	77,394,856
Deferred Inflows of Resources	-	-	-
Pension Expense (Benefit)	86,264,578	(227,009)	86,037,569

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)

Elected Officials' Retirement System (Continued)

12. Statement of net position and statement of changes in net position - The statement of net position and statement of changes in net position for the Elected Officials' Retirement System as of September 30, 2024 are presented below:

STATEMENT OF NET POSITION	
<u>ASSETS</u>	
Other receivable	\$ 14,145
Investments, at fair value:	
Equity Mutual funds	8,865,390
Bond Mutual funds	5,064,108
Real estate investment trusts	700,702
Total assets	<u>14,644,345</u>
Net position restricted for pensions	<u><u>14,644,345</u></u>
STATEMENT OF CHANGES IN NET POSITION	
ADDITIONS	
Contributions - Member	10,186
Net investment income (loss)	<u>2,836,460</u>
Total additions	2,846,646
DEDUCTIONS	
Pension benefits	864,726
Administrative Expenses	<u>20,197</u>
Total deductions	884,923
Net increase	1,961,723
Net position restricted for pensions	
Beginning of year	<u>12,682,622</u>
Ending	<u><u>\$ 14,644,345</u></u>

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 15 - DEFINED CONTRIBUTIONS PLANS

The City of Hialeah has two defined contribution plans; the City of Hialeah Police Pension Fund and the City of Hialeah Fire men's Relief and Pension Fund. The Plans were created on March 27, 1984 by Ordinance 1781 as amended by Ordinance 84-43 and on May 26, 1981 by Ordinance 631 as amended by Ordinance 81-62, respectively. The purpose of these Plans is to provide a means whereby police officers and firefighters of the City may receive benefits from funds provided for that purpose by contributions of the City through state contributions provided by Chapter 175/185 of the Florida Statutes. The participants do not contribute to the Plans. These funds are a supplement to and in no way affect police officer and firefighter benefits under the City of Hialeah Employees' Retirement System. The City no longer receives passed-through State contributions for the police officers or firefighters. The City under Chapter 185 of the Florida Statutes has provided authorization to the State for the direct contribution of benefits to the Police Pension Fund. The City's Employment Retirement System received passed-through contributions from the two defined contribution plans totaling \$461,877 for the fiscal year ended September 30, 2024.

Both funds issue publicly available financial reports that include financial statements and required supplementary information. Those reports may be obtained by writing to Hialeah Employees' Retirement Department, 501 Palm Avenue, Hialeah, Florida, 33010.

The City created the City of Hialeah Employee's Retirement Plan on April 1, 2012. The City as a single-employer contributes to the Money Purchase Plan, which is a defined contribution plan created in accordance with Internal Revenue Code Section 401(a). The Plan is available to all full-time general employees hired after April 1, 2012, and the City contributes 7% of the employees' salary for employees classified as AFSCME, and 4% for employees classified as Management and Confidential. Employees are required to contribute the same percentage amount that the City contributes. Employer contributions for the fiscal year ended September 30, 2024 were approximately \$34.2 million.

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS

Plan Description

The City of Hialeah sponsors a single-employer defined benefit OPEB plan. Retirees who meet certain age and service requirements may elect coverage for themselves and dependents. Self-funded and fully insured options are available. The employer currently charges no contribution for retirees with single coverage, and the single funding rate for double (employee plus spouse) coverage. Self-funded management retirees pay less for double coverage. Disabled contributions vary between plans. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Benefits Provided

Program Members

Current full-time, part-time employees hired prior to April 1, 2012 and scheduled to work in excess of an average of 29 hours per week along with eligible former employees (including eligible dependents) of the City of Hialeah.

Normal Retirement

Eligibility conditions for retiree health care benefits are as follows:

- Elected Officials - completion of eight (8) years of service.
- Members of the City of Hialeah Employees' Retirement System (defined benefit plan):
 - ✓ Members hired before January 27, 1970, the earlier of (a) age 50 with at least 10 years of service and (b) completion of 20 years of service. – No longer applicable because all current actives are hired after January 1, 1974.
 - ✓ Members hired on or after January 27, 1970 but before January 1, 1974, the earlier of (a) age 55 with at least 15 years of service and (b) completion of 20 years of service. – No longer applicable because all current actives are hired after January 1, 1974.
 - ✓ Members hired on or after January 1, 1974, age plus service equal to at least 70 and completion of at least 20 years of service.
 - ✓ Non-grandfathered General employees on or after December 1, 2017, age 62 with 20 years of service.
 - ✓ Firefighter members hired on or after November 15, 2013, age plus service equal to at least 76 and completion of at least 20 years of service.
 - ✓ Police Officer members hired on or after March 2, 2014, age plus service equal to at least 76 and completion of at least 20 years of service.
 - ✓ Police Officer members classified as Tier 1E and Tier 1F as of October 1, 2018, the earlier of (a) age 55 with 10 years of service, (b) age 52 with 25 years of service or (c) completion of 27 years of service regardless of age.
 - ✓ 8. Police Officer members classified as Tier 1G and Tier 2 as of October 1, 2018, the earlier of (a) age 55 with 10 years of service or (b) age 52 with 25 years of service.

Members of the City of Hialeah Employees' Retirement Plan (money purchase plan) - attainment of age 59.5.

NOTE 16- OTHER POST EMPLOYMENT BENEFITS (Continued)

Benefits Provided (Continued)

Early Retirement

Eligibility conditions for retiree health care benefits are as follows:

- General Employees, age 55 and completion of at least 10 years of service.
- Firefighters and Police Officers, age 50 and completion of at least 10 years of service.

Deferred Retirement

Members who terminate employment for reasons other than retirement, disability or death are not eligible for retiree health care benefits.

Death in Service Retirement

Covered spouses and dependents of active members who die prior to retirement are eligible to continue coverage through COBRA - maximum 36 months.

Spouses of deceased Firefighters and Police Officers whose death was the result from a violent act in line of duty - benefit fully subsidized for life (or remarriage).

Disability Retirement

Member must be totally and permanently incapacitated for duty in member's classified position as an employee of the City. No age or service requirement for job related - at least ten years of service requirement for non-job related. For Firefighters, in service disability retirement includes the diagnoses of cancer or circumstances that arise out of the treatment of cancer.

Spouse and Dependent Coverage

Spouses and qualified dependents of retired employees are eligible to receive retiree health care benefits. In the event of the retiree's death, covered spouses and dependents may elect to continue coverage for as long as they would have been eligible had the retiree survived, by payment of the premium for such spouse or eligible dependent.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Benefits Provided (Continued)

Retiree Contributions

- *Members of the City of Hialeah Employees' Retirement Plan (money purchase plan)* pay full cost for coverage for themselves and any eligible dependents.
- *Elected Officials* - City pays cost of health insurance premium for the retiree's individual coverage retiree pays the difference between the active rate for any spouse and / or dependent coverage and the active employee only rate.
- *Members of the City of Hialeah Employees' Retirement System (defined benefit plan):*
 - ✓ Employees hired on or before October 10, 2006 - City pays health insurance premium for the retiree's individual coverage.
 - ✓ Employees hired after October 10, 2006 - City pays the same amount as active employees for individual coverage until age 65. At age 65 and thereafter, if member eligible and enrolled in Medicare Part A and Part B - City pays retiree's individual coverage for the retiree only.
 - ✓ Members may include coverage for spouse and / or other eligible dependents by payment of full premium for such spouse and / or other eligible dependents. However, retired Management employees pay the difference between the active rate for spouse and / or dependent coverage and the active employee only rate.
 - ✓ Notwithstanding the above, members (other than Police Officer and Firefighters members) who retire on or after March 25, 2014 prior to attaining eligibility for normal retirement pay premium for coverage for themselves and any eligible dependents.
- *Disabled retirees in the City of Hialeah Employees' Retirement System (defined benefit plan):*
 - ✓ Disabled members hired on or before to October 10, 2006 - City pays the cost of individual health insurance coverage.
 - ✓ Disabled members hired after October 10, 2006 pay the same amount as active employees for individual coverage until age 65. At age 65 and thereafter, if member eligible and enrolled in Part A and Part B - City pays retiree's individual coverage for the retiree only.

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Benefits Provided (Continued)

Retiree Contributions (Continued)

- Job related
 - ✓ Option (1): Retiree receives 75% of average compensation for three years of membership and pays full premium for spouse and / or other eligible dependents.
 - ✓ Option (2): Retiree receives 66-2/3% of average compensation for three years of membership and pays active rate for spouse and / or other eligible dependents.
 - ✓ Enhanced disability benefits: Retiree receives 75% of average compensation of three years of membership and pays active rate for spouse and / or other eligible dependents.
 - ✓ Retired Management employees pay difference between active rate for spouse and / or dependent coverage and active employee only rate.
- Not job related
 - ✓ Retiree pays premium for spouse and / or other eligible dependents; however, retiree receives a credit towards payment of premium based on the following criteria:

Total monthly income from City	Credit Amount
From zero (\$0) to \$2,000	75%
Greater than \$2,000 to \$3,250	50%
Greater than \$3,250 to \$4,500	25%

- Firefighters or Police Officers with a disability resulting from a catastrophic line of duty injury-benefit fully subsidized for life for member, spouse and eligible dependents.

Medicare-Eligible Provisions

Retirees are not required to enroll in Medicare Part A or Part B, but coverage under the Program becomes secondary upon eligibility for Medicare. If an eligible retiree does not enroll for coverage under Medicare Part A or Part B, the Claims Administrator will calculate benefits as if the retiree were enrolled in both Medicare Part A and Part B and full claims for benefits have been paid.

The City offers a Medicare Advantage plan in lieu of the other health plans offered by the City. This plan is the default plan for members eligible for Medicare. Members must opt out of this plan to continue in another plan offered by the City. The City pays the full single premium for retirees who are covered under the Medicare Advantage plan.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Benefits Provided (Continued)

Dental and Vision Coverage

Retired employees are eligible to continue dental and vision coverage by paying 100% of the premium. Claims do not vary significantly by age. Therefore, there is no City liability for dental and vision benefits under GASB requirements.

Life Insurance

The City provides the following life insurance benefits to all members who elect medical coverage.

	<u>Under age 65</u>	<u>Age 65 and above</u>
Management Employees – Retired on or after 7/1/2002	\$100,000	\$25,000
Management Employees – Retired 11/1/1980 – 6/30/2002	\$50,000	\$12,500
Other Employees	\$10,000	\$2,000

Changes in Provisions since Prior Valuation

None

Employees Covered by Benefit Terms

As of October 1, 2023 actuarial valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	1,351
Active plan members	1,102
Total	<u>2,453</u>

Total OPEB Liability

The City's total OPEB liability of \$246,486,271 was based on the measurement date October 1, 2023, and was determined by an actuarial valuation on October 1, 2023.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Actuarial Methods and Assumptions

The total OPEB liability was determined using the following actuarial methods and assumptions applied to all periods included in the measurement, unless otherwise specified:

Valuation date	10/1/2023
Inflation	2.30% - not explicitly used in valuation
Discount rate	4.63%
Salary increases	3.00% to 15.00%, depending on the member's employment group
Mortality	Healthy members based on various PUB-2010 base table, generational mortality using gender-specific MP-2018 mortality improvement projection scale. Disable Employees based on various PUB-2010 Disable mortality tables and no projected improvements
Healthcare cost trend rates	Based on the Getzen Model starting at 6.3% gradually decreasing to an ultimate rate of 3.5% in 2041.
Retirees' share of benefit-related costs	Varies from 0% to 100% of blended health insurance premium rates.
Expenses	Administrative expenses are included in the per capita health costs.
Other information	The retirement, disability, termination and salary increase actuarial assumptions used in the valuation are based on results of experience studies conducted by the City of Hialeah Employees' Retirement System dated January 29, 2019 and the City of Hialeah Elected Officers' Retirement System dated July 12, 2021. The mortality assumptions used in the valuation reflect an Experience Study conducted by the Florida Retirement System as of July 1, 2019.

Changes in the Total OPEB Liability:

	Total OPEB Liability
Service Cost	\$ 5,338,530
Interest	11,706,214
Benefit changes	682,379
Differences between expected and actual experience	-
Actual experience in TOL	(17,960,143)
Changes of assumptions	-
Inputs	(7,454,160)
Benefit payments	(13,076,658)
Net change in total OPEB liability	(20,763,838)
Total OPEB liability - beginning	\$ 267,250,109
Total OPEB liability - ending	<u>\$ 246,486,271</u>
Covered employee payroll	\$ 82,311,605
Total OPEB liability as a percentage of covered employee payroll	299.46%

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Sensitivity of the Total OPEB Liability to the Changes in the Discount Rate Assumption - The following presents the total OPEB liability of the City, calculated using the discount rate of 4.63% as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage- point lower (3.63%) or 1-Percentage-point higher (5.63%):

Current Discount		
<u>1% Decrease</u>	<u>Rate</u>	<u>1% Increase</u>
3.63%	4.63%	5.63%
\$ 281,942,338	\$ 246,486,271	\$ 217,848,856

Sensitivity of the Total OPEB Liability to the Healthcare Cost Trend Rate Assumption - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.30% decreasing to 2.50%) or 1-percentage-point higher (7.30% decreasing to 4.50%):

Current Healthcare Cost		
<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
5.30% to 2.50%	6.3% to 3.50%	7.30% to 4.50%
\$ 216,482,495	\$ 246,486,271	\$ 283,818,032

For the fiscal year ended September 30, 2024, the City recognized OPEB expense (income) of \$(38,013,111) at September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 17,122,762
Changes of Assumptions	832,795	88,226,129
Projected OPEB benefits	11,604,368	-
Projected administrative expenses	10,578	-
Total	\$ 12,447,741	\$ 105,348,891

Contributions made after the measurement date of the net OPEB liability, but before fiscal year end will be recognized as a reduction of the total OPEB liability in the fiscal year ending September 30, 2025.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources that will be recognized in OPEB expenses (income) in future years.

<u>Year ended September 30,</u>	
2025	\$ (59,091,279)
2026	(36,199,385)
2027	(8,605,573)
2028	(619,859)
Total	<u>\$ (104,516,096)</u>

NOTE 17 – ACCOUNTING CHANGES AND ERROR CORRECTIONS

CITY OF HIALEAH EDUCATIONAL ACADEMY TRANSFER

In fiscal year 2024, the City removed the City of Hialeah Educational Academy (COHEA), a previously blended component unit, from the City's financial statements as the City transferred all operations, and supervision of COHEA. The component unit was responsible for running the operations of the charter school, COHEA. As a result of this change, COHEA is no longer included in the City's combined financial statements. Any related transaction with COHEA that would have been previously eliminated in consolidation have also been excluded from this year's report. This change in reporting did not have a significant impact on the City's overall financial position or results of operations for the fiscal year.

COHEA was removed from the City's financial statements as of the October 1, 2023. The removal is reflected in the following changes:

Reporting Units Affected By Change in Reporting Entity			
	<u>Funds</u>	<u>Government-Wide</u>	<u>Component Units</u>
	Nonmajor <u>Gov ernmental</u>	Gov ernmental <u>Activ ities</u>	<u>COHEA</u>
9/30/2023, as previously reported	\$ 41,032,069	\$ 270,008,347	\$ 2,775,968
Change in reporting entity	(2,775,968)	(4,307,297)	(2,775,968)
9/30/2023, as adjusted or restated	<u>\$ 38,256,101</u>	<u>\$ 265,701,050</u>	<u>\$ -</u>

CORRECTION OF ERROR

During fiscal year 2024, the City identified an error in the Pension Deferred Outflows of Resources reported in the City's 2023 financial statements related to the Employees' Retirement System. Specifically, the reported amount of \$143,998,593 was overstated by \$27,000,000. This overstatement was due to the inclusion of a \$27,000,000 advanced employer contribution as of September 30, 2023, which should not have been included in the Pension Deferred Outflows of Resources (\$143,998,593). As a result, both the Pension Deferred Outflows of Resources and the Ending Net Position of the City as of September 30, 2023, were overstated by \$27,000,000, and expenses in the amount of \$23,082,545 and \$3,917,455 in the governmental activities and business-type activities respectively, were understated for the fiscal year ended September 30, 2023. The effect of correcting this error is presented in the table below.

CITY OF HIALEAH, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 17 – ACCOUNTING CHANGES AND ERROR CORRECTIONS (Continued)

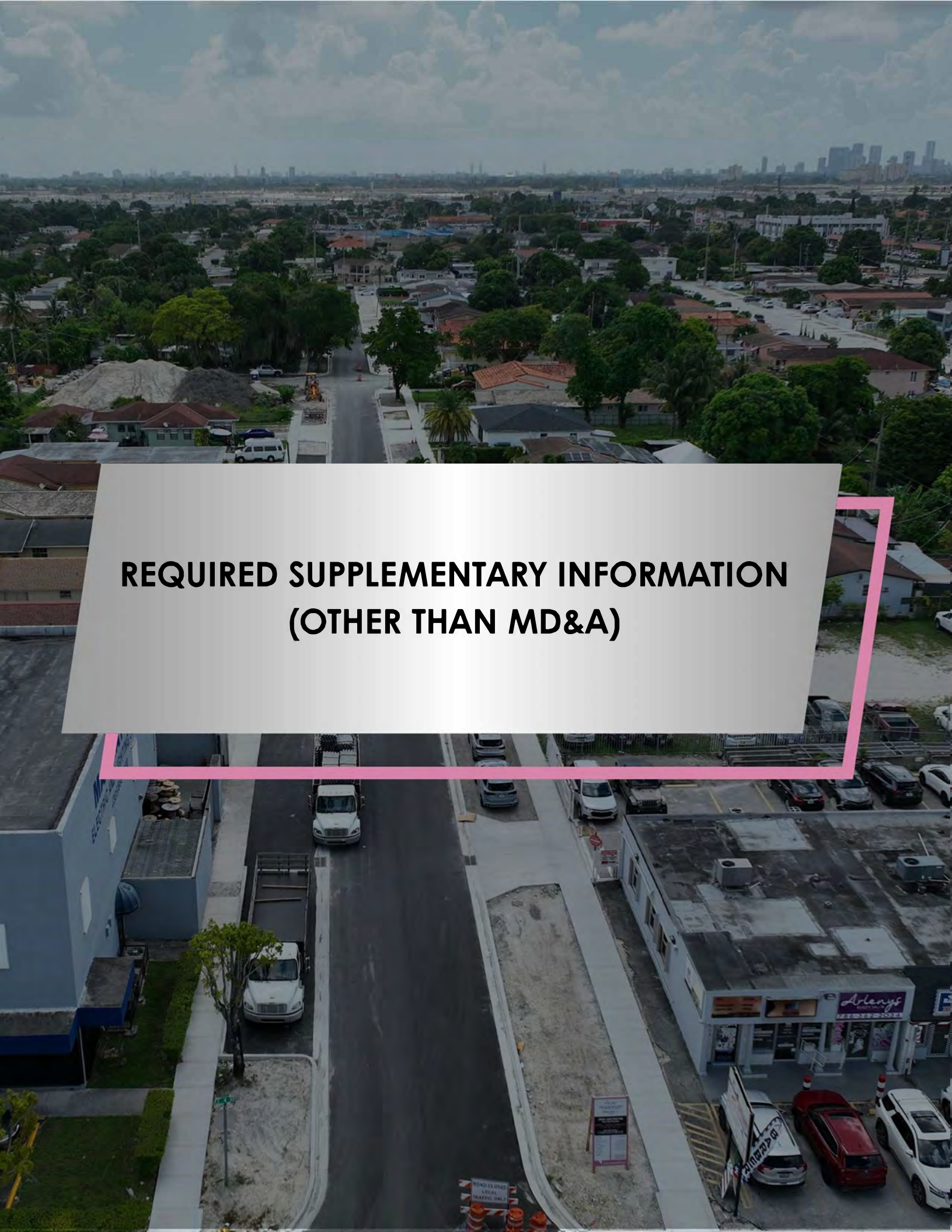
CORRECTION OF ERROR (Continued)

	Governmental Activities	Business Type Activities	Total
Net Position As Previously Reported, 09/30/2023	\$ (270,008,347)	\$ 86,790,731	\$ (183,217,616)
Error Correction	(23,082,545)	(3,917,455)	(27,000,000)
Net Position, Beginning, As restated, 09/30/2023	\$ (293,090,892)	\$ 82,873,276	\$ (210,217,616)

	Water & Sewer Utility System Fund	Solid Waste Utility System Fund	Stormwater Utility System Fund	Total
Net Position As Previously Reported, 09/30/2023	\$ 106,984,021	\$ (29,650,158)	\$ 9,456,868	\$ 86,790,731
Error Correction	(2,683,770)	(1,053,020)	(180,665)	(3,917,455)
Net Position, Beginning, As restated, 09/30/2023	\$ 104,300,251	\$ (30,703,178)	\$ 9,276,203	\$ 82,873,276

AGGREGATE IMPACT TO NET POSITION AND APPLICABLE FUND BALANCE

	Governmental Fund	Proprietary Funds			Government-Wide			Component Unit
	Nonmajor Governmental	Water & Sewer Utility System	Solid Waste Utility System Fund	Stormwater Utility System Fund	Governmental Activities	Business-Type Activities	Total	COHEA
Net Position As Previously Reported, 9/30/2023	\$ 41,032,069	\$ 106,984,021	\$ (29,650,158)	\$ 9,456,868	\$ (270,008,347)	\$ 86,790,731	\$ (183,217,616)	\$ 2,775,968
Change in Reporting Entity	(2,775,968)	-	-	-	(4,307,297)	-	(4,307,297)	(2,775,968)
Error Correction	-	(2,683,771)	(1,053,018)	(180,667)	(23,082,544)	(3,917,456)	(27,000,000)	-
Net Position, Beginning, As restated, 9/30/2023	\$ 38,256,101	\$ 104,300,250	\$ (30,703,176)	\$ 9,276,201	\$ (297,398,188)	\$ 82,873,275	\$ (214,524,913)	\$ -

An aerial photograph of a city street. The top half shows a residential neighborhood with houses and trees. The bottom half shows a commercial area with a parking lot, a building with a sign that says "Arlene's", and a road construction site with orange traffic barrels and a sign that says "ROAD CLOSED LOCAL TRAFFIC ONLY". A large white text box with a pink border is overlaid in the center.

REQUIRED SUPPLEMENTARY INFORMATION (OTHER THAN MD&A)

CITY OF HIALEAH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 105,066,560	\$ 105,066,560	\$ 107,254,522	\$ 2,187,962
Charges for services	2,041,950	2,041,950	2,266,484	224,534
Fines and forfeitures	1,955,500	1,955,500	2,391,258	435,758
Franchise fees	14,805,000	14,805,000	15,605,041	800,041
Intergovernmental	37,630,850	37,630,850	40,976,036	3,345,186
Investment income	4,000,000	4,000,000	4,851,186	851,186
Licenses and permits	6,600,000	6,600,000	7,142,973	542,973
Other revenues	4,388,200	4,388,200	5,237,741	849,541
Utility taxes	23,861,000	27,381,000	28,814,018	1,433,018
Total revenues	200,349,060	203,869,060	214,539,259	10,670,199
Expenditures:				
Current:				
911 Communications division	7,227,100	7,540,100	6,893,966	646,134
Business tax division	1,541,700	1,573,700	1,551,280	22,420
City Clerk's office	2,619,800	2,619,800	1,988,792	631,008
Code compliance	899,400	1,299,400	1,255,912	43,488
Communications and special events	2,339,400	2,389,400	2,350,274	39,126
Construction and maintenance	3,522,300	3,823,300	3,778,515	44,785
Education and community services	2,694,300	2,694,300	2,734,103	(39,803)
Emergency management	531,100	531,100	135,303	395,797
Employee retirement	1,015,400	1,015,400	972,992	42,408
Finance	2,088,000	2,193,000	2,046,353	146,647
Fire	50,918,000	53,829,000	53,133,864	695,136
Fleet maintenance	3,811,700	3,863,700	3,425,236	438,464
General government	12,335,200	14,557,200	17,673,168	(3,115,968)
Human resources	1,760,400	1,760,400	1,630,040	130,360
Information technology	5,095,900	5,863,900	4,867,421	996,479
Law	1,971,300	1,971,300	1,881,858	89,442
Library	2,420,000	2,420,000	2,338,417	81,583
Marketing and sponsorship	-	6,000	5,796	204
Milander center	964,000	1,052,000	962,153	89,847
Office of Management and Budget	515,000	515,000	508,562	6,438
Office of the Mayor	1,003,200	1,003,200	979,499	23,701
Parks and recreation	16,592,400	16,919,400	14,292,885	2,626,515
Planning and zoning	1,758,800	2,072,800	1,915,712	157,088
Police	78,549,900	79,258,900	77,519,723	1,739,177
Purchasing	1,027,900	1,054,900	1,052,848	2,052
Risk management	707,100	734,100	643,206	90,894
Total expenditures	203,909,300	212,561,300	206,537,878	6,023,422
Other financing sources (uses):				
Appropriation of prior year fund balance	5,739,940	10,871,940	-	(10,871,940)
Debt proceeds	-	-	-	-
Proceeds from disposal of capital assets	198,000	198,000	56,611	(141,389)
Initiation of Lease (Right-of-use asset)	-	-	122,282	122,282
Initiation of Subscription Arrangements	-	-	8,827,426	8,827,426
Transfers out	(2,377,700)	(2,377,700)	(2,300,848)	76,852
Total financing sources (uses)	3,560,240	8,692,240	6,705,471	(1,986,769)
Net change in fund balance	-	-	14,706,852	\$ 14,706,852
Fund balances - beginning	-	-	73,879,468	
Fund balances - ending			\$ 88,586,320	

CITY OF HIALEAH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Coronavirus State and Local Fiscal Recovery Fund				Building Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,871,617	\$ 3,871,617
Intergovernmental	7,966,900	8,315,380	985,116	(7,330,264)	-	-	-	-
Licenses and permits	-	-	-	-	8,086,750	8,086,750	7,052,351	(1,034,399)
Other revenues	-	-	-	-	-	-	1,828	1,828
Appropriation of prior year fund balance	-	15,771,400	-	(15,771,400)	154,250	245,550	-	(245,550)
Total revenues	<u>7,966,900</u>	<u>24,086,780</u>	<u>985,116</u>	<u>(23,101,664)</u>	<u>8,241,000</u>	<u>8,332,300</u>	<u>10,925,796</u>	<u>2,593,496</u>
Expenditures:								
Current:								
General government	-	-	-	-	8,181,000	7,802,000	7,225,736	576,264
Police	-	348,480	2,745	345,735	-	-	-	-
Public works	4,966,900	20,738,300	982,371	19,755,929	-	-	-	-
Streets	3,000,000	3,000,000	-	3,000,000	-	-	-	-
Capital outlay	-	-	-	-	60,000	530,300	691,912	(161,612)
Total expenditures	<u>7,966,900</u>	<u>24,086,780</u>	<u>985,116</u>	<u>23,101,664</u>	<u>8,241,000</u>	<u>8,332,300</u>	<u>7,917,648</u>	<u>414,652</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>3,008,148</u>	<u>\$ 3,008,148</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	<u>50,370,429</u>	
Fund balances - ending			<u>\$ -</u>				<u>\$ 53,378,577</u>	

CITY OF HIALEAH, FLORIDA
NOTES TO BUDGETS AND BUDGETARY ACCOUNTING
SEPTEMBER 30, 2024

NOTE 1 - BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The City follows the procedures below in establishing the budgetary data reflected in the accompanying financial statements.

1. Prior to September 1, the Mayor submits to the City Council a proposed operating budget for the General Fund for the ensuing fiscal year, commencing October 1. The operating budget include proposed expenditures and the means of funding them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.
4. At any time, the Mayor transfer any unencumbered appropriation balance or portion thereof between classifications of expenditures within an office or department. At the request of the Mayor and within the last 6 months of the fiscal year, the City Council may transfer, by resolution, any unencumbered appropriation balance or portion thereof from one office or department to another. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated and shall be subject to future appropriations. The legal level of control is at the department level for the general fund and at the fund level for all other funds.
5. The reported budgetary data represents the final approved budget after amendments adopted by the City Council. Unencumbered appropriations lapse at fiscal year-end.
6. The City Council may make supplemental appropriations during the fiscal year. Supplemental appropriations were \$8,652,000 for the General Fund, \$11,461,843 for the CDBG Fund, \$46,536, for Law Enforcement Trust Federal Fund, \$232,266 for Emergency Solutions Grant Fund, \$57,100 for Fire Prevention Fund, \$347,300 for Rescue Transportation Fund, \$230,000 for E-911 Wireless Fund, \$11,703,533 for Home Investment Partnership Fund, \$498,366 for Park and Recreation Grants Fund, \$893,543 for Police Grant Fund, \$1,202,633 for SHIP Fund, \$16,119,880 for Coronavirus State and Local Fiscal Recovery Fund, \$3,261,682 for Emergency Assistance Program Grant Fund, (\$13,020) for 21st Century Grant Fund, (\$53,380) for Children's Trust Step Ahead Fund, (\$117,981) for Children's Trust CLAP Fund, (\$11,129) for Children's Trust YLC Fund, \$6,815 for ECS and Library Grant Fund, \$91,300 for Building Fund, \$2,250,000 for Alliance for Aging Grant Fund, \$1,468,600 for NW 97th Ave Road Improvement Fund, \$1,667,300 for NW 102 Ave – 138 Street to 145 Place Capital Improvement Fund, \$1,053,702 for Urban Area Security Initiative Fund, \$886,000 for Streets Local Option Fuel Tax 6 Cents Fund, \$412,900 for Streets Local Option Fuel Tax 3 Cents Fund, \$3,915,200 for Streets- CITT Surtax Fund, \$4,571,000 for Parks, Recreation & Open Spaces Impact Fee Fund, \$9,000 for Stormwater Fund, \$94,000 for Solid Waste Fund, and \$1,274,000 for Water & Sewer Fund.

All governmental funds with legally adopted budgets have been included as either a budgetary comparison schedule in the required supplementary information section or as a schedule of revenues and expenditures and fund balance-budget vs actual in the combining fund statements section.

CITY OF HIALEAH, FLORIDA
EMPLOYEES' RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

Reporting period ending Measurement date	9/30/2024 9/30/2023	9/30/2023 9/30/2022	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Total pension liability										
Service cost	\$ 7,944,324	\$ 7,727,927	\$ 7,134,328	\$ 7,021,824	\$ 7,371,026	\$ 7,202,768	\$ 8,302,554	\$ 8,887,641	\$ 9,104,164	\$ 8,982,779
Interest	77,468,832	76,142,405	75,701,386	74,884,189	74,095,607	70,617,995	65,295,454	62,786,218	61,082,848	60,285,831
Change in annuity savings fund	3,738,370	3,715,053	3,568,229	3,445,364	3,435,022	3,399,514	3,594,508	4,032,235	3,887,151	4,064,028
Change in annuity reserve fund	-	-	-	-	-	-	48,248,469	-	-	-
Change in benefit terms	22,197,436	(17,530)	-	1,920,804	-	(6,194,034)	(15,079,464)	-	-	-
Difference between actual & expected experience	5,849,741	9,629,910	787,690	(9,206,862)	546,364	21,250,857	17,047,994	13,256,782	10,359,527	-
Changes of assumptions	-	-	8,454,318	22,132,420	8,141,313	33,984,415	-	21,734,473	-	-
Contributions - buy back	251,501	300,110	609,371	434,794	915,261	3,658,285	2,569,143	907,919	975,579	1,182,367
Benefit payments, including refunds of employee contributions	(79,365,288)	(80,726,913)	(74,613,487)	(75,937,099)	(71,058,782)	(75,067,920)	(67,397,153)	(61,753,388)	(66,047,848)	(63,299,504)
Net change in total pension liability	38,084,916	16,770,962	21,641,835	24,695,434	23,445,811	58,851,880	62,581,505	49,851,880	19,361,421	11,215,501
Total pension liability - beginning	1,064,656,084	1,047,885,122	1,026,243,287	1,001,547,853	978,102,042	919,250,162	856,668,657	806,816,777	787,455,356	776,239,855
Total pension liability - ending (a)	<u>\$ 1,102,741,000</u>	<u>\$ 1,064,656,084</u>	<u>\$ 1,047,885,122</u>	<u>\$ 1,026,243,287</u>	<u>\$ 1,001,547,853</u>	<u>\$ 978,102,042</u>	<u>\$ 919,250,162</u>	<u>\$ 856,668,657</u>	<u>\$ 806,816,777</u>	<u>\$ 787,455,356</u>
Plan fiduciary net position										
Contributions - employer	\$ -	\$ 46,420,203	\$ 43,667,040	\$ 33,184,511	\$ 31,778,947	\$ 40,432,760	\$ 29,197,532	\$ 26,327,799	\$ 27,382,906	\$ 25,769,253
Contributions - state	461,877	461,877	461,877	461,877	461,877	461,877	461,877	461,877	461,877	461,877
Contributions - member	4,879,904	5,160,421	4,723,287	3,685,758	3,208,424	2,792,321	2,152,895	2,433,031	2,132,259	1,587,095
Contributions - buy back	251,501	300,110	609,371	434,794	915,261	3,658,285	2,569,143	907,919	975,579	1,182,367
Contributions - annuity savings fund	3,738,370	3,715,053	3,568,229	3,445,364	3,435,022	3,399,514	3,594,508	4,032,235	3,887,151	4,064,028
Net investment income	70,026,537	(125,063,854)	132,666,392	60,504,254	14,893,168	61,184,032	70,077,666	48,674,393	2,881,487	58,702,102
Benefit payments, including refunds of employee contributions	(79,365,288)	(80,726,913)	(74,613,487)	(75,937,099)	(71,058,782)	(75,067,920)	(67,397,153)	(61,753,388)	(66,047,848)	(63,299,504)
Administrative expense	(248,768)	(883,781)	(885,940)	(254,016)	(676,624)	(734,099)	-	-	-	-
Revision to methodology to include annuity reserve fund	-	-	-	-	-	-	48,248,469	-	-	-
Net change in plan fiduciary net position	(255,867)	(150,616,884)	110,196,769	25,525,443	(17,042,707)	36,126,770	88,904,937	21,083,866	(28,326,589)	28,467,218
Plan fiduciary net position - beginning	684,175,751	834,792,635	724,595,866	699,070,423	716,113,130	679,986,360	591,081,423	569,997,557	598,324,146	569,856,928
Plan fiduciary net position - ending (b)	<u>\$ 683,919,884</u>	<u>\$ 684,175,751</u>	<u>\$ 834,792,635</u>	<u>\$ 724,595,866</u>	<u>\$ 699,070,423</u>	<u>\$ 716,113,130</u>	<u>\$ 679,986,360</u>	<u>\$ 591,081,423</u>	<u>\$ 569,997,557</u>	<u>\$ 598,324,146</u>
Net pension liability - ending (a) - (b)	\$ 418,821,116	\$ 380,480,333	\$ 213,092,487	\$ 301,647,421	\$ 302,477,430	\$ 261,988,912	\$ 239,263,802	\$ 265,587,234	\$ 236,819,220	\$ 189,131,210
Plan fiduciary net position as a percentage of total pension liability	62.02%	64.26%	79.66%	70.61%	69.80%	73.21%	73.97%	69.00%	70.65%	75.98%
Covered-employee payroll	\$ 55,037,786	\$ 53,919,088	\$ 51,911,720	\$ 50,199,563	\$ 50,993,205	\$ 51,863,886	\$ 55,447,024	\$ 54,783,012	\$ 57,948,210	\$ 22,672,786
Net pension liability as a percentage of covered-employee payroll	760.97%	705.65%	410.49%	600.90%	593.17%	505.15%	431.52%	484.80%	408.67%	834.18%

CITY OF HIALEAH, FLORIDA
EMPLOYEES' RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS

Fiscal Year Ending <u>September 30,</u>	Actuarially Determined <u>Contribution</u>	Actual <u>Contribution</u>	Contribution Deficiency <u>(Excess)</u>	Covered <u>Payroll*</u>	Actual Contribution as a % of <u>Covered Payroll</u>
2015	\$ 26,210,070	\$ 27,844,783	\$ (1,634,713)	\$ 57,948,210	48.05%
2016	26,477,463	26,789,676	(312,213)	54,783,012	48.90%
2017	29,659,409	29,659,409	-	55,447,024	53.49%
2018	30,894,637	40,894,637	(10,000,000)	51,863,886	78.85%
2019	32,240,824	32,240,824	-	50,993,205	63.23%
2020	33,646,385	33,646,388	(3)	50,199,563	67.03%
2021	34,128,917	44,128,917	(10,000,000)	51,911,720	85.01%
2022	34,790,305	46,882,080	(12,091,775)	53,919,088	86.95%
2023**	33,926,753	461,877	33,464,876	55,037,786	0.84%
2024	35,904,321	34,614,013	1,290,308	55,987,476	61.85%

* Total covered-employee payroll for fiscal year ending September 30.

**Fiscal year 2023 actual contributions are net of a \$27,000,000 advance contribution made into the plan by the City as of September 30, 2023.

Notes to the Schedule of Contributions

Valuation Date	10/1/2022
Notes	Actuarially determined contribution rates are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	The entry age normal cost method was used to determine all liabilities, except that the liability associated with member contributions has been assumed to be equal to those contributions.
Amortization Method	Beginning October 1, 2017, the method of amortizing all outstanding unfunded liability bases was changed to be a level dollar amount (0.0% increases).
Asset Valuation Method	Actuarial Assets for funding purposes are developed by recognizing the total actuarial investment gain or loss for each Plan Year over a five year period. In the first year, 20% of the gain or loss is recognized. In the second year 40%, in the third year 60%, in the fourth year 80%, and in the fifth year 100% of the gain or loss is recognized. The actuarial investment gain or loss is defined as the actual return on investments minus the actuarial assumed investment return. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.
Inflation	2.3% per year

The schedule is presented as required by accounting principles generally accepted in the United States of America.

CITY OF HIALEAH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
ELECTED OFFICIAL' RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

Reporting period ending Measurement date	9/30/2025 9/30/2024	9/30/2024 9/30/2023	9/30/2023 9/30/2022	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Total Pension Liability											
Service cost	\$ 28,906	\$ 28,310	\$ 73,200	\$ 105,265	\$ 153,299	\$ 156,228	\$ 163,244	\$ 160,470	\$ 169,969	\$ 214,225	\$ 278,300
Interest	594,111	580,607	605,462	580,910	573,480	569,807	549,563	527,684	504,307	502,980	490,346
Difference between actual & expected experience	666,373	(24,926)	514,843	6,687	18,209	28,448	53,554	10,202	(332,714)	(237,890)	(76,666)
Changes of assumptions	-	-	(39,630)	-	(228,363)	-	-	80,686	-	-	-
Benefit payments, including refunds of employee contributions	(864,726)	(1,236,923)	(809,281)	(630,943)	(492,255)	(411,218)	(382,474)	(377,185)	(354,923)	(281,298)	(230,929)
Net change in total pension liability	424,664	(652,932)	344,594	61,919	24,370	343,265	383,887	401,857	(13,361)	198,017	461,051
Total pension liability - beginning	9,638,928	10,291,860	9,947,266	9,885,347	9,860,977	9,517,712	9,133,825	8,731,968	8,745,329	8,547,312	8,086,261
Total pension liability - ending (a)	<u>\$ 10,063,592</u>	<u>\$ 9,638,928</u>	<u>\$ 10,291,860</u>	<u>\$ 9,947,266</u>	<u>\$ 9,885,347</u>	<u>\$ 9,860,977</u>	<u>\$ 9,517,712</u>	<u>\$ 9,133,825</u>	<u>\$ 8,731,968</u>	<u>\$ 8,745,329</u>	<u>\$ 8,547,312</u>
Plan fiduciary net position											
Contributions - City	\$ -	\$ -	\$ 129,503	\$ 147,015	\$ 152,234	\$ 171,793	\$ 164,417	\$ 155,257	\$ 203,796	\$ 304,126	\$ 305,000
Contributions - member	10,186	9,942	10,635	15,607	16,262	23,598	23,118	22,297	21,718	21,453	15,655
Net investment income	2,836,460	1,320,938	(2,131,839)	2,332,612	1,246,894	746,766	788,367	1,112,500	1,030,248	(11,419)	918,376
Benefit payments, including refunds of employee contributions	(864,726)	(1,236,923)	(809,281)	(630,943)	(492,255)	(411,218)	(382,474)	(377,185)	(354,923)	(281,298)	(230,929)
Administrative expense	(20,197)	(23,952)	(56,475)	(17,606)	(39,200)	(16,867)	(19,085)	(30,780)	(25,428)	(5,925)	(9,718)
Net change in plan fiduciary net position	1,961,723	70,005	(2,857,457)	1,846,685	883,935	514,072	574,343	882,089	875,411	26,937	998,384
Plan fiduciary net position - beginning	12,682,622	12,612,617	15,470,074	13,623,389	12,739,454	12,225,382	11,651,039	10,768,950	9,893,539	9,866,602	8,868,218
Plan fiduciary net position - ending (b)	<u>\$ 14,644,345</u>	<u>\$ 12,682,622</u>	<u>\$ 12,612,617</u>	<u>\$ 15,470,074</u>	<u>\$ 13,623,389</u>	<u>\$ 12,739,454</u>	<u>\$ 12,225,382</u>	<u>\$ 11,651,039</u>	<u>\$ 10,768,950</u>	<u>\$ 9,893,539</u>	<u>\$ 9,866,602</u>
Net pension liability (asset) - ending (a) - (b)	(4,580,753)	(3,043,694)	(2,320,757)	(5,522,808)	(3,738,042)	\$ (2,878,477)	\$ (2,707,670)	\$ (2,517,214)	\$ (2,036,982)	\$ (1,148,210)	\$ (1,319,290)
Plan fiduciary net position as a percentage of total pension liability	145.52%	131.58%	122.55%	155.52%	137.81%	129.19%	128.45%	127.56%	123.33%	113.13%	115.44%
Covered-employee payroll	\$ 144,848	\$ 141,928	\$ 154,364	\$ 499,025	\$ 558,182	\$ 679,872	\$ 684,581	\$ 695,295	\$ 688,294	\$ 872,761	\$ 1,001,519
Net pension liability as a percentage of covered-employee payroll	-3162.46%	-2144.53%	-1503.43%	-1106.72%	-669.68%	-423.39%	-395.52%	-362.04%	-295.95%	-131.56%	-131.73%

CITY OF HIALEAH, FLORIDA
ELECTED OFFICIALS' RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS

Fiscal Year Ending 9/30	Actuarially determined contribution	Actual contribution**	Contribution deficiency (excess)	Covered payroll *	Actual contribution as a % of covered payroll
2015	\$ 304,126	\$ 304,126	\$ -	\$ 872,761	34.85%
2016	203,796	203,796	-	688,294	29.61%
2017	155,257	155,257	-	695,295	22.33%
2018	164,417	164,417	-	684,581	24.02%
2019	171,793	171,793	-	679,872	25.27%
2020	152,234	152,234	-	679,871	22.39%
2021	147,015	147,015	-	499,025	29.46%
2022	129,503	129,503	-	154,364	83.89%
2023	75,287	75,287	-	141,928	53.05%
2024	75,046	75,046	-	144,848	51.81%

* Total covered-employee payroll for fiscal year ending September 30.

** In Fiscal Year 2024, the City Utilized a credit balance from previous years.

Notes to the Schedule of Contributions

Valuation Date 10/1/2022

Notes Actuarially determined contribution rates are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level dollar amount, closed
Amortization Period	15 years
Asset Valuation Method	Smoothed fair value
Inflation	2.75%
Salary Increases	7.25%
Investment Rate of Return	6.00%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	For healthy participants during employment, PUB-2010 headcount weighted general below median employee mortality table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with scale MP-2018 For healthy participants post employment, PUB-2010 headcount weighted general below median employee mortality table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement with scale MP-2018

The schedule is presented as required by accounting principles generally accepted in the United State of America.

CITY OF HIALEAH, FLORIDA
ELECTED OFFICIALS' RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS

	<u>2024</u>	<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>
Annual money-weighted rate of return, net of investment expense	23.20%	11.00%	22.29%	17.09%	9.93%	6.29%	7.09%	10.65%	10.66%	0.19%

The schedule is presented as required by accounting principles generally accepted in the United State of America.

**CITY OF HIALEAH EMPLOYEES'
RETIREMENT SYSTEM**

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF INVESTMENT RETURNS

Fiscal Year Ended September 30,	Annual money- weighted rate of return net of investment expense
2024	20.69%
2023	10.64%
2022	(15.21%)
2021	18.60%
2020	8.88%
2019	2.13%
2018	9.17%
2017	11.22%
2016	8.08%
2015	0.46%

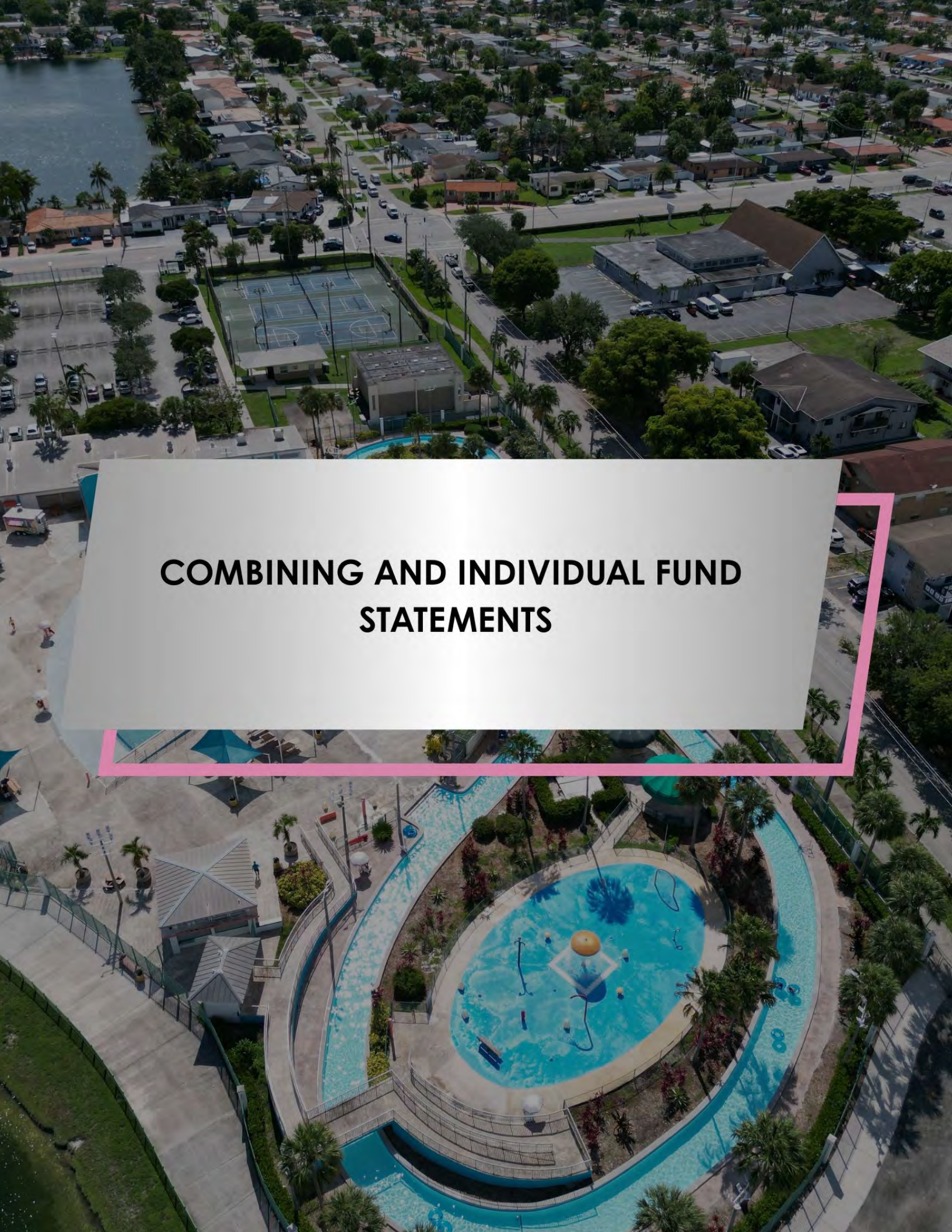
This schedule is presented as required by accounting principles generally accepted in the United States of America.

CITY OF HIALEAH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Reporting period ending Measurement date	<u>9/30/2024</u> 10/1/2023	<u>9/30/2023</u> 10/1/2022	<u>9/30/2022</u> 10/1/2021	<u>9/30/2021</u> 10/1/2020	<u>9/30/2020</u> 10/1/2019	<u>9/30/2019</u> 10/1/2018	<u>9/30/2018</u> 10/1/2017
Total OPEB Liability							
Service cost	\$ 5,338,530	\$ 9,694,058	\$ 13,192,000	\$ 11,907,557	\$ 8,777,476	\$ 9,389,841	\$ 10,715,811
Interest	11,706,214	7,974,770	11,644,446	11,970,430	14,385,492	13,511,291	12,388,409
Benefit changes	682,379	-	-	-	(2,774,343)	-	-
Difference between actual & expected experience	(17,960,143)	-	(12,400,996)	-	(29,563,317)	-	(36,940,499)
Changes of assumptions	(7,454,160)	(98,685,370)	(112,153,620)	17,488,707	89,370,912	(21,857,532)	12,853,978
Benefit payments	(13,076,658)	(12,301,473)	(11,434,018)	(11,120,288)	(11,090,272)	(10,554,522)	(12,098,132)
Net change in total OPEB liability	(20,763,838)	(93,318,015)	(111,152,188)	30,246,406	69,105,948	(9,510,922)	(13,080,433)
Total OPEB liability - beginning	267,250,109	360,568,124	471,720,312	441,473,906	372,367,958	381,878,880	394,959,313
Total OPEB liability - ending	<u>\$ 246,486,271</u>	<u>\$ 267,250,109</u>	<u>\$ 360,568,124</u>	<u>\$ 471,720,312</u>	<u>\$ 441,473,906</u>	<u>\$ 372,367,958</u>	<u>\$ 381,878,880</u>
Covered-employee payroll	\$ 82,311,605	\$ 91,903,857	\$ 89,535,763	\$ 68,880,594	\$ 66,935,765	\$ 66,225,515	\$ 64,886,940
Net pension liability as a percentage of covered-employee payroll	299.46%	290.79%	402.71%	684.84%	659.55%	562.27%	588.53%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.

The City's OPEB plan is not accounted for as a trust fund and an irrevocable trust has not been established to fund this benefit plan. The City is financing the post-employment benefits on a pay-as-you go basis. The OPEB plan does not issue separate financial statements.

An aerial photograph of a community center. In the upper left, there is a large body of water. To the right of the water is a residential neighborhood with many houses and palm trees. In the center, there is a basketball court and a small building. Below the basketball court is a swimming pool. The pool is surrounded by a concrete deck and has a curved shape. There are palm trees and other plants around the pool. A pink rectangular frame is overlaid on the image, containing the text "COMBINING AND INDIVIDUAL FUND STATEMENTS".

COMBINING AND INDIVIDUAL FUND STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUES FUNDS

Special revenue funds are used to account for specific revenue that is legally restricted to expenditure for particular purposes.

Streets – This fund was established to account for revenues derived from Miami-Dade County's 5 cents and 6 cents gas tax. The City funds its Streets Department from these gas tax revenues and the expenditures include regular salaries for the department, major repairs and maintenance to the City streets and capital outlay for road resurfacing and construction.

Community Development Block Grant (CDBG) – This fund was established to account for expenditures and revenues derived from a Community Development Block Grant obtained from HUD. The grant was established to provide the following: Administration/Planning, Economic Development, Public Services, Housing Development, Commercial Improvement/Urban Development, 1st Time Home Buyer Assistance, and Section 108 Loan Guarantees.

Law Enforcement Trust (State) – This fund is used to account monies received from state confiscated and forfeited property. These funds are to be used to purchase equipment for the Police Department and for improvements to the Police Department.

E-911 Non-Wireless Fund – This fund administers revenues collected by the phone companies for emergency 911 calls. Expenditures from this fund are mainly for salaries of dispatchers for the Police and Fire Departments and for capital improvements.

Emergency Solutions Grant – This fund administers revenues from the Emergency Shelter Grants Program from HUD. The program was designed to help improve the quality of existing emergency shelters, make available additional emergency shelters and meet the costs to operate the shelters for the homeless.

Fire Prevention – This fund administers revenues collected from re-inspection fees. Expenditures from this fund are mainly for salaries and operating expenses for the Fire Department.

Rescue Transportation – This fund administers revenues collected from pre-rescue calls service billings. The main expenditures are for salaries and capital outlays for the Fire Department.

Emergency Disaster – (COVID-19) – This fund was established to account for expenditures and revenues derived from funding received from the Federal Emergency Management Agency (FEMA) and other sources for the COVID-19 pandemic.

Emergency Disaster – (FEMA) – This fund was established to account for expenditures and revenues derived from funding received from the Federal Emergency Management Agency (FEMA), as a result of natural disasters such as hurricanes, tropical storms, etc.

Home Investment Partnership Program (HOME) – This fund was established to account for expenditures and revenues derived from grants obtained from the U.S. Department of Housing and Urban Development. The purpose of the grants is for the City of Hialeah (the City) to provide affordable housing for its citizens. The City manages the grant and obtains reimbursements from HUD after expenditures are incurred.

Park Impact Fees and Grants – This fund was established to account for revenues derived from Park Impact Fees established by Ordinance 92-145 collected from building permits for new units. Expenditures from this fund are mainly for park improvements and development of open spaces.

The Children's Trust – This fund was established to account for revenues awarded by the Children's Trust to expand and enhance programs servicing the young community.

NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUES FUNDS
(CONTINUED)

The Children's Trust-YLC - This fund was established to account for revenues awarded by the Children's Trust (Young Leaders with Character) to expand and enhance programs servicing the young community.

Urban Areas Security Grants – This fund was established to account for expenditures and revenues derived from an Inter-local Agreement entered into with Miami-Dade County, passed through from the State of Florida Department of Community Affairs. The purpose of the grant is for the City to carry out the Urban Areas Security Initiative (UASI) program objectives.

CITT Surtax – Transportation Fund – This fund was established to account for revenues derived from Miami- Dade County's cents gas tax. The City funds its Streets Department from these gas tax revenues and the expenditures which includes professional services, street lights, repair and maintenance of sidewalks and road construction.

Police Grant Surtax – This fund is funded by various grants such JAG in which the program covers many activities that help to prevent or control crimes, including supporting law enforcement programs.

State Housing Initiative Program (SHIP) – This fund was established to account for revenues and expenditures derived from a grant obtained from the State of Florida (the State). The purpose of the grant is for the City of Hialeah to provide affordable housing for its citizens. The City manages the grant and obtains reimbursements from the State after expenditures are incurred.

E-911 Wireless – This fund administers revenues collected from pre rescue calls service billings. The main expenditures are for salaries of billing clerks, one lieutenant, and capital outlays for the Fire Department.

Affordable Housing – Created to manage the building and revenues consisting of rental payments from the tenants and regular maintenance expenses as well as debt service payments on the mortgage.

The Children's Trust Step Ahead – This fund was established to account for revenues awarded by the Children's Trust for the youth enrichment program that offers free after school activities for Miami-Dade County Public School (M-DCPS) high school students with special needs.

Law Enforcement Trust - Federal – This fund is used to account monies received from federal confiscated and forfeited property. These funds are to be used to purchase equipment for the Police Department and for improvements to the Police Department.

EMS County Grant – This fund was created to account for revenues awarded by Miami Dade County to enhance training and acquire emergency medical equipment for the City's Fire Department.

CITT Surtax Hialeah Circulator – This fund was established to account for the revenues and expenditures of the City of Hialeah transit system. Funds for this fund are derived from the discretionary half cents sales tax as well as fees charged for fares on City's transportation.

NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUES FUNDS
(CONTINUED)

Emergency Assistance Grant - This fund was established to account for revenues and expenditures related to COVID-19 emergency rental assistance for City of Hialeah residents. This fund is being funded by allocation of the Emergency Solutions Grant (ESG) funds from the United States Department of Housing and Urban Development (HUD) as a result of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Streets 3 Cents Optional Gas Tax – This fund was established to account for revenues derived from Miami- Dade County's cents gas tax. The City funds its Streets Department from these gas tax revenues and the expenditures include regular salaries for the department, and construction.

21st Century Grant– This fund was established to account for expenditures and revenues derived from a federal grant, passed through from the State of Florida Department of Education. The purpose of the grant is to provide academic enrichment opportunities for students in 6th through 8th grades during after school and summer camp.

Alliance for Aging Grant – This fund was established to account for expenditures and revenues as a passthrough from the State of Florida, to provide a wide range of services for the elderly community living within City limits.

ECS and Library Grant – This fund administers revenues from different grants to provide a better environment for the libraries located on the city. The grants help improve the students' achievement by focusing in available resources such as media centers.

Parking Improvement Fund – This fund administers expenditures and revenues from parking fees, and its related parking expenditures, in order to provide suitable parking facilities for visitor's and City residents.

**NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUNDS**

Debt service funds are used to account for the resources accumulated and payments made for principal and interest on long term general obligation debt of governmental funds.

Revenue Bond Series 2015A – The City of Hialeah's Revenue Bond Series 2015A was created to account for the principal and interest costs, which is funded by franchise fees.

CITT Surtax Transportation Debt Service – The City of Hialeah's Debt Service Fund accounts for the revenue bonds and related costs, which is funded by discretionary ½ cent sales tax.

NONMAJOR GOVERNMENTAL FUNDS CAPITAL PROJECT FUNDS

Capital Projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

E. 8th Ave. to 10th Ave. 41st to 45th St. – This fund was established to account for revenues and expenditures received from Miami-Dade County, Florida through a joint participation agreement (JPA) for road improvement to E. 8th Ave. to 10th Ave. 41st to 45th St.

E. 8th Ave. to 10th Ave. 41st to 49th St – This fund was established to account for revenues and expenditures received from Miami-Dade County, Florida through a joint participation agreement (JPA) for road improvement to E. 8th Ave. to 10th Ave. 41st to 49th St.

W. 32nd Ave. 68th to 76th St. MDC (JPA) – This fund was established to account for revenues and expenditures received from Miami-Dade County, Florida through a joint participation agreement (JPA) for road improvement to W. 32nd Ave. 68th to 76th St.

E. 2nd to 4th Ave. from 63rd St. to 65th St. MDC (JPA) – This fund was established to account for revenues and expenditures received from Miami-Dade County, Florida through a joint participation agreement (JPA) for road improvement to E. 2nd to 4th from 63rd St. to 65th St.

Radio Tower Annex MDC (JPA) – This fund was established to account for revenues and expenditures received from Miami-Dade County, Florida through a joint participation agreement (JPA) where a police station, fire station, library and building department would exist under one roof.

W. 76th St. from 28th to 31st Ave. MDC (JPA) - This fund was established to account for revenues and expenditures received from Miami-Dade County, Florida through a joint participation agreement (JPA) for road improvement to W. 76th Ave. from 28th to 31st Ave.

W. 24th Ave. & 76th St. Drainage MDC (JPA) - This fund was established to account for revenues and expenditures received from Miami-Dade County, Florida through a joint participation agreement (JPA) to improve drainage to W. 24th Ave. & 76th St.

N.W. 97th Ave. from 154th St. to 170th St. MDC (JPA) - This fund was established to account for revenues and expenditures received from Miami-Dade County, Florida through a joint participation agreement (JPA) for road improvement to N.W. 97th Ave. from 154th St. to 170th St.

N.W. 142nd St. from 97th Ave. to 107th Ave. MDC (JPA) - This fund was established to account for revenues and expenditures received from Miami-Dade County, Florida through a joint participation agreement (JPA) for road & water and sewer improvements to N.W. 142nd St. from 97th Ave. to 107th Ave.

N.W. 102nd Ave. from 138th St. to 145th Pl. MDC (JPA) - This fund was established to account for revenues and expenditures received from Miami-Dade County, Florida through a joint participation agreement (JPA) for road improvement to N.W. 102nd Ave. from 138th St. to 145th Pl.

Police Impact Fee – This fund was established to account for revenues and expenditures received from impact fees for Police facilities, including buildings, land, vehicles, apparatus and equipment used by the City Police Department.

Fire Rescue Impact Fee – This fund was established to account for revenues and expenditures received from impact fees for Police facilities, including buildings, land, vehicles, apparatus and equipment used by the City Fire Department.

**NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS**

(CONTINUED)

Parks, Recreation & Open Spaces Impact Fee – This fund was established to account for revenues and expenditures received from impact fees for Park, Recreation and open space facilities provided by the City for public use and enjoyment including but not limited to active parks, passive parks, water access sites, and associated recreational facilities and buildings.

Transportation Impact Fee – This fund was established to account for revenues and expenditures received from impact fees for transportation facilities including capital facilities related to the City roadway and public transit systems.

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

	Special Revenue							
	Streets Fund	CDBG Fund	Law Enforcement Trust - State Fund	E-911 Non-Wireless Fund	Emergency Solutions Grant Fund	Fire Prevention Fund	Rescue Transportation Fund	Emergency Disaster Covid - 19 Fund
<u>ASSETS</u>								
Receivables, net	\$ 480,596	\$ 118,624	\$ 323	\$ 52,619	\$ 137,913	\$ 12,711	\$ 2,594,284	\$ -
Due from other funds	4,094,602	644,691	-	-	-	1,289,819	-	-
Inventory								
Prepays								
Restricted cash and cash equivalents	-	-	418,322	-	-	1,105,185	185,025	-
Total assets	4,575,198	763,315	418,645	52,619	137,913	2,407,715	2,779,309	-
<u>LIABILITIES</u>								
Accounts payable and accrued liabilities	177,123	63,691	8,785	7,529	126,215	3,059	274,120	-
Due to other funds	-	-	3,381	33,231	11,580	-	2,911,438	2,353,185
Unearned revenues	666,647	135,269	-	11,859	118	-	-	-
Total liabilities	843,770	198,960	12,166	52,619	137,913	3,059	3,185,558	2,353,185
<u>DEFERRED INFLOWS OF RESOURCES</u>								
Local business tax	-	-	-	-	-	262,539	-	-
Total deferred inflows of resources	-	-	-	-	-	262,539	-	-
<u>FUND BALANCES</u>								
Fund balances:								
Nonspendable								
Restricted	2,607,328	564,355	406,479	-	-	2,142,117	-	-
Committed	1,124,100	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(406,249)	(2,353,185)
Total fund balances	3,731,428	564,355	406,479	-	-	2,142,117	(406,249)	(2,353,185)
Total liabilities, deferred inflows of resources, and fund balances	\$ 4,575,198	\$ 763,315	\$ 418,645	\$ 52,619	\$ 137,913	\$ 2,407,715	\$ 2,779,309	\$ -

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

Special Revenue

	Emergency Disaster <u>Fund</u>	Home Investment Partnership <u>Fund</u>	Park Impact Fees and Grants <u>Fund</u>	The Children's Trust <u>Fund</u>	The Children's Trust-YLC <u>Fund</u>	Urban Area Security Grants <u>Fund</u>	CITT Surtax <u>Fund</u>
<u>ASSETS</u>							
Receivables, net	\$ 1,441,163	\$ 38,735	\$ 23,264	\$ 166,106	\$ 3,891	\$ 523,527	\$ 2,404,282
Due from other funds	-	395,927	629,878	-	-	-	15,942,883
Restricted cash and cash equivalents	10,000	-	-	-	-	-	-
Total assets	1,451,163	434,662	653,142	166,106	3,891	523,527	18,347,165
<u>LIABILITIES</u>							
Accounts payable and accrued liabilities	76,744	5,030	2,625	11	-	-	2,131,384
Due to other funds	1,701,301	-	-	166,095	3,891	523,527	-
Unearned revenues	-	429,632	650,517	-	-	-	-
Total liabilities	1,778,045	434,662	653,142	166,106	3,891	523,527	2,131,384
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Unavailable revenues	-	-	-	-	-	-	908,693
Total deferred inflows of resources	-	-	-	-	-	-	908,693
<u>FUND BALANCES</u>							
Fund balances:							
Restricted	-	-	-	-	-	-	13,461,488
Committed	-	-	-	-	-	-	1,845,600
Unassigned	(326,882)	-	-	-	-	-	-
Total fund balances	(326,882)	-	-	-	-	-	15,307,088
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,451,163	\$ 434,662	\$ 653,142	\$ 166,106	\$ 3,891	\$ 523,527	\$ 18,347,165

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

	Special Revenue						
	Police Grant Surfax Fund	S.H.I.P. Fund	E-911 Wireless Fund	Affordable Housing Fund	The Children's Trust Step Ahead Fund	Law Enforcement Trust - Federal Fund	EMS County Grant Fund
<u>ASSETS</u>							
Receivables, net	\$ 49,545	\$ -	\$ 313,164	\$ 211,357	\$ 54,734	\$ 143,980	\$ -
Due from other funds	-	4,569,014	-	-	-	-	40,801
Inventory	-	-	-	13,545	-	-	-
Restricted cash and cash equivalents	-	-	-	1,710,899	-	637,117	-
Total assets	49,545	4,569,014	313,164	1,935,801	54,734	781,097	40,801
<u>LIABILITIES</u>							
Accounts payable and accrued liabilities	3,182	4,370	-	205,573	4,500	365,024	-
Due to other funds	9,849	-	313,164	1,731,848	50,234	-	-
Unearned revenues	36,514	4,564,644	-	-	-	-	-
Total liabilities	49,545	4,569,014	313,164	1,937,421	54,734	365,024	-
<u>FUND BALANCES</u>							
Fund balances:							
Nonspendable	-	-	-	13,545	-	-	-
Restricted	-	-	-	-	-	416,073	40,801
Unassigned	-	-	-	(15,165)	-	-	-
Total fund balances	-	-	-	(1,620)	-	416,073	40,801
Total liabilities and fund balances	\$ 49,545	\$ 4,569,014	\$ 313,164	\$ 1,935,801	\$ 54,734	\$ 781,097	\$ 40,801

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

Special Revenue

	CITT - Surtax Hialeah Circulator <u>Fund</u>	Emergency Assistance Program Grant <u>Fund</u>	Streets 3 Cents Optional Gas Tax <u>Fund</u>	21st Century Grant <u>Fund</u>	Alliance For Aging Grant <u>Fund</u>	ECS and Library Grant <u>Fund</u>	Parking Improvement <u>Fund</u>
<u>ASSETS</u>							
Receivables, net	\$ 1,043,693	\$ 10,875	\$ 166,443	\$ 69,438	\$ 194,672	\$ -	\$ -
Due from other funds	739,368	837,638	1,507,362	-	389,387	82,980	48,834
Total assets	<u>1,783,061</u>	<u>848,513</u>	<u>1,673,805</u>	<u>69,438</u>	<u>584,059</u>	<u>82,980</u>	<u>48,834</u>
<u>LIABILITIES</u>							
Accounts payable and accrued liabilities	171,235	33,321	-	2,131	489,420	2,953	-
Due to other funds	-	-	-	67,307	-	-	-
Unearned revenues	-	815,192	-	-	94,639	9,250	-
Total liabilities	<u>171,235</u>	<u>848,513</u>	<u>-</u>	<u>69,438</u>	<u>584,059</u>	<u>12,203</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Unavailable revenues	854,577	-	-	-	-	-	-
Total deferred inflows of resources	<u>854,577</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES</u>							
Fund balances:							
Restricted	757,249	-	1,247,905	-	-	70,777	48,834
Committed	-	-	425,900	-	-	-	-
Total fund balances	<u>757,249</u>	<u>-</u>	<u>1,673,805</u>	<u>-</u>	<u>-</u>	<u>70,777</u>	<u>48,834</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,783,061</u>	<u>\$ 848,513</u>	<u>\$ 1,673,805</u>	<u>\$ 69,438</u>	<u>\$ 584,059</u>	<u>\$ 82,980</u>	<u>\$ 48,834</u>

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

	Capital Projects						
	E. 2 to 4 Ave 63 to 65 St MDC (JPA) <u>Fund</u>	Radio Tower Annex MDC (JPA) <u>Fund</u>	W. 76 St. 28 to 31 Ave. MDC (JPA) <u>Fund</u>	W. 24 Ave 76 St. Drainage MDC (JPA) <u>Fund</u>	N.W. 97 Ave. Road Improvement (JPA) <u>Fund</u>	NW 142 STREET Roadway Improvement <u>Fund</u>	N.W. 102 Ave. 138 St. to 145 Pl. MDC (JPA) <u>Fund</u>
<u>ASSETS</u>							
Receivables, net	\$ -	\$ 394,350	\$ 333,420	\$ 542,781	\$ 1,315,819	\$ 350,522	\$ 340,857
Due from other funds	690	725,650	-	-	-	-	-
Total assets	<u>690</u>	<u>1,120,000</u>	<u>333,420</u>	<u>542,781</u>	<u>1,315,819</u>	<u>350,522</u>	<u>340,857</u>
<u>LIABILITIES</u>							
Accounts payable and accrued liabilities	690	-	-	-	-	-	-
Due to other funds	-	-	323,420	542,781	1,243,844	350,522	340,857
Unearned revenues	-	-	10,000	-	71,975	-	-
Total liabilities	<u>690</u>	<u>-</u>	<u>333,420</u>	<u>542,781</u>	<u>1,315,819</u>	<u>350,522</u>	<u>340,857</u>
<u>FUND BALANCES</u>							
Fund balances:							
Restricted	-	1,120,000	-	-	-	-	-
Committed	-	-	-	-	1,176,697	-	40,637
Unassigned	-	-	-	-	(1,176,697)	-	(40,637)
Total fund balances	<u>-</u>	<u>1,120,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 690</u>	<u>\$ 1,120,000</u>	<u>\$ 333,420</u>	<u>\$ 542,781</u>	<u>\$ 1,315,819</u>	<u>\$ 350,522</u>	<u>\$ 340,857</u>

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

	Capital Projects				
	Police Impact Fee <u>Fund</u>	Fire Rescue Impact Fee <u>Fund</u>	Parks, Recreation & Open Spaces Impact Fee <u>Fund</u>	Transportation Impact Fee <u>Fund</u>	Total Non-Major Governmental <u>Funds</u>
<u>ASSETS</u>					
Receivables, net	\$ -	\$ -	\$ -	\$ -	\$ 13,533,688
Due from other funds	1,255,251	944,937	13,675,789	593,049	48,408,550
Inventory	-	-	-	-	13,545
Restricted cash and cash equivalents	-	-	-	-	4,066,548
Total assets	1,255,251	944,937	13,675,789	593,049	66,022,331
<u>LIABILITIES</u>					
Accounts payable and accrued liabilities	-	-	104,221	-	4,262,936
Due to other funds	-	-	-	4,000	12,685,455
Unearned revenues	-	-	-	-	7,496,256
Total liabilities	-	-	104,221	4,000	24,444,647
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Local business tax	-	-	-	-	262,539
Unavailable revenues	-	-	-	-	1,763,270
Total deferred inflows of resources	-	-	-	-	2,025,809
<u>FUND BALANCES</u>					
Fund balances:					
Nonspendable	-	-	-	-	13,545
Restricted	1,255,251	944,937	13,571,568	589,049	39,244,211
Committed	-	-	-	-	4,612,934
Unassigned	-	-	-	-	(4,318,815)
Total fund balances	1,255,251	944,937	13,571,568	589,049	39,551,875
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,255,251	\$ 944,937	\$ 13,675,789	\$ 593,049	\$ 66,022,331

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

	Special Revenue							
	Streets Fund	CDBG Fund	Law Enforcement Trust - State Fund	E-911 Non-Wireless Fund	Emergency Solutions Grant Fund	Fire Prevention Fund	Rescue Transportation Fund	Emergency Disaster Covid-19 Fund
Revenues:								
Charges for services	\$ 217,165	\$ -	\$ -	\$ -	\$ -	\$ 1,877,827	\$ 1,711,929	\$ -
Intergovernmental	3,160,296	7,579,952	-	133,710	402,833	-	2,243,910	1,024,579
Investment income	309,486	-	16,528	-	-	99,828	10,494	-
Other revenues	18,000	-	-	-	-	-	8,409	-
Total revenues	3,704,947	7,579,952	16,528	133,710	402,833	1,977,655	3,974,742	1,024,579
Expenditures:								
Current:								
911 communications	-	-	-	133,710	-	-	-	-
Fire	-	-	-	-	-	1,771,086	3,842,843	-
Grants and human services	-	465,812	-	-	403,721	-	-	-
Police	-	-	50,785	-	-	-	-	-
Streets	2,441,474	-	-	-	-	-	-	-
Capital outlay	76,349	7,153,552	-	-	-	42,751	623,710	-
Debt service:								
Principal	-	-	-	-	-	-	145,653	-
Interest	-	-	-	-	-	-	19,139	-
Total expenditures	2,517,823	7,619,364	50,785	133,710	403,721	1,813,837	4,631,345	-
Excess (deficiency) of revenues over expenditures	1,187,124	(39,412)	(34,257)	-	(888)	163,818	(656,603)	1,024,579
Other financing sources (uses):								
Transfers in	-	39,412	-	-	888	-	-	-
Transfers out	(233,004)	-	-	-	-	-	-	-
Total other financing sources (uses)	233,004	39,412	-	-	888	-	-	-
Net change in fund balance	954,120	-	(34,257)	-	-	163,818	(656,603)	1,024,579
Fund balances, beginning	2,777,308	564,355	440,736	-	-	1,978,299	250,354	(3,377,764)
Fund balances, ending	\$ 3,731,428	\$ 564,355	\$ 406,479	\$ -	\$ -	\$ 2,142,117	\$ (406,249)	\$ (2,353,185)

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

	Special Revenue							
	Emergency Disaster Fund	Home Investment Partnership Fund	Park Impact Fees and Grants Fund	The Children's Trust Fund	The Children's Trust-YLC Fund	Urban Area Security Grants Fund	CITT Surtax Fund	Police Grant Surtax Fund
Revenues:								
Intergovernmental	\$ 67,424	\$ 135,371	\$ 26,843	\$ 812,584	\$ 22,264	\$ 1,609,030	\$ 7,207,950	\$ 1,326,119
Other revenues	-	-	11,464	-	-	-	-	793
Total revenues	<u>67,424</u>	<u>135,371</u>	<u>38,307</u>	<u>812,584</u>	<u>22,264</u>	<u>1,609,030</u>	<u>7,207,950</u>	<u>1,326,912</u>
Expenditures:								
Current:								
General government	67,424	-	-	-	-	-	16,000	-
Grants and human services	-	135,371	38,307	859,955	22,264	-	-	-
Police	-	-	-	-	-	209,577	-	741,864
Streets	-	-	-	-	-	-	1,511,377	-
Capital outlay	-	-	-	-	-	1,414,983	5,784,888	585,048
Total expenditures	<u>67,424</u>	<u>135,371</u>	<u>38,307</u>	<u>859,955</u>	<u>22,264</u>	<u>1,624,560</u>	<u>7,312,265</u>	<u>1,326,912</u>
Excess (deficiency) of revenues over expenditures	-	-	-	(47,371)	-	(15,530)	(104,315)	-
Other financing sources (uses):								
Transfers in	-	-	-	47,371	-	15,530	-	-
Transfers out	-	-	-	-	-	-	(241,466)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,371</u>	<u>-</u>	<u>15,530</u>	<u>(241,466)</u>	<u>-</u>
Net change in fund balance	-	-	-	-	-	-	(345,781)	-
Fund balances, beginning	(326,882)	-	-	-	-	-	15,652,869	-
Fund balances, ending	<u>\$ (326,882)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,307,088</u>	<u>\$ -</u>

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

	Special Revenue							
	S.H.I.P	E-911	Affordable	The Children's	Low	EMS	CIT - Surtax	Emergency
	Fund	Wireless	Housing	Trust	Enforcement	County	Hialeah	Rental Assistance
	Fund	Fund	Fund	Step Ahead	Trust - Federal	Grant	Circulator	Program (ERAP)
	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund
Revenues:								
Charges for services	\$ -	\$ -	\$ 2,846,914	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	144,398	1,112,771	100,000	334,405	335,002	-	3,423,100	2,981,001
Investment income	-	-	30,480	-	4,647	-	56,646	-
Other revenues	65	-	17,915	-	-	-	90,000	-
Total revenues	144,463	1,112,771	2,995,309	334,405	339,649	-	3,569,746	2,981,001
Expenditures:								
Current:								
911 communications	-	1,112,771	-	-	-	-	-	-
General government	-	-	3,108,530	-	-	-	3,422,964	-
Grants and human services	132,092	-	-	334,576	-	-	-	2,980,621
State housing initiative program	12,371	-	-	-	-	-	-	-
Capital outlay	-	-	7,676	-	442,536	-	-	380
Debt service:								
Principal	-	-	565,596	-	-	-	80,181	-
Interest	-	-	390,983	-	-	-	2,532	-
Total expenditures	144,463	1,112,771	4,072,785	334,576	442,536	-	3,505,677	2,981,001
Excess (deficiency) of revenues over expenditures	-	-	(1,077,476)	(171)	(102,887)	-	64,069	-
Other financing sources (uses):								
Transfers in	-	-	1,077,476	171	-	-	-	-
Total other financing sources (uses)	-	-	1,077,476	171	-	-	-	-
Net change in fund balance	-	-	-	-	(102,887)	-	64,069	-
Fund balances, beginning	-	-	(1,620)	-	518,960	40,801	693,180	-
Fund balances, ending	\$ -	\$ -	\$ (1,620)	\$ -	\$ 416,073	\$ 40,801	\$ 757,249	\$ -

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

	Special Revenue						Debt Service	
	Streets 3 Cents Optional Gas Tax <u>Fund</u>	21st Century Grant <u>Fund</u>	Alliance For Aging Grant <u>Fund</u>	ECS and Library Grant <u>Fund</u>	Parking Improvement <u>Fund</u>	City of Hialeah Education Academy <u>Fund</u>	Revenue Bond Series 2015A <u>Fund</u>	CIT Surtax Transportation <u>Fund</u>
Revenues:								
Franchise fees	\$ -	\$ -	\$ 2,373,419	\$ -	\$ -	\$ -	\$ 2,219,595	\$ -
Intergovernmental	996,671	481,257	-	46,523	-	-	-	3,626,795
Investment income	121,590	-	-	-	-	-	-	-
Total revenues	<u>1,118,261</u>	<u>481,257</u>	<u>2,373,419</u>	<u>46,523</u>	<u>-</u>	<u>-</u>	<u>2,219,595</u>	<u>3,626,795</u>
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	35,000
Grants and human services	-	481,257	2,373,419	25,899	-	-	-	-
Streets	1,009,485	-	-	-	-	-	-	-
Capital outlay	-	-	-	20,624	-	-	-	-
Debt service:				-				
Principal	-	-	-	-	-	-	1,310,000	2,648,000
Interest	-	-	-	-	-	-	909,595	943,795
Total expenditures	<u>1,009,485</u>	<u>481,257</u>	<u>2,373,419</u>	<u>46,523</u>	<u>-</u>	<u>-</u>	<u>2,219,595</u>	<u>3,626,795</u>
Excess (deficiency) of revenues over expenditures	<u>108,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers out	(200,000)	-	-	-	-	-	-	-
Total other financing sources and uses	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(91,224)	-	-	-	-	-	-	-
Fund balances, beginning as previously reported	1,765,029	-	-	70,777	48,834	2,775,968	-	-
Adjustments and restatements (Note 17)	-	-	-	-	-	(2,775,968)	-	-
Fund balances, as restated	<u>1,765,029</u>	<u>-</u>	<u>-</u>	<u>70,777</u>	<u>48,834</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ 1,673,805</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,777</u>	<u>\$ 48,834</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Capital Projects									Total
	E. 8 Ave. to 10 Ave. 41St. to 45 St. Fund	E. 8 Ave. to 10 Ave. 45 St. to 49 St. Fund	W. 32 Ave. 68 to 76 St. MDC (JPA) Fund	E. 2 to 4 Ave. 63 St. to 65 St. MDC (JPA) Fund	Radio Tower Annex MDC (JPA) Fund	Police Impact Fee Fund	Fire Rescue Impact Fee Fund	Parks, Recreation & Open Spaces Impact Fee Fund	Transportation Impact Fee Fund	Non-Major Governmental Funds
Revenues:										
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,653,835
Franchise fees	-	-	-	-	-	-	-	-	-	4,593,014
Impact Fees	-	-	-	-	-	403,785	169,824	401,368	121,717	1,096,694
Intergovernmental	-	-	-	-	1,314,500	-	-	-	-	40,649,288
Investment income	-	-	-	-	-	-	-	-	-	649,699
Other revenues	-	-	-	-	-	-	-	-	-	146,646
Total revenues	-	-	-	-	1,314,500	403,785	169,824	401,368	121,717	53,789,176
Expenditures:										
Current:										
911 communications	-	-	-	-	-	-	-	-	-	1,246,481
Fire	-	-	-	-	-	-	3,400	-	-	5,617,329
General government	-	-	-	-	-	-	-	-	-	6,649,918
Grants and human services	-	-	-	-	-	-	-	-	-	8,253,294
Parks and recreation	-	-	-	-	-	-	-	2,800	-	2,800
Police	-	-	-	-	-	3,200	-	-	-	1,005,426
State housing initiative program	-	-	-	-	-	-	-	-	-	12,371
Streets	175,000	241,702	191,302	66,466	-	-	-	-	4,000	5,640,806
Capital outlay	-	-	-	-	1,314,500	-	364,166	1,519,188	-	19,350,351
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	4,749,430
Interest	-	-	-	-	-	-	-	-	-	2,266,044
Total expenditures	175,000	241,702	191,302	66,466	1,314,500	3,200	367,566	1,521,988	4,000	54,794,250
Excess (deficiency) of revenues over expenditures	(175,000)	(241,702)	(191,302)	(66,466)	-	400,585	(197,742)	(1,120,620)	117,717	(1,005,074)
Other financing uses (sources):										
Transfers in	175,000	241,702	191,302	66,466	1,120,000	-	-	-	-	2,975,318
Transfers out	-	-	-	-	-	-	-	-	-	(674,470)
Total other financing uses (sources)	175,000	241,702	191,302	66,466	1,120,000	-	-	-	-	2,300,848
Net change in fund balance	-	-	-	-	1,120,000	400,585	(197,742)	(1,120,620)	117,717	1,295,774
Fund balances, beginning as previously reported	-	-	-	-	-	854,666	1,142,679	14,692,188	471,332	41,032,069
Adjustments and restatements (Note 17)	-	-	-	-	-	-	-	-	-	(2,775,968)
Fund balances, as restated	-	-	-	-	-	854,666	1,142,679	14,692,188	471,332	38,256,101
Fund balances, ending	\$ -	\$ -	\$ -	\$ -	\$ 1,120,000	\$ 1,255,251	\$ 944,937	\$ 13,571,568	\$ 589,049	\$ 39,551,875

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Streets Fund				CDBG Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Charges for services	\$ 40,000	\$ 40,000	\$ 217,165	\$ 177,165	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,978,872	3,378,872	3,160,296	(218,576)	-	11,424,147	7,579,952	(3,844,195)
Investment income	-	-	309,486	309,486	-	-	-	-
Other revenues	500	500	18,000	17,500	-	-	-	-
Total revenues	3,019,372	3,419,372	3,704,947	285,575	-	11,424,147	7,579,952	(3,844,195)
Other financing sources:								
Appropriation of prior year fund balance	457,228	943,228	-	(943,228)	-	-	-	-
Transfers in	-	-	-	-	-	37,696	39,412	1,716
Total other financing sources	457,228	943,228	-	(943,228)	-	37,696	39,412	1,716
Total revenues and other financing sources	3,476,600	4,362,600	3,704,947	(657,653)	-	11,461,843	7,619,364	(3,842,479)
Expenditures:								
Grants and human services	-	-	-	-	-	1,897,775	465,812	1,431,963
Streets	2,690,000	2,906,192	2,441,474	464,718	-	-	-	-
Capital outlay	370,000	1,039,808	76,349	963,459	-	9,564,068	7,153,552	2,410,516
Total expenditures	3,060,000	3,946,000	2,517,823	1,428,177	-	11,461,843	7,619,364	3,842,479
Other financing sources (uses):								
Transfers out	(416,600)	(416,600)	(233,004)	183,596	-	-	-	-
Total expenditures and other financing sources (uses)	3,476,600	4,362,600	2,750,827	1,244,581	-	11,461,843	7,619,364	3,842,479
Net change in fund balance	-	-	954,120	\$ 954,120	-	-	-	\$ -
Fund balances - beginning			2,777,308				564,355	
Fund balances - ending			\$ 3,731,428				\$ 564,355	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Law Enforcement Trust-State Fund				E-911 Non-Wireless Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 154,000	\$ 154,000	\$ 133,710	\$ (20,290)
Investment income	-	-	16,528	16,528	-	-	-	-
Total revenues	-	-	16,528	16,528	154,000	154,000	133,710	(20,290)
Other financing sources:								
Appropriation of prior year fund balance	419,000	419,000	-	(419,000)	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources	419,000	419,000	-	(419,000)	-	-	-	-
Total revenues and other financing sources	419,000	419,000	16,528	(402,472)	154,000	154,000	133,710	(20,290)
Expenditures:								
911 communications	-	-	-	-	154,000	154,000	133,710	20,290
Police	75,000	75,000	50,785	24,215	-	-	-	-
Capital outlay	344,000	344,000	-	344,000	-	-	-	-
Total expenditures	419,000	419,000	50,785	368,215	154,000	154,000	133,710	20,290
Net change in fund balance	-	-	(34,257)	\$ (34,257)	-	-	-	\$ -
Fund balances - beginning			440,736				-	
Fund balances - ending			\$ 406,479				\$ -	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Emergency Solutions Grant Fund				Fire Prevention Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 1,840,000	\$ 1,840,000	\$ 1,877,827	\$ 37,827
Intergovernmental	-	232,266	402,833	170,567	-	-	-	-
Investment income	-	-	-	-	1,000	1,000	99,828	98,828
Total revenues	<u>-</u>	<u>232,266</u>	<u>402,833</u>	<u>170,567</u>	<u>1,841,000</u>	<u>1,841,000</u>	<u>1,977,655</u>	<u>136,655</u>
Other financing sources:								
Appropriation of prior year fund balance	-	-	-	-	339,000	396,100	-	(396,100)
Transfers in	-	-	888	888	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>888</u>	<u>888</u>	<u>339,000</u>	<u>396,100</u>	<u>-</u>	<u>(396,100)</u>
Total revenues and other financing sources	<u>-</u>	<u>232,266</u>	<u>403,721</u>	<u>171,455</u>	<u>2,180,000</u>	<u>2,237,100</u>	<u>1,977,655</u>	<u>(259,445)</u>
Expenditures:								
Fire	-	-	-	-	2,180,000	2,159,000	1,771,086	387,914
Grants and human services	-	17,419	188,874	(171,455)	-	-	-	-
Capital outlay	-	214,847	214,847	-	-	78,100	42,751	35,349
Total expenditures	<u>-</u>	<u>232,266</u>	<u>403,721</u>	<u>(171,455)</u>	<u>2,180,000</u>	<u>2,237,100</u>	<u>1,813,837</u>	<u>423,263</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>163,818</u>	<u>\$ 163,818</u>
Fund balances - beginning			-				1,978,299	
Fund balances - ending			<u>\$ -</u>				<u>\$ 2,142,117</u>	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Rescue Transportation Fund				Emergency Disaster Covid -19 Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Charges for services	\$ 3,503,600	\$ 3,503,600	\$ 1,711,929	\$ (1,791,671)	\$ -	\$ -	\$ -	\$ -
Intergovernmental	700,000	700,000	2,243,910	1,543,910	-	-	1,024,579	1,024,579
Investment income	-	-	10,494	10,494	-	-	-	-
Other revenues	5,000	5,000	8,409	3,409	-	-	-	-
Total revenues	<u>4,208,600</u>	<u>4,208,600</u>	<u>3,974,742</u>	<u>(233,858)</u>	<u>-</u>	<u>-</u>	<u>1,024,579</u>	<u>1,024,579</u>
Other financing sources:								
Appropriation of prior year fund balance	531,200	878,500	-	(878,500)	-	-	-	-
Total other financing sources	<u>531,200</u>	<u>878,500</u>	<u>-</u>	<u>(878,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>4,739,800</u>	<u>5,087,100</u>	<u>3,974,742</u>	<u>(1,112,358)</u>	<u>-</u>	<u>-</u>	<u>1,024,579</u>	<u>1,024,579</u>
Expenditures:								
Fire	4,133,300	4,156,200	3,842,843	313,357	-	-	-	-
Capital outlay	440,500	764,900	623,710	141,190	-	-	-	-
Debt service:								
Principal	146,000	146,000	145,653	347	-	-	-	-
Interest	20,000	20,000	19,139	861	-	-	-	-
Total expenditures	<u>4,739,800</u>	<u>5,087,100</u>	<u>4,631,345</u>	<u>455,755</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(656,603)</u>	<u>\$ (656,603)</u>	<u>-</u>	<u>-</u>	<u>1,024,579</u>	<u>\$ 1,024,579</u>
Fund balances - beginning			250,354				(3,377,764)	
Fund balances - ending			<u>\$ (406,249)</u>				<u>\$ (2,353,185)</u>	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Emergency Disaster Fund				Home Investment Partnership Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>		<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:								
Intergovernmental	\$ -	\$ -	\$ 67,424	\$ 67,424	\$ -	\$ 11,703,533	\$ 135,371	\$ (11,568,162)
Total revenues	-	-	67,424	67,424	-	11,703,533	135,371	(11,568,162)
Expenditures:								
General government	-	-	67,424	(67,424)	-	-	-	-
Grants and human services	-	-	-	-	-	6,022,748	135,371	5,887,377
Capital outlay	-	-	-	-	-	5,680,785	-	5,680,785
Total Expenditures	-	-	67,424	(67,424)	-	11,703,533	135,371	11,568,162
Net change in fund balance	-	-	-	\$ -	-	-	-	\$ -
Fund balances - beginning			(326,882)				-	
Fund balances - ending			<u>\$ (326,882)</u>				<u>\$ -</u>	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Parks Impact Fees and Grants Fund				The Children's Trust Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 133,900	\$ 172,266	\$ 26,843	\$ (145,423)	\$ 908,023	\$ 906,840	\$ 812,584	\$ (94,256)
Other revenues	41,000	501,000	11,464	(489,536)	-	-	-	-
Total revenues	174,900	673,266	38,307	(634,959)	908,023	906,840	812,584	(94,256)
Other financing sources:								
Transfers in	33,300	33,300	-	(33,300)	185,000	68,202	47,371	(20,831)
Total other financing sources	33,300	33,300	-	(33,300)	185,000	68,202	47,371	(20,831)
Total revenues and other financing sources	208,200	706,566	38,307	(668,259)	1,093,023	975,042	859,955	(115,087)
Expenditures:								
Grants and human services	55,000	93,366	38,307	55,059	1,093,023	975,042	859,955	115,087
Capital outlay	153,200	613,200	-	613,200	-	-	-	-
Total expenditures	208,200	706,566	38,307	668,259	1,093,023	975,042	859,955	115,087
Net change in fund balance	-	-	-	\$ -	-	-	-	\$ -
Fund balances - beginning			-				-	
Fund balances - ending			\$ -				\$ -	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	The Children's Trust Fund YLC				Urban Area Security Grants Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 33,670	\$ 25,541	\$ 22,264	\$ (3,277)	\$ 1,217,630	\$ 2,271,332	\$ 1,609,030	\$ (662,302)
Total revenues	33,670	25,541	22,264	(3,277)	1,217,630	2,271,332	1,609,030	(662,302)
Other financing sources:								
Transfers in	-	3,000	-	(3,000)	12,000	12,000	15,530	3,530
Total other financing sources	-	3,000	-	(3,000)	12,000	12,000	15,530	3,530
Total revenues and other financing sources	33,670	28,541	22,264	(6,277)	1,229,630	2,283,332	1,624,560	(658,772)
Expenditures:								
Police	-	-	-	-	225,000	278,000	209,577	68,423
Grants and human services	36,670	25,541	22,264	3,277	-	-	-	-
Capital outlay	-	-	-	-	1,004,630	2,005,332	1,414,983	590,349
Total expenditures	36,670	25,541	22,264	3,277	1,229,630	2,283,332	1,624,560	658,772
Net change in fund balance	(3,000)	3,000	-	\$ (3,000)	-	-	-	\$ -
Fund balances - beginning			-				-	
Fund balances - ending			\$ -				\$ -	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	CITT Surtax Fund				Police Grant Surtax Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 7,902,000	\$ 7,502,000	\$ 6,473,083	\$ (1,028,917)	\$ 652,703	\$ 1,543,717	\$ 1,326,119	\$ (217,598)
Other revenues	-	-	-	-	-	2,529	793	(1,736)
Total revenues	7,902,000	7,502,000	6,473,083	(1,028,917)	652,703	1,546,246	1,326,912	(219,334)
Other financing sources:								
Appropriation of prior year fund balance	4,530,300	8,845,500	-	(8,845,500)	-	-	-	-
Transfer out	(6,639,500)	(6,639,500)	(241,466)	6,398,034	-	-	-	-
Transfers in	-	-	-	-	120,000	120,000	-	(120,000)
Total other financing sources	(2,109,200)	2,206,000	(241,466)	(2,447,466)	120,000	120,000	-	(120,000)
Total revenues and other financing sources	5,792,800	9,708,000	6,231,617	(3,476,383)	772,703	1,666,246	1,326,912	(339,334)
Expenditures:								
General government	16,000	16,000	16,000	-	-	-	-	-
Police	-	-	-	-	168,703	937,902	741,864	196,038
Streets	2,221,800	1,821,800	1,511,377	310,423	-	-	-	-
Capital outlay	3,555,000	7,870,200	5,784,888	2,085,312	604,000	728,344	585,048	143,296
Total expenditures	5,792,800	9,708,000	7,312,265	2,395,735	772,703	1,666,246	1,326,912	339,334
Net change in fund balance	-	-	(1,080,648)	\$ (1,080,648)	-	-	-	\$ -
Fund balances - beginning			15,652,869				-	
Fund balances - ending			\$ 14,572,221				\$ -	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	S.H.I.P. Fund				E-911 Wireless Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ -	\$ 1,202,633	\$ 144,398	\$ (1,058,235)	\$ 821,000	\$ 1,051,000	\$ 1,112,771	\$ 61,771
Other revenues	-	-	65	65	-	-	-	-
Total revenues	-	1,202,633	144,463	(1,058,170)	821,000	1,051,000	1,112,771	61,771
Other financing sources:								
Transfers in	-	-	-	-	13,000	13,000	-	(13,000)
Total other financing sources	-	-	-	-	13,000	13,000	-	(13,000)
Total revenues and other financing sources	-	1,202,633	144,463	(1,058,170)	834,000	1,064,000	1,112,771	48,771
Expenditures:								
911 communications	-	-	-	-	834,000	1,064,000	1,112,771	(48,771)
Grants and human services	-	125,000	132,092	(7,092)	-	-	-	-
State housing initiative program	-	1,077,633	12,371	1,065,262	-	-	-	-
Total expenditures	-	1,202,633	144,463	1,058,170	834,000	1,064,000	1,112,771	(48,771)
Net change in fund balance	-	-	-	\$ -	-	-	-	\$ -
Fund balances - beginning			-				-	
Fund balances - ending			\$ -				\$ -	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Affordable Housing Fund				The Children's Trust Step Ahead Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Charges for services	\$ 2,864,000	\$ 2,864,000	\$ 2,846,914	\$ (17,086)	\$ -	\$ -	\$ -	\$ -
Intergovernmental	100,000	100,000	100,000	-	355,730	367,620	334,405	(33,215)
Investment income	-	-	30,482	30,482	-	-	-	-
Other revenues	-	-	17,915	17,915	-	-	-	-
Total revenues	2,964,000	2,964,000	2,995,311	31,311	355,730	367,620	334,405	(33,215)
Other financing sources:								
Transfers in	907,000	907,000	1,077,476	170,476	81,000	15,730	171	(15,559)
Total other financing sources	907,000	907,000	1,077,476	170,476	81,000	15,730	171	(15,559)
Total revenues and other financing sources	3,871,000	3,871,000	4,072,787	201,787	436,730	383,350	334,576	(48,774)
Expenditures:								
Grants and human services	-	-	-	-	436,730	383,350	334,576	48,774
General government	2,246,000	2,246,000	3,108,530	(862,530)	-	-	-	-
Capital outlay	668,000	668,000	7,678	660,322	-	-	-	-
Debt Service:								
Principal	567,000	567,000	565,596	1,404	-	-	-	-
Interest	390,000	390,000	390,983	(983)	-	-	-	-
Total expenditures	3,871,000	3,871,000	4,072,787	(201,787)	436,730	383,350	334,576	48,774
Net change in fund balance	-	-	-	\$ -	-	-	-	\$ -
Fund balances - beginning			(1,620)				-	
Fund balances - ending			\$ (1,620)				\$ -	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Law Enforcement Trust - Federal Fund				EM County Grants Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ -	\$ -	\$ 335,002	\$ 335,002	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	4,647	4,647	-	-	-	-
Total revenues	-	-	339,649	339,649	-	-	-	-
Other financing sources:								
Appropriation of prior year fund balance	396,000	442,536	-	(442,536)	-	-	-	-
Transfer out	-	(120,000)	-	120,000	-	-	-	-
Total other financing sources	396,000	322,536	-	(322,536)	-	-	-	-
Total revenues and other financing sources	396,000	322,536	339,649	17,113	-	-	-	-
Expenditures:								
Capital Outlay	276,000	442,536	442,536	-	-	-	-	-
Total expenditures	276,000	442,536	442,536	-	-	-	-	-
Net change in fund balance	120,000	(120,000)	(102,887)	\$ 17,113	-	-	-	\$ -
Fund balances - beginning			518,960				40,801	
Fund balances - ending			\$ 416,073				\$ 40,801	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	CITT - Surtax Hialeah Circulator Fund				Emergency Assistance Program Grant Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 3,733,000	\$ 3,733,000	\$ 3,423,100	\$ (309,900)	\$ -	\$ 3,147,121	\$ 2,981,001	\$ (166,120)
Investment Income	-	-	56,648	56,648	-	114,561	-	(114,561)
Other revenue	86,000	86,000	90,000	4,000	-	-	-	-
Total revenues	3,819,000	3,819,000	3,569,748	(249,252)	-	3,261,682	2,981,001	(280,681)
Other financing sources:								
Appropriation of prior year fund balance	636,400	636,400	-	(636,400)	-	-	-	-
Total other financing sources	636,400	636,400	-	(636,400)	-	-	-	-
Total revenues and other financing sources	4,455,400	4,455,400	3,569,748	(885,652)	-	3,261,682	2,981,001	(280,681)
Expenditures:								
Grnts and human services	-	-	-	-	-	3,260,482	2,980,621	279,861
General government	3,914,400	3,914,400	3,422,964	491,436	-	-	-	-
Capital outlay	541,000	541,000	-	541,000	-	1,200	380	820
Debt Service:								
Principal	-	-	80,181	(80,181)	-	-	-	-
Interest	-	-	2,534	(2,534)	-	-	-	-
Total expenditures	4,455,400	4,455,400	3,505,679	949,721	-	3,261,682	2,981,001	280,681
Net change in fund balance	-	-	64,069	\$ 64,069	-	-	-	\$ -
Fund balances - beginning			693,180				-	
Fund balances - ending			\$ 757,249				\$ -	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Streets 3 Cent Optional Gas Tax Fund				21st Century Grant Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 995,000	\$ 995,000	\$ 996,671	\$ 1,671	\$ 582,120	\$ 584,100	\$ 481,257	\$ (102,843)
Investment income	-	-	121,590	121,590	-	-	-	-
Total revenues	<u>995,000</u>	<u>995,000</u>	<u>1,118,261</u>	<u>123,261</u>	<u>582,120</u>	<u>584,100</u>	<u>481,257</u>	<u>(102,843)</u>
Other financing sources:								
Appropriation of prior year fund balance	485,000	897,900	-	(897,900)	-	-	-	-
Transfer in	-	-	-	-	15,000	-	-	-
Transfers out	(200,000)	(200,000)	(200,000)	-	-	-	-	-
Total other financing sources	<u>285,000</u>	<u>697,900</u>	<u>(200,000)</u>	<u>(897,900)</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>1,280,000</u>	<u>1,692,900</u>	<u>918,261</u>	<u>(774,639)</u>	<u>597,120</u>	<u>584,100</u>	<u>481,257</u>	<u>(102,843)</u>
Expenditures:								
Grants and human services	-	-	-	-	597,120	584,100	481,257	102,843
Street	1,052,000	1,052,000	1,009,485	42,515	-	-	-	-
Capital outlay	228,000	640,900	-	640,900	-	-	-	-
Total expenditures	<u>1,280,000</u>	<u>1,692,900</u>	<u>1,009,485</u>	<u>683,415</u>	<u>597,120</u>	<u>584,100</u>	<u>481,257</u>	<u>102,843</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(91,224)</u>	<u>\$ (91,224)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning			<u>1,765,029</u>				<u>-</u>	
Fund balances - ending			<u>\$ 1,673,805</u>				<u>\$ -</u>	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Alliance for Aging Grant Fund				ECS and Library Grant Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Grants and human services	\$ -	\$ -	\$ -	\$ -	\$ 140,000	\$ 140,000	\$ -	\$ (140,000)
Intergovernmental	-	2,250,000	2,373,419	123,419	48,000	54,815	46,523	(8,292)
Total revenues	-	2,250,000	2,373,419	123,419	188,000	194,815	46,523	(148,292)
Total revenues and other financing sources	-	2,250,000	2,373,419	123,419	188,000	194,815	46,523	(148,292)
Expenditures:								
Grants and human services	-	95,625	138,795	(43,170)	178,000	194,815	46,523	148,292
Capital outlay	-	2,154,375	2,234,624	(80,249)	-	10,000	-	10,000
Total expenditures	-	2,250,000	2,373,419	(123,419)	178,000	204,815	46,523	158,292
Net change in fund balance	-	-	-	\$ -	10,000	(10,000)	-	\$ 10,000
Fund balances - beginning			-				70,777	
Fund balances - ending			\$ -				\$ 70,777	

CITY OF HIALEAH, FLORIDA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Parking Improvement Fund				City of Hialeah Education Academy Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>		<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-	-	-	-
Expenditures:								
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	-	-
Fund balances, beginning as previously reported	-	-	-	-	-	-	2,775,968	-
Adjustments and restatements (Note 17)	-	-	-	\$ -	-	-	(2,775,968)	\$ -
Fund balances - beginning			48,834				-	
Fund balances - ending			<u>\$ 48,834</u>				<u>\$ -</u>	

CITY OF HIALEAH, FLORIDA
DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Revenue Bond Series 2015A Fund				CITT Surtax Transportation Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Franchise fees	\$ 3,199,998	\$ 3,199,998	\$ 3,199,998	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	3,627,000	3,627,000	4,361,661	734,661
Total revenues	<u>3,199,998</u>	<u>3,199,998</u>	<u>3,199,998</u>	<u>-</u>	<u>3,627,000</u>	<u>3,627,000</u>	<u>4,361,661</u>	<u>734,661</u>
Expenditures:								
General government	-	-	-	-	35,000	35,000	35,000	-
Debt Service:								
Principal	1,310,000	1,310,000	2,216,667	906,667	2,648,000	2,648,000	3,189,333	(541,333)
Interest	<u>910,000</u>	<u>910,000</u>	<u>983,331</u>	<u>(73,331)</u>	<u>944,000</u>	<u>944,000</u>	<u>1,137,328</u>	<u>(193,328)</u>
Total expenditures	<u>2,220,000</u>	<u>2,220,000</u>	<u>3,199,998</u>	<u>833,336</u>	<u>3,627,000</u>	<u>3,627,000</u>	<u>4,361,661</u>	<u>(734,661)</u>
Net change in fund balance	<u>979,998</u>	<u>979,998</u>	<u>-</u>	<u>\$ 833,336</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning			<u>-</u>				<u>-</u>	
Fund balances - ending			<u>\$ -</u>				<u>\$ -</u>	

CITY OF HIALEAH, FLORIDA
NONMAJOR CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	E. 8 Ave. to 10 Ave. 41 to 45 St.				E. 8 Ave. to 10 Ave. 45 to 49 St.			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 1,500,000	\$ 1,500,000	\$ -	\$ (1,500,000)	\$ 1,500,000	\$ 1,500,000	\$ -	\$ (1,500,000)
Total revenues	1,500,000	1,500,000	-	(1,500,000)	1,500,000	1,500,000	-	(1,500,000)
Other financing sources:								
Transfer in	2,425,000	2,425,000	175,000	(2,250,000)	2,625,000	2,625,000	241,702	(2,383,298)
Total other financing sources	2,425,000	2,425,000	175,000	(2,250,000)	2,625,000	2,625,000	241,702	(2,383,298)
Total revenues and other financing sources	3,925,000	3,925,000	175,000	(3,750,000)	4,125,000	4,125,000	241,702	(3,883,298)
Expenditures:								
Streets	175,000	175,000	175,000	-	375,000	375,000	241,702	133,298
Capital outlay	3,750,000	3,750,000	-	3,750,000	3,750,000	3,750,000	-	3,750,000
Total expenditures	3,925,000	3,925,000	175,000	3,750,000	4,125,000	4,125,000	241,702	3,883,298
Net change in fund balance	-	-	-	\$ -	-	-	-	\$ -
Fund balances - beginning			-				-	
Fund balances - ending			\$ -				\$ -	

CITY OF HIALEAH, FLORIDA
NONMAJOR CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	W. 32 Ave. 68 St. to 76 St.				E. 2 to 4 Ave. 63 to 65 St.			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 1,000,000	\$ 1,000,000	\$ -	\$ (1,000,000)	\$ 1,957,500	\$ 1,957,500	\$ -	\$ (1,957,500)
Total revenues	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>	<u>1,957,500</u>	<u>1,957,500</u>	<u>-</u>	<u>(1,957,500)</u>
Other financing sources:								
Transfer in	<u>1,700,000</u>	<u>1,700,000</u>	<u>191,302</u>	<u>(1,508,698)</u>	<u>489,500</u>	<u>489,500</u>	<u>66,466</u>	<u>(423,034)</u>
Total other financing sources	<u>1,700,000</u>	<u>1,700,000</u>	<u>191,302</u>	<u>(1,508,698)</u>	<u>489,500</u>	<u>489,500</u>	<u>66,466</u>	<u>(423,034)</u>
Total revenues and other financing sources	<u>2,700,000</u>	<u>2,700,000</u>	<u>191,302</u>	<u>(2,508,698)</u>	<u>2,447,000</u>	<u>2,447,000</u>	<u>66,466</u>	<u>(2,380,534)</u>
Expenditures:								
Streets	225,000	225,000	191,302	(33,698)	489,500	408,000	66,466	341,534
Capital outlay	<u>2,475,000</u>	<u>2,475,000</u>	<u>-</u>	<u>2,475,000</u>	<u>1,957,500</u>	<u>2,039,000</u>	<u>-</u>	<u>2,039,000</u>
Total expenditures	<u>2,700,000</u>	<u>2,700,000</u>	<u>191,302</u>	<u>2,441,302</u>	<u>2,447,000</u>	<u>2,447,000</u>	<u>66,466</u>	<u>2,380,534</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ (67,396)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning			<u>-</u>				<u>-</u>	
Fund balances - ending			<u>\$ -</u>				<u>\$ -</u>	

CITY OF HIALEAH, FLORIDA
NONMAJOR CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Sewer Lines Revitalization Fund				Radio Tower Annex Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 3,500,000	\$ 3,500,000	\$ -	\$ (3,500,000)	\$ 1,509,000	\$ 1,509,000	\$ 1,314,500	\$ (194,500)
Total revenues	<u>3,500,000</u>	<u>3,500,000</u>	<u>-</u>	<u>(3,500,000)</u>	<u>1,509,000</u>	<u>1,509,000</u>	<u>1,314,500</u>	<u>(194,500)</u>
Other financing sources:								
Transfers in	-	-	-	-	1,120,000	1,120,000	1,120,000	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,120,000</u>	<u>1,120,000</u>	<u>1,120,000</u>	<u>-</u>
Total revenues and other financing sources	<u>3,500,000</u>	<u>3,500,000</u>	<u>-</u>	<u>(3,500,000)</u>	<u>2,629,000</u>	<u>2,629,000</u>	<u>2,434,500</u>	<u>(194,500)</u>
Expenditures:								
Capital outlay	3,500,000	3,500,000	-	3,500,000	2,629,000	2,629,000	1,314,500	1,314,500
Total expenditures	<u>3,500,000</u>	<u>3,500,000</u>	<u>-</u>	<u>3,500,000</u>	<u>2,629,000</u>	<u>2,629,000</u>	<u>1,314,500</u>	<u>1,314,500</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>1,120,000</u>	<u>\$ 1,120,000</u>
Fund balances - beginning			-				-	
Fund balances - ending			<u>\$ -</u>				<u>\$ 1,120,000</u>	

CITY OF HIALEAH, FLORIDA
NONMAJOR CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	N.W. 97 Ave Road Improvement Fund				Hialeah Waste Water Improvement Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>		<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:								
Intergovernmental	\$ -	\$ 1,468,600	\$ -	\$ (1,468,600)	\$ 600,000	\$ 600,000	\$ -	\$ (600,000)
Total revenues	-	1,468,600	-	(1,468,600)	600,000	600,000	-	(600,000)
Expenditures:								
Streets	-	2,200	-	2,200	-	-	-	-
Capital outlay	-	1,466,400	-	1,466,400	600,000	600,000	-	600,000
Total expenditures	-	1,468,600	-	1,468,600	600,000	600,000	-	600,000
Net change in fund balance	-	-	-	\$ -	-	-	-	\$ -
Fund balances - beginning			-				-	
Fund balances - ending			\$ -				\$ -	

CITY OF HIALEAH, FLORIDA
NONMAJOR CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	N.W. 102 Ave. 138 St. to 145 PL. MDC (JPA) Fund				Police Impact Fee Fund			
	Budgeted Amounts		Variance with Final Budget Positive (Negative)		Budgeted Amounts		Variance with Final Budget Positive (Negative)	
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Impact fees	\$ -	\$ -	\$ -	\$ -	\$ 1,241,000	\$ 1,241,000	\$ 403,785	\$ (837,215)
Intergovernmental	-	1,667,300	-	(1,667,300)	-	-	-	-
Total revenues	-	1,667,300	-	(1,667,300)	1,241,000	1,241,000	403,785	(837,215)
Expenditures:								
Capital outlay	-	1,667,300	-	1,667,300	1,241,000	1,224,500	-	1,224,500
Police	-	-	-	-	-	16,500	3,200	13,300
Total expenditures	-	1,667,300	-	1,667,300	1,241,000	1,241,000	3,200	1,237,800
Net change in fund balance	-	-	-	\$ -	-	-	400,585	\$ 400,585
Fund balances - beginning			-				854,666	
Fund balances - ending			\$ -				\$ 1,255,251	

CITY OF HIALEAH, FLORIDA
NONMAJOR CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Fire Rescue Impact Fee Fund				Parks, Recreation and Open Spaces Impact Fees Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Impact fees	\$ 465,000	\$ 465,000	\$ 169,824	\$ (295,176)	\$ 1,245,000	\$ 1,245,000	\$ 401,367	\$ (843,633)
Total revenues	465,000	465,000	169,824	(295,176)	1,245,000	1,245,000	401,367	(843,633)
Other financing sources:								
Appropriation of prior year fund balance								
Transfers in	822,000	822,000	-	(822,000)	1,155,000	5,726,000	-	(5,726,000)
Total other financing sources	822,000	822,000	-	(822,000)	1,155,000	5,726,000	-	(5,726,000)
Total revenues and other financing sources	1,287,000	1,287,000	169,824	(1,117,176)	2,400,000	6,971,000	401,367	(6,569,633)
Expenditures:								
Fire	-	17,500	3,400	14,100	-	-	-	-
Capital outlay	1,287,000	1,269,500	364,166	905,334	2,400,000	6,956,500	1,519,187	5,437,313
Parks and recreation	-	-	-	-	-	14,500	2,800	11,700
Total expenditures	1,287,000	1,287,000	367,566	919,434	2,400,000	6,971,000	1,521,987	5,449,013
Net change in fund balance	-	-	(197,742)	\$ (197,742)	-	-	(1,120,620)	\$ (1,120,620)
Fund balances - beginning			1,142,679				14,692,188	
Fund balances - ending			\$ 944,937				\$ 13,571,568	

CITY OF HIALEAH, FLORIDA
NONMAJOR CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Transportation Impact Fee Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Impact fees	\$ 737,000	\$ 737,000	\$ 121,717	\$ (615,283)
Total revenues	<u>737,000</u>	<u>737,000</u>	<u>121,717</u>	<u>(615,283)</u>
Expenditures:				
Streets	224,000	244,500	4,000	240,500
Capital outlay	<u>513,000</u>	<u>492,500</u>	<u>-</u>	<u>492,500</u>
Total expenditures	<u>737,000</u>	<u>737,000</u>	<u>4,000</u>	<u>733,000</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>117,717</u>	<u>\$ 117,717</u>
Fund balances - beginning			<u>471,332</u>	
Fund balances - ending			<u>\$ 589,049</u>	

A red and black fire engine with yellow and black stripes. The side of the engine features the text "HIALEAH FIRE DEPT." in large yellow letters, "Serving Since 1925" in script, a Maltese cross logo with "HIALEAH FIRE DEPT." inside, and "226" in large yellow numbers. A chrome fuel tank is visible on the left, and a tire with "G289" is at the bottom. A white text box with a pink border is overlaid in the center.

FIDUCIARY FUNDS

**HIALEAH
FIRE DEPT.**

*Serving
Since 1925*



226



CITY OF HIALEAH, FLORIDA
FIDUCIARY FUNDS
COMBINING STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

	Employees' Retirement System	Elected Officials' Retirement System	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 37,229,128	\$ -	\$ 37,229,128
Receivables:			
Accrued investment income	2,114,303	-	2,114,303
Accounts receivable: sale of investments	472,529	-	472,529
Other receivables	250,096	14,145	264,241
Total receivables	<u>2,836,928</u>	<u>14,145</u>	<u>2,851,073</u>
Investments, at fair value:			
Equity securities	386,318,402	-	386,318,402
Corporate bonds	94,716,808	-	94,716,808
Government securities	187,966,980	-	187,966,980
Pooled index trust fund	40,708,448	-	40,708,448
Closely-held limited liability fund	22,562,789	-	22,562,789
Closely-held limited partnership fund	14,482,746	-	14,482,746
Closely-held real estate fund	15,958,494	-	15,958,494
Limited partnerships	3,446,565	-	3,446,565
Collective Investment equity fund	175,588	-	175,588
Equity Mutual funds	-	8,865,390	8,865,390
Bond Mutual funds	-	5,064,108	5,064,108
Real Estate Investment Trust	-	700,702	700,702
Total investments	<u>766,336,820</u>	<u>14,630,200</u>	<u>780,967,020</u>
Loans to members	<u>5,952,696</u>	<u>-</u>	<u>5,952,696</u>
Total assets	<u>812,355,572</u>	<u>14,644,345</u>	<u>826,999,917</u>
<u>LIABILITIES</u>			
Accounts payable	108,250	-	108,250
Accounts payable purchase of investments	2,348,882	-	2,348,882
Advance contribution from City	23,000,000	-	23,000,000
Total liabilities	<u>25,457,132</u>	<u>-</u>	<u>25,457,132</u>
<u>NET POSITION RESTRICTED FOR PENSIONS</u>			
Net position restricted for pensions	778,050,221	14,644,345	792,694,566
Net position restricted for DROP benefits	<u>8,848,219</u>	<u>-</u>	<u>8,848,219</u>
<u>NET POSITION RESTRICTED FOR PENSIONS</u>	<u>\$ 786,898,440</u>	<u>\$ 14,644,345</u>	<u>\$ 801,542,785</u>

CITY OF HIALEAH, FLORIDA
FIDUCIARY FUNDS
COMBINING STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Employees' Retirement <u>System</u>	Elected Officials' Retirement <u>System</u>	<u>Total</u>
ADDITIONS			
Contributions:			
Employer	\$ 34,152,136	\$ -	\$ 34,152,136
Employee	5,186,420	10,186	5,196,606
Employee - buyback	309,056	-	309,056
Employee	3,765,570	-	3,765,570
State	461,877	-	461,877
Total contributions	<u>43,875,059</u>	<u>10,186</u>	<u>43,885,245</u>
Investment income:			
Net appreciation in fair value of investments	127,503,384	2,521,099	130,024,483
Investment Income	<u>17,164,601</u>	<u>349,438</u>	<u>17,514,039</u>
Total investment Income	144,667,985	2,870,537	147,538,522
Less investment expenses	<u>1,796,621</u>	<u>34,077</u>	<u>1,830,698</u>
Net investment income	<u>142,871,364</u>	<u>2,836,460</u>	<u>145,707,824</u>
Other income	<u>142,533</u>	<u>-</u>	<u>142,533</u>
Total Additions	<u>186,888,956</u>	<u>2,846,646</u>	<u>189,735,602</u>
DEDUCTIONS			
Pension benefits	68,938,665	864,726	69,803,391
DROP benefits	5,178,641	-	5,178,641
Refunds of contributions	9,590,517	-	9,590,517
Administrative expenses	<u>202,577</u>	<u>20,197</u>	<u>222,774</u>
Total deductions	<u>83,910,400</u>	<u>884,923</u>	<u>84,795,323</u>
Net increase	102,978,556	1,961,723	104,940,279
Net position restricted for pensions:			
Beginning of year	<u>683,919,884</u>	<u>12,682,622</u>	<u>696,602,506</u>
End of year	<u>\$ 786,898,440</u>	<u>\$ 14,644,345</u>	<u>\$ 801,542,785</u>

An aerial photograph of a residential neighborhood with many houses and a central parking lot. A large, white, tilted rectangular box with a pink border is overlaid on the image. The text "STATISTICAL SECTION" is written in bold black letters inside the box.

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Hialeah's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's Financial performance and well-being have changed over time. These schedules include:	148-151
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	152-155
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	156-158
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	159-161
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how The information in the City's financial report relates to the services the City provides and The activities it performs.	162-163

CITY OF HIALEAH, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Governmental activities:										
Net investment in capital assets	\$ 200,597,075	\$ 190,609,888	\$ 186,457,794	\$ 186,890,190	\$ 170,129,327	\$ 193,868,493	\$ 195,636,842	\$ 192,364,855	\$ 165,675,071	\$ 174,639,561
Restricted	8,735,410	18,654,864	23,084,772	2,289,412	2,914,351	47,706,472	59,155,546	82,777,505	90,698,252	95,666,482
Unrestricted	(262,072,904)	(270,877,972)	(293,625,452)	(497,449,914)	(471,162,631)	(560,835,297)	(604,413,810)	(578,040,243)	(526,381,670)	(569,167,676)
Total governmental activities net position	<u>(52,740,419)</u>	<u>(61,613,220)</u>	<u>(84,082,886)</u>	<u>(308,270,312)</u>	<u>(298,118,953)</u>	<u>(319,260,332)</u>	<u>(349,621,422)</u>	<u>(302,897,883)</u>	<u>(270,008,347)</u>	<u>(298,861,633)</u>
Business-type activities:										
Net investment in capital assets	124,884,318	126,879,211	133,579,865	145,315,155	149,162,397	150,166,669	150,193,207	145,582,694	144,986,605	141,893,013
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	(8,636,198)	(17,762,837)	(21,403,478)	(73,743,502)	(69,225,945)	(73,753,456)	(82,693,460)	(73,467,697)	(58,195,874)	(57,803,634)
Total business-type activities net position	<u>116,248,120</u>	<u>109,116,374</u>	<u>112,176,387</u>	<u>71,571,653</u>	<u>79,936,452</u>	<u>76,413,213</u>	<u>67,499,747</u>	<u>72,114,997</u>	<u>86,790,731</u>	<u>84,089,379</u>
Total government:										
Net investment in capital assets	325,481,393	317,489,099	320,037,659	332,205,345	319,291,724	344,035,162	345,830,049	337,947,549	310,661,676	316,532,574
Restricted	8,735,410	18,654,864	23,084,772	2,289,412	2,914,351	47,706,472	59,155,546	82,777,505	90,698,252	95,666,482
Unrestricted	(270,709,102)	(288,640,809)	(315,028,930)	(571,193,416)	(540,388,576)	(634,588,753)	(687,107,270)	(651,507,940)	(584,577,544)	(626,971,310)
Total government net position	<u>\$ 63,507,701</u>	<u>\$ 47,503,154</u>	<u>\$ 28,093,501</u>	<u>\$ (236,698,659)</u>	<u>\$ (218,182,501)</u>	<u>\$ (242,847,119)</u>	<u>\$ (282,121,675)</u>	<u>\$ (230,782,886)</u>	<u>\$ (183,217,616)</u>	<u>\$ (214,772,254)</u>

CITY OF HIALEAH, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses:										
Governmental activities:										
General government	\$ 53,294,065	\$ 55,341,792	\$ 59,957,217	\$ 55,258,339	\$ 61,455,026	\$ 70,420,073	\$ 84,180,713	\$ 64,140,377	\$ 79,403,672	\$ 91,852,245
Police	53,872,287	54,508,455	58,240,949	53,485,325	60,930,938	88,654,519	83,705,377	56,338,163	71,283,219	90,040,659
Fire	43,511,619	49,035,406	54,381,049	46,936,520	57,797,638	58,349,093	63,772,003	49,168,810	61,847,983	72,821,797
Streets	12,459,595	14,054,634	15,961,337	13,202,250	13,572,809	17,440,016	17,195,034	15,812,453	5,019,820	6,992,050
Recreation and community services	11,540,708	12,336,667	13,703,389	11,652,746	12,052,307	12,018,687	14,880,885	11,615,814	13,879,858	17,057,401
Interest on long-term debt	2,924,134	5,448,282	3,766,967	4,025,439	3,317,950	3,165,907	2,966,368	3,580,041	2,684,136	2,733,637
Total governmental activities	177,602,408	190,725,236	206,010,909	184,560,619	209,126,668	250,048,295	266,700,380	200,655,658	234,118,688	281,497,789
Business-type activities:										
Water & sewer	57,129,636	72,874,604	71,567,962	73,079,627	71,136,712	81,857,795	88,867,911	92,241,184	93,289,082	110,178,603
Solid waste	13,310,272	21,314,937	19,795,688	7,318,709	15,261,866	18,495,129	20,002,706	8,388,117	12,125,255	18,450,263
Stormwater	5,877,241	2,248,357	4,987,399	5,495,126	4,494,713	4,810,937	5,116,368	4,881,497	4,635,878	2,395,027
Total business-type activities	76,317,149	96,437,898	96,351,049	85,893,462	90,893,291	105,163,861	113,986,985	105,510,798	110,050,215	131,023,893
Total government expenses	\$ 253,919,557	\$ 287,163,134	\$ 302,361,958	\$ 270,454,081	\$ 300,019,959	\$ 355,212,156	\$ 380,687,365	\$ 306,166,456	\$ 344,168,904	\$ 412,521,682
Program revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 21,314,845	\$ 27,892,420	\$ 24,217,921	\$ 25,618,187	\$ 22,743,654	\$ 31,679,136	\$ 40,843,724	\$ 23,685,948	\$ 39,497,141	\$ 7,019,990
Police	772,604	685,253	745,403	677,410	542,614	954,018	1,838,907	897,602	1,482,250	-
Fire	4,425,659	5,615,993	4,696,059	4,749,781	10,189,498	6,207,550	5,049,491	2,976,880	4,490,567	1,791,926
Streets	428,722	377,105	766,087	2,345,404	699,617	8,300,213	10,758,518	190,312	3,469,649	108,404
Recreation and community services	640,787	1,103,371	1,968,593	1,347,900	1,228,840	2,943,241	2,549,607	12,137,005	5,196,610	-
Operating grants and contributions	22,839,837	21,747,532	26,795,367	22,478,063	32,754,665	25,349,120	21,087,711	33,158,637	22,502,980	24,236,103
Capital grants and contributions	13,347,879	12,214,891	9,475,840	14,519,811	15,769,053	12,025,790	6,521,210	9,463,636	6,527,636	40,099,940
Total governmental activities program revenues	63,770,333	69,636,565	68,665,270	71,736,556	83,927,941	87,459,068	88,649,168	82,510,247	83,166,833	73,256,363
Business-type activities:										
Charges for services:										
Water & sewer	59,707,525	65,545,712	66,468,227	70,388,195	73,026,518	75,565,212	79,562,678	88,813,328	90,897,548	100,396,159
Solid waste	15,379,996	16,655,394	17,356,664	18,218,239	18,595,914	19,746,834	20,367,889	21,819,159	24,471,672	23,931,743
Stormwater	3,644,229	4,098,166	3,849,779	3,670,891	3,721,412	3,735,922	3,650,696	3,632,127	3,853,505	3,772,072
Capital grants and contributions	172,378	429,279	591,188	33,168	9,781	191,881	202,536	339,738	-	14,204
Total business-type activities program revenues	78,904,128	86,728,551	88,265,858	92,310,493	95,353,625	99,239,849	103,783,799	114,604,352	119,222,725	128,114,178
Total program revenues	\$ 142,674,461	\$ 156,365,116	\$ 156,931,128	\$ 164,047,049	\$ 179,281,566	\$ 186,698,917	\$ 192,432,967	\$ 197,114,599	\$ 202,389,558	\$ 201,370,541
Net (expense) revenue:										
Governmental activities	\$ (113,832,075)	\$ (121,088,671)	\$ (137,345,639)	\$ (112,824,063)	\$ (125,198,727)	\$ (162,589,227)	\$ (178,051,212)	\$ (118,145,411)	\$ (150,951,856)	\$ (208,241,426)
Business-type activities	2,586,979	(9,709,347)	(8,085,191)	6,417,031	4,460,334	(5,924,012)	(10,203,186)	9,093,554	9,172,510	(2,909,715)
Total net expense	\$ (111,245,096)	\$ (130,798,018)	\$ (145,430,830)	\$ (106,407,032)	\$ (120,738,393)	\$ (168,513,239)	\$ (188,254,398)	\$ (109,051,857)	\$ (141,779,346)	\$ (211,151,141)
General revenues:										
Governmental activities:										
Taxes:										
Property taxes	\$ 43,735,370	\$ 47,012,819	\$ 51,435,680	\$ 57,462,494	\$ 62,743,620	\$ 68,425,226	\$ 75,538,132	\$ 82,083,914	\$ 93,270,127	\$ 107,254,522
Utility taxes	22,248,582	22,628,827	22,345,725	22,883,815	22,459,212	22,299,867	22,493,687	24,225,902	27,324,060	28,814,018
Franchise fees on gross receipts	16,584,895	15,182,525	16,180,210	16,190,910	16,021,179	15,416,105	17,017,212	16,418,919	18,947,653	21,178,458
Intergovernmental revenue	26,939,103	27,687,192	28,200,503	33,823,674	34,612,512	35,442,925	34,558,205	40,360,310	41,555,164	40,976,036
Gain on disposal of capital assets	55,529	69,910	77,140	165,426	141,860	163,985	954,345	367,377	266,389	56,611
Unrestricted interest	17,656	9,597	129,600	224,407	640,840	456,010	148,954	316,202	6,222,767	9,372,502
Transfers	-	-	(1,296,159)	(366,407)	(1,269,139)	(756,270)	(1,080,690)	(877,658)	3,903,081	(874,166)
Total governmental activities	109,581,135	112,590,870	117,072,699	130,384,319	135,350,084	141,447,848	149,629,845	162,894,966	183,683,079	206,777,981
Business-type activities:										
Unrealized gain (loss) on investments	504,463	185,370	(121,594)	(215,998)	492,097	1,131,107	(113,739)	(1,841,360)	52,823	1,441,786
Unrestricted interest	669,909	2,392,231	543,642	347,074	2,143,229	513,395	322,769	464,592	1,547,320	1,809,867
Gain on disposal of capital assets	-	-	-	43,575	-	-	-	-	-	-
Transfers	-	-	1,296,159	366,407	1,269,139	756,270	1,080,690	877,658	3,903,081	874,166
Total business-type activities	1,174,372	2,577,601	1,718,207	541,058	3,904,465	2,400,772	1,289,720	(499,110)	5,503,224	4,125,819
Total general revenues	\$ 110,755,507	\$ 115,168,471	\$ 118,790,906	\$ 130,925,377	\$ 139,254,549	\$ 143,848,620	\$ 150,919,565	\$ 162,395,856	\$ 189,186,303	\$ 210,903,800
Change in net position:										
Governmental activities	\$ (4,250,940)	\$ (8,497,801)	\$ (20,272,940)	\$ 17,560,256	\$ 10,151,359	\$ (21,141,379)	\$ (28,421,367)	\$ 44,749,555	\$ 32,731,223	\$ (1,463,445)
Business-type activities	3,761,351	(7,131,746)	(6,366,984)	6,958,089	8,364,799	(3,523,239)	(8,913,466)	8,594,444	14,675,734	1,216,104
Total change in net position	\$ (489,589)	\$ (15,629,547)	\$ (26,639,924)	\$ 24,518,345	\$ 18,516,158	\$ (24,664,618)	\$ (37,334,833)	\$ 53,343,999	\$ 47,406,957	\$ (247,341)

CITY OF HIALEAH, FLORIDA
FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General fund:										
Nonspendable	\$ 2,164,713	\$ 2,206,606	\$ 5,304,957	\$ 5,897,782	\$ 6,739,054	\$ 6,871,681	\$ 7,528,489	\$ 5,131,811	\$ 4,351,059	\$ 1,508,484
Restricted	-	-	-	3,517,760	856,950	553,447	86,417	86,417	-	-
Committed	-	99,606	2,116,128	1,770,751	395,689	390,193	784,325	313,387	2,249,573	6,309,400
Assigned	-	-	-	5,600,000	6,100,000	7,171,799	-	1,062,100	8,622,367	19,662,600
Unassigned	12,199,265	35,133,349	32,030,706	29,821,802	31,444,210	32,161,841	38,512,443	46,081,725	58,656,469	62,086,239
Total general fund	\$ 14,363,978	\$ 37,439,561	\$ 39,451,791	\$ 46,608,095	\$ 45,535,903	\$ 47,148,961	\$ 46,911,674	\$ 52,675,440	\$ 73,879,468	\$ 89,566,723
All other governmental funds:										
Nonspendable	\$ 984,876	\$ 1,199,528	\$ 1,240,869	\$ 1,654,611	\$ 579,995	\$ 348,773	\$ 975,722	\$ 230,442	\$ 395	\$ 13,545
Restricted	8,554,067	18,654,864	23,108,042	31,055,772	44,122,677	55,771,593	56,739,191	77,168,280	88,377,495	80,625,188
Committed	997,128	805,666	6,073,476	3,875,091	2,220,822	7,462,663	10,375,012	2,730,930	7,676,154	4,612,934
Assigned	-	-	-	-	-	-	-	-	-	11,997,600
Unassigned	20,032	(466,364)	(6,496,712)	(10,112,582)	(7,968,883)	(5,394,318)	(6,086,882)	(6,540,575)	(4,651,546)	(4,318,815)
Total all other governmental funds	\$ 10,556,103	\$ 20,193,694	\$ 23,925,675	\$ 26,472,892	\$ 38,954,611	\$ 58,188,711	\$ 62,003,043	\$ 73,589,077	\$ 91,402,498	\$ 92,930,452

CITY OF HIALEAH, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Ad valorem taxes	\$ 43,735,370	\$ 47,012,819	\$ 51,435,680	\$ 57,462,494	\$ 62,743,620	\$ 68,425,226	\$ 75,538,132	\$ 82,083,914	\$ 93,270,127	\$ 107,254,522
Charges for services	-	-	-	8,827,351	14,545,199	7,629,550	8,252,646	10,644,848	10,033,294	8,920,319
Fines and forfeitures	2,331,192	2,304,780	1,737,726	2,538,165	4,063,952	3,373,633	3,884,785	2,565,757	2,145,649	2,391,258
Franchise fees	16,584,895	15,182,525	16,180,210	16,190,910	16,021,179	15,416,105	17,017,212	16,418,919	18,947,653	21,178,458
Impact fees	214,629	2,553,949	2,189,892	970,464	3,231,644	3,445,036	2,490,178	3,763,634	6,000,855	1,096,694
Intergovernmental	-	-	-	67,905,904	71,275,728	82,705,520	84,383,656	82,982,810	85,764,322	82,610,440
Investment income	17,656	9,597	-	224,407	640,840	456,010	148,954	316,202	6,206,762	9,372,502
Licenses and permits	9,512,980	16,370,723	16,161,820	17,559,440	19,799,005	19,502,647	17,817,575	18,425,159	16,181,624	14,195,324
Other revenues	-	-	-	5,630,835	4,526,786	2,795,477	4,668,660	4,764,391	5,480,545	5,386,215
Utility taxes	22,248,582	22,628,827	22,345,725	22,883,815	22,459,212	22,299,867	22,493,687	24,225,902	27,324,060	28,814,018
State and local shared revenues	42,982,914	46,141,008	45,606,789	-	-	-	-	-	-	-
Government grants and other revenues	35,667,721	27,361,310	29,667,244	-	-	-	-	-	-	-
Total revenues	173,295,939	179,565,538	185,325,086	200,193,785	219,307,165	226,049,071	236,695,485	246,191,536	271,354,891	281,219,750
Expenditures:										
Current:										
911 communications	3,692,776	3,894,582	4,448,217	4,393,395	4,927,182	5,477,101	5,685,374	5,901,183	6,541,095	7,874,459
Business tax division	589,707	807,971	951,992	1,058,538	1,259,585	1,770,814	1,112,863	1,074,247	1,111,245	1,332,463
City Clerk's office	1,071,420	1,233,250	962,794	1,386,980	1,101,531	1,910,174	1,284,569	2,337,438	1,479,828	1,986,512
Code compliance	658,107	644,566	642,804	691,122	715,168	688,223	810,978	752,950	748,065	1,255,912
Communications and special events	304,392	387,083	523,637	699,089	1,458,309	1,216,691	1,744,990	1,764,143	1,205,807	2,213,774
Construction and maintenance	2,409,265	3,053,215	2,981,198	2,836,215	3,163,088	3,178,953	3,343,392	3,685,941	3,547,477	3,628,458
Education and community services	4,058,687	2,851,902	2,802,476	1,781,983	1,958,762	1,758,005	1,857,078	2,147,127	2,470,037	2,734,103
Emergency management	-	-	-	-	-	-	-	-	24,342	115,792
Employee retirement	604,903	596,528	834,417	591,734	845,019	695,173	569,442	1,061,805	824,168	972,992
Finance	1,352,174	1,417,428	1,486,450	1,673,282	1,992,167	2,083,325	2,313,843	2,437,534	1,663,622	2,043,922
Fire	41,284,251	44,566,208	46,111,359	46,950,299	52,823,642	47,804,143	54,147,762	55,152,741	54,808,457	58,751,193
Fleet maintenance	2,352,456	3,060,804	3,117,172	3,426,246	3,523,468	3,368,715	3,707,116	3,915,311	3,710,687	3,425,236
General government	15,113,548	13,259,022	13,649,002	16,334,508	13,636,616	20,373,999	22,338,241	16,895,648	26,263,248	20,099,624
Grants and human services	7,317,707	8,228,432	9,889,816	8,828,260	9,079,879	5,031,212	11,220,941	17,987,487	6,366,759	8,253,294
Human resources	700,530	763,201	735,666	948,150	1,006,870	1,072,759	1,238,974	1,378,933	1,473,654	1,630,040
Information technology	1,615,686	1,871,939	1,845,314	1,944,261	2,201,323	2,113,745	2,516,168	2,274,909	2,828,385	3,619,157
Law	1,291,022	1,311,626	1,150,714	1,238,551	1,388,834	1,538,458	1,635,001	1,569,569	1,678,382	1,881,858
Library	1,495,749	1,560,224	1,379,576	1,572,147	1,744,384	1,725,573	2,226,041	1,874,748	1,931,282	2,152,546
Marketing and Sponsorships	-	-	-	-	-	-	-	-	-	5,796
Milander center	-	-	-	1,014,757	833,206	660,817	610,605	606,362	1,249,173	933,278
Office of Management and Budget	560,939	388,095	402,949	419,851	410,968	367,253	434,000	574,969	548,808	507,037
Office of the Mayor	699,883	646,944	588,766	593,914	588,027	681,812	770,125	1,007,166	948,369	979,499
Parks and recreation	9,712,104	10,015,340	10,528,719	10,506,083	10,494,096	9,780,992	11,104,261	11,161,968	2,667,992	13,761,576
Planning and zoning	695,584	716,244	657,440	613,696	662,973	739,814	807,635	856,957	1,150,425	1,915,712
Police	51,854,659	50,189,926	50,050,644	54,303,171	57,918,213	59,729,547	66,876,016	64,492,100	65,669,815	72,643,034
Public works	-	-	253,306	667,832	-	31,664	230,660	20,492	-	-
Purchasing	-	-	-	-	-	-	-	17,346	940,924	1,042,630
Risk management	428,350	322,813	318,996	414,915	477,409	517,884	645,362	750,890	845,123	641,641
State housing initiative programs	246,754	116,248	402,050	734,948	337,470	1,250,044	1,998,290	140,103	88,624	12,371
Streets	3,516,447	4,433,977	5,680,107	4,947,200	4,417,626	5,630,912	5,612,332	4,630,203	4,475,130	5,640,806
Debt service:										
Principal	6,568,225	22,689,871	4,884,376	4,704,962	4,861,268	4,790,443	4,873,223	5,306,160	6,506,074	7,775,446
Interest	3,200,422	3,964,006	3,866,525	3,712,445	3,652,173	3,509,147	3,377,771	3,580,041	2,684,136	2,733,637
Debt issuance cost	-	-	-	-	-	-	-	-	-	-
Capital outlay	10,935,638	9,095,668	8,511,541	15,184,916	25,161,167	17,535,589	20,029,994	13,852,642	19,781,216	37,671,094
Total expenditures	174,331,385	192,087,113	179,658,023	194,173,450	212,640,423	207,032,981	235,123,047	229,209,113	236,232,349	270,234,892
Excess (deficiency) of revenues over expenditure	(1,035,446)	(12,521,575)	5,667,063	6,020,335	6,666,742	19,016,090	1,572,438	16,982,423	35,122,542	10,984,858
Other financing sources (uses):										
Transfers in	2,147,066	776,762	611,165	1,240,730	900,856	2,163,594	1,755,399	14,969,103	1,037,862	2,975,318
Transfers out	(2,147,066)	(776,762)	(611,165)	(1,240,730)	(900,856)	(2,163,594)	(1,755,399)	(14,969,103)	(1,037,862)	(2,975,318)
Proceeds of refunding bonds	-	45,164,839	-	3,517,760	4,600,925	1,667,083	22,720,000	-	2,838,067	122,282
Payments to bond refunding escrow agent	-	-	-	-	-	-	(21,704,000)	-	948,779	8,827,426
Proceeds from disposal of capital assets	55,529	69,910	77,140	165,426	141,860	163,985	954,345	367,377	266,389	56,611
Issuance of debt	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	55,529	45,234,749	77,140	3,683,186	4,742,785	1,831,068	1,970,345	367,377	4,053,235	9,006,319
Net change in fund balances	\$ (979,917)	\$ 32,713,174	\$ 5,744,203	\$ 9,703,521	\$ 11,409,527	\$ 20,847,158	\$ 3,542,783	\$ 17,349,800	\$ 39,175,777	\$ 19,991,177

CITY OF HIALEAH, FLORIDA
NET ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

<u>Fiscal Year</u> <u>Ended</u> <u>September 30,</u>	<u>Real</u> <u>Property</u>	<u>Personal</u> <u>Property</u>	<u>Centrally</u> <u>Assessed</u>	<u>Total Net</u> <u>Assessed</u> <u>Value</u>	<u>Total Direct</u> <u>Tax Rate</u>
2015	6,755,960,917	544,953,380	6,117,639	7,307,031,936	6.3018
2016	7,304,727,801	546,751,824	7,304,728	7,858,784,353	6.3018
2017	7,973,545,871	552,723,556	7,380,269	8,533,649,696	6.3018
2018	8,928,454,641	564,251,782	7,643,215	9,500,349,638	6.3018
2019	9,762,587,984	610,266,017	8,030,715	10,380,884,716	6.3018
2020	10,700,357,621	597,759,406	7,943,936	11,306,060,963	6.3018
2021	11,784,320,757	689,514,163	8,202,443	12,482,037,363	6.3018
2022	12,816,113,123	749,885,521	8,920,619	13,574,919,263	6.3018
2023	14,523,534,895	837,194,696	9,141,508	15,369,871,099	6.3018
2024	18,924,877,415	1,039,237,173	8,483,200	19,972,597,788	6.3018

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

Source: Miami-Dade County Property Appraiser's Office.

CITY OF HIALEAH, FLORIDA
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	Direct Rate	Overlapping Rates (1)												
		Miami-Dade												
	City of Hialeah	Miami-Dade County			County School Board								Total	
			Debt	Total		Debt	Total	Water					Direct and	
Fiscal	Operating	Operating	Service	County	Operating	Service	School	Management	Special	Okeechobee	Children's	Everglades	Overlapping	
Year	Millage	Millage	Millage	Millage	Millage	Millage	Millage	District	District	Basin	Trust	C.P.	Rates	
2015	6.3018	4.6669	0.4500	5.1169	7.4130	0.1990	7.6120	0.1459	0.0320	0.1586	0.5000	0.0506	19.9178	
2016	6.3018	4.6669	0.4000	5.0669	7.1380	0.1840	7.3220	0.1359	0.0320	0.1477	0.5000	0.0471	19.5534	
2017	6.3018	4.6669	0.4000	5.0669	6.7740	0.2200	6.9940	0.1275	0.0320	0.1384	0.4673	0.0441	19.1720	
2018	6.3018	4.6669	0.4644	5.1313	6.5040	0.2290	6.7330	0.1209	0.0320	0.1310	0.4415	0.0417	18.9332	
2019	6.3018	4.6669	0.4780	5.1449	7.0250	0.1230	7.1480	0.1152	0.0320	0.1246	0.4680	0.0397	19.3742	
2020	6.3018	4.6669	0.4780	5.1449	6.9360	0.1930	7.1290	0.1103	0.0320	0.1192	0.4507	0.0380	19.3259	
2021	6.3018	4.6669	0.5075	5.1744	6.8290	0.1800	7.0090	0.1061	0.0320	0.1146	0.5000	0.0365	19.2744	
2022	6.3018	4.6202	0.4853	5.1055	6.4240	0.1650	6.5890	0.0948	0.0320	0.1026	0.5000	0.0327	18.7584	
2023	6.3018	4.5740	0.4355	5.0095	6.5660	0.1330	6.6990	0.0948	0.0320	0.1026	0.5000	0.0327	18.7724	
2024	6.3018	4.5740	0.4271	5.0011	6.4680	0.1340	6.6020	0.0948	0.0327	0.1026	0.5000	0.0327	18.6677	

Note: All millage rates are based on \$1 for every \$1,000 of assessed value.

Sources: Miami-Dade County Property Appraiser's Office.

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Hialeah. Not all overlapping rates apply to all City of Hialeah property owners (i.e. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

CITY OF HIALEAH, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

2024			
<u>Taxpayer</u>	<u>Net Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Net Assessed Value</u>
Florida Power & Light CO	\$ 342,792,390	1	2.53%
Centerpoint Countyline LLC	207,682,959	2	1.53%
Palm Spring Mile Associates Ltd	147,832,067	3	1.09%
RREEF CPIF Centergate LLC	131,786,030	4	0.97%
MPT of Hialeah Palmetto	90,608,281	5	0.67%
Avalon Bonterra LLC	78,094,721	6	0.58%
Shoma Village Apartments	74,403,353	7	0.55%
Duke 108th Building 3 LLC	68,503,000	8	0.50%
Centennial Westland	66,110,000	9	0.49%
Hialeah Pura Vida Apartments	63,555,000	10	0.47%
	<u>\$ 1,271,367,801</u>		<u>9.38%</u>

2015			
<u>Taxpayer</u>	<u>Net Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Net Assessed Value</u>
Florida Power & Light CO	\$ 173,024,552	1	2.39%
Palm Springs Mile Associates LTD	119,068,630	2	1.65%
Westland Mall LLC	80,800,000	3	1.12%
Lifemark Hospitals Inc.	59,430,002	4	0.82%
Centergate at Gratigny LLC	39,027,823	5	0.54%
SC Westland Promenade Ltd Prtshp	32,562,691	6	0.45%
Bal Bay Management LLC	26,161,753	7	0.36%
Tenet Hialeah Healthsystems Inc.	24,200,000	8	0.33%
Bellsouth Telecommunications Inc.	23,468,089	9	0.32%
United Parcel Service Inc.	23,366,860	10	0.32%
	<u>\$ 601,110,400</u>		<u>8.30%</u>

CITY OF HIALEAH, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Total Taxes Levied for Fiscal Year	Levied Taxes Collected within the Fiscal Year		Delinquent Tax Collections	Total Tax Collections	
		Amount	Percent of Levy		Amount	Percent of Levy
2015	46,047,454	43,735,370	94.98%	1,351,690	45,087,060	97.91%
2016	49,524,487	47,012,819	94.93%	296,084	47,308,903	95.53%
2017	53,777,354	51,435,680	95.65%	1,516,908	52,952,588	98.47%
2018	59,869,303	57,462,494	95.98%	615,338	58,077,832	97.01%
2019	65,418,259	62,743,620	95.91%	1,976,246	64,719,866	98.93%
2020	71,248,535	68,425,226	96.04%	2,450,762	70,875,988	99.48%
2021	78,659,303	75,538,132	96.03%	2,066,463	77,604,595	98.66%
2022	85,639,528	79,283,510	92.58%	1,840,255	81,123,765	94.73%
2023	96,993,801	91,035,944	93.86%	1,855,454	92,891,398	95.77%
2024	109,893,038	106,651,344	97.05%	3,215,487	106,921,225	97.30%

Source: City of Hialeah Office of Management & Budget.

CITY OF HIALEAH, FLORIDA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended <u>September 30,</u>	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>	Percentage of Personal <u>Income (1)</u>	Per <u>Capita (1)</u>
	<u>Revenue Bonds</u>	<u>Notes Payable</u>	<u>Leases</u>	<u>Revenue Bonds</u>	<u>Notes Payable</u>	<u>Revolving Loan</u>			
2015	\$ -	\$ 70,719,903	\$ 1,252,121	\$ -	\$ 61,572,579	\$ 1,545,497	\$ 135,090,100	1.91%	573
2016	-	90,403,639	1,323,955	-	59,261,246	1,417,014	152,405,854	2.20%	643
2017	75,610,191	15,829,760	743,891	57,101,430	947,934	1,284,901	151,518,107	2.19%	641
2018	73,163,174	13,521,306	3,990,521	55,606,990	479,999	1,149,054	147,911,044	2.01%	623
2019	70,838,862	11,144,597	8,107,033	54,063,547	-	1,009,368	145,163,407	1.83%	608
2020	67,363,174	10,668,191	8,609,579	52,467,107	-	865,733	139,973,784	1.67%	584
2021	64,768,486	10,170,515	7,518,033	51,044,667	-	720,054	134,221,755	1.49%	574
2022	59,387,052	9,651,019	6,579,708	49,852,530	-	568,185	126,038,494	2.60%	562
2023	55,344,038	9,109,981	7,556,281	47,807,341	-	412,020	120,229,661	2.25%	546
2024	49,732,024	8,544,385	13,938,225	45,836,664	-	251,440	118,302,738	2.07%	535

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

CITY OF HIALEAH, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES
DEBT SEPTEMBER 30, 2024
(amounts expressed in thousands)

<u>Government Unit</u>	2024		
	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Amount Applicable to the City of Hialeah</u>
Miami-Dade County School Board	\$ 2,921,370	4.26%	\$ 124,514
Miami-Dade County	3,805,018	4.26%	162,177
Subtotal, Overlapping Debt	6,726,388		286,691
City of Hialeah Direct Debt	72,215	100%	72,215
Total Direct and Overlapping Debt	<u>\$ 6,798,603</u>		<u>\$ 358,906</u>

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

Sources: Data provided by the Miami-Dade County Finance Department and the Miami-Dade County School Board, Finance Department.

CITY OF HIALEAH, FLORIDA
PLEDGE REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Series 2015 A&B				Bond Series 2011D Utility System Revenue Refunding - COH Series 2022						Bond Series 2012A Tax-exempt Refunding Revenue Note - Series 2022			
	Fees (d)	Debt Service		Coverage	Utility Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service			Non-Ad Valorem Revenues	Debt Service		Coverage
		Principal	Interest					Principal	Interest	Coverage		Principal	Interest	
2015	-	-	-	N/A	60,377,434	42,610,682	17,766,752	850,000	2,369,888	5.52	7,187,018	1,124,000	1,354,410	2.90
2016	10,352,230	725,000	2,086,361	3.68	67,937,943	56,210,678	11,727,265	955,000	2,344,388	3.55	5,875,196	1,168,000	1,309,450	2.37
2017	10,615,985	740,000	2,068,011	3.78	67,011,869	59,071,095	7,940,774	985,000	2,315,738	2.41	3,733,798	1,216,000	1,262,730	1.51
2018	10,397,532	770,000	2,041,511	3.70	70,722,238	59,966,423	10,755,815	1,015,000	2,286,188	3.26	5,843,528	1,264,000	1,214,090	2.36
2019	10,642,766	1,940,000	1,994,999	2.70	75,145,136	58,096,971	17,048,165	1,050,000	2,253,200	5.16	6,965,723	1,316,000	928,530	3.10
2020	10,291,013	2,015,000	1,924,977	2.61	76,056,063	69,015,124	7,040,939	1,105,000	2,200,700	2.13	4,763,491	1,368,000	1,110,890	1.92
2021	10,877,027	2,095,000	1,843,127	2.76	79,876,035	75,167,893	4,708,142	1,150,000	2,156,500	1.42	5,401,393	1,436,000	1,042,490	2.18
2022	12,940,357	2,185,000	1,754,400	3.28	87,419,579	81,548,184	5,871,395	1,412,208	1,623,367	1.93	3,705,083	1,928,000	1,259,070	1.16
2023	14,921,493	2,280,000	1,659,595	3.79	92,241,829	83,264,333	8,977,496	1,400,000	1,623,367	2.97	3,589,952	2,295,000	471,088	1.30
2024	14,416,390	2,238,000	1,409,098	3.95	103,044,983	99,634,627	3,410,356	1,210,000	1,783,000	1.14	108,265,140	2,340,000	429,744	39.09

Source: City of Hialeah Finance Department

Note (c): During 2021, the City issued tax exempt Refunding Revenue Note Series 2022 for which the City has pledged non-advallrem Revenues, prior to fiscal year 2022 the City had pledged Discretionary Sales Surtax Revenues, see Note 11.

Note (c): During 2022, the City issued tax exempt Utility System Revenue Refunding Bonds Series 2022 for which the City has pledged Revenues, see Note 11.

Note (d): During 2016, the City issued Special Obligation Revenue Bonds Series 2015A and Special Obligation Refunding Revenue Bonds Series 2015B for which the City has pledged franchise fee revenues, see Note 11.

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

<u>Year</u>	<u>Population (1)</u>	Total Personal Income (Amounts Expressed in Thousands) (1)	Per Capita Personal Income (1)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
2015	235,563	7,057,703	29,961	42	25,623	6.3%
2016	237,069	6,934,031	29,249	43	25,348	5.7%
2017	236,387	6,914,083	29,249	43	29,437	5.1%
2018	237,523	7,366,063	31,012	44	30,214	3.9%
2019	238,942	7,923,556	33,161	44	30,251	3.1%
2020	239,722	8,406,571	35,068	45	26,542	9.6%
2021	233,876	8,997,444	38,471	45	27,108	4.9%
2022	224,362	4,852,501	21,628	46	30,034	2.2%
2023	220,292	5,351,994	24,295	46	30,881	1.5%
2024	221,300	5,702,016	25,766	46	28,982	1.4%

Sources:

(1) United States Census Bureau

(2) Florida-demographics.com

(3) Miami-Dade County School Board Budget Office

(4) U.S. Department of Labor

Note: Population, median age and education level information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

CITY OF HIALEAH, FLORIDA
PRINCIPAL EMPLOYERS
LAST TEN FISCAL YEARS

<u>Employer</u>	<u>2024</u>			<u>2015</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Palmetto General Hospital	1,700	1	1.47%	1,755	2	1.85%
City of Hialeah	1,579	2	1.37%	1,648	1	1.74%
Publix Super Markets	1,200	3	1.04%	771	6	0.81%
United Parcel Service	1,119	4	0.97%	1,119	3	1.18%
Hialeah Hospital	900	5	0.78%	1,032	4	1.09%
Fresco Y Mas Supermarket	741	6	0.64%	-	-	-
Larkin Community Hospital Palm Springs Campus	700	7	0.61%	-	-	-
La Colonia Medical Centers	527	8	0.46%	-	-	-
Sedano's Super Markets	500	9	0.43%	545	8	0.57%
Bank of America	448	10	0.39%	491	9	0.52%
Conviva	392	11	0.34%	-	-	-
Total	9,806		8.50%	7,361		7.76%

Sources: City of Hialeah Office of Management & Budget and Business Tax Division.

CITY OF HIALEAH, FLORIDA
FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Number of Employees:										
Mayor's Office	4	5	6	6	7	6	5	9	13	10
Information Systems	10	9	9	9	9	10	9	11	13	13
Community Development:										
Building	22	25	21	27	30	39	41	38	44	50
Code Compliance	10	10	10	10	10	8	9	9	9	8
Occupational License	9	9	10	11	13	14	12	10	17	14
Planning & Zoning	7	6	5	5	5	6	5	8	9	11
Office of Management & Budget	3	3	3	4	4	3	3	3	5	4
City Clerk's Office	4	4	17	16	16	17	15	14	23	26
Law	8	10	9	11	12	13	12	11	20	26
Risk Mmanagement	3	3	4	4	4	4	5	5	6	5
Police:										
Police Officers	264	251	284	272	266	275	269	283	321	346
Civilians	67	75	87	86	91	93	95	90	130	136
Fire:										
Firefighters	238	229	229	236	231	216	226	218	235	235
Civilians	18	18	18	21	20	20	31	23	39	32
911 Communications	41	43	29	50	50	43	40	38	49	55
Milander Center	-	-	4	6	6	8	6	5	6	7
Communications & Special Events	-	-	7	10	7	6	9	8	10	10
Education & Community Services	34	45	78	85	78	55	56	44	88	109
Library	17	17	23	24	22	23	25	18	30	39
Recreation and Community Services	75	70	131	142	135	124	126	108	205	222
Streets	28	31	25	29	25	27	26	19	22	27
Stormwater	9	13	12	13	11	12	12	13	16	21
Fleet	31	30	29	29	31	30	29	26	29	27
Circulator	-	-	-	-	-	-	-	-	-	-
Construction and Maintenance	33	35	31	34	34	33	35	32	38	38
Solid Waste	42	26	23	11	9	10	8	7	7	8
Human Resources	7	7	8	8	11	9	12	13	16	17
Finance	15	26	20	22	25	21	22	19	25	25
Retirement	4	3	4	5	5	5	6	4	5	8
Grants and Human Services	8	4	4	9	7	4	9	10	12	10
Public Works - Staff	64	68	64	59	62	54	54	51	60	64
Public Works - Water Division	26	30	23	34	31	28	27	22	28	27
Public Works - Sewer Division	16	18	12	12	11	9	8	6	8	9
Total number of employees	<u>1,117</u>	<u>1,123</u>	<u>1,239</u>	<u>1,300</u>	<u>1,278</u>	<u>1,225</u>	<u>1,247</u>	<u>1,175</u>	<u>1,538</u>	<u>1,635</u>

Source: City of Hialeah Human Resources Department

Note: Communication & Special Events and Education & Community Services, was established in fiscal-year 2006, 911 Communications was established in fiscal-year 2010. Furthermore, the Planning and Development department was divided into the Planning and Zoning and Building divisions of the newly created Community and Development department along with the Code Compliance and License departments, which are now a division of Community and Development.

CITY OF HIALEAH, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Public safety										
Police:										
Police calls for service	251,731	239,662	215,390	245,098	268,253	253,925	234,619	199,703	189,086	175,167
Parking violations	3,372	4,674	4,130	5,023	6,505	5,497	3,916	2,198	2,915	2,959
Traffic violations	85,141	83,050	71,252	79,113	120,572	90,996	60,763	37,013	34,978	32,350
Fire:										
Number of calls answered	43,494	43,850	43,195	40,709	39,726	31,631	32,827	34,504	33,779	33,031
Inspections	12,035	13,400	13,789	14,204	14,533	14,530	13,156	14,015	12,893	12,186
Planning and development:										
Business permits issued	7,583	15,022	9,402	16,083	18,484	17,538	4,794	8,242	8,913	10,126
Occupational licenses issued	19,041	19,575	21,420	23,272	25,112	24,223	23,085	23,029	22,561	19,919
Streets:										
Street resurfacing (miles)	7.9	13.7	19.7	6.8	6.1	17.1	12.0	3.7	1.0	-
Potholes repaired	154	294	215	227	184	122	266	162	195	308
Culture and recreation:										
Registrations for library programs	50,759	38,364	22,172	22,338	23,153	25,566	12,269	9,983	36,892	37,236
Athletic field permits issued	90	76	47	26	98	54	89	181	97	2,257
Water and sewer:										
Active accounts - water and sewer	55,008	55,568	56,400	57,101	57,841	57,904	59,036	59,391	59,841	60,460
Average daily water consumption (thousands of gallons)	18,656	18,556	18,068	18,027	16,969	17,079	17,235	16,482	17,535	17,869
Average daily sewage treatment (thousands of gallons)	19,986	24,502	25,215	25,118	24,641	26,139	23,378	26,678	36,575	38,626
New connections	2,052	981	997	427	486	567	1,480	423	305	305
Water main breaks	57	108	248	847	252	253	290	287	284	297
Solid waste:										
Residential accounts	36,502	36,502	37,433	37,681	36,823	37,651	37,920	37,992	38,064	38,064
Commercial accounts	440	-	-	-	-	-	-	-	-	-
Refuse collected (tons/day)	141.6	254.0	324.0	211.1	206.6	227.0	239.8	228.9	246.0	235
Recyclables collected (tons/day)	45.2	45.2	29.0	21.3	19.6	20.5	20.7	18.8	20.0	19

Sources: Various City departments

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

CITY OF HIALEAH, FLORIDA
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General government:										
General government buildings	1	1	1	1	1	1	1	1	1	1
Public safety:										
Police:										
Police stations	5	5	5	5	5	5	5	5	5	5
Patrol units	215	225	218	214	304	309	250	252	289	327
Fire:										
Fire stations	8	8	8	8	8	8	9	9	9	9
Fire apparatus vehicles	15	15	15	17	17	16	13	16	15	15
Emergency rescue vehicles	14	14	14	12	12	15	15	13	16	15
Streets:										
Miles of streets	475.6	475.6	475.6	475.6	478.1	479.2	356.7	356.7	356.9	356.9
Culture and recreation:										
Parks	27	27	27	27	27	27	27	27	27	27
Parks acreage	223.5	223.5	223.5	223.5	253.5	232.0	253.5	253.5	253.5	253.5
Community center	3	3	3	3	3	3	3	3	3	3
Swimming pools	7	7	7	7	7	7	7	7	7	7
Tennis courts	26	26	26	26	26	21	23	23	22	22
Water and sewer:										
Water and sewer buildings	2	2	2	2	2	2	2	2	2	2
Water mains (miles)	496	519	519	519	519	537	541	541	541	541
Fire hydrants	3,008	3,008	3,093	3,116	3,116	3,116	3,210	3,215	3,492	3,492
Storm sewers (miles)	84.3	84.3	84.3	95.2	96.6	98.1	98.4	98.4	98.4	98.4
Solid waste:										
Collection trucks	12	-	-	-	-	-	-	-	-	-
Recycle trucks	-	6	6	-	-	-	-	-	-	-

Sources: Various City departments

Note: Solid waste collection and recycling were outsourced during fiscal years 2016 and 2018 respectively.

An aerial photograph of a city at sunset. The sky is filled with dramatic, orange and purple clouds. The city skyline is visible in the distance. In the foreground, there is a road intersection with several cars. A large, white, tilted rectangular box with a pink border is overlaid on the image, containing the text "COMPLIANCE SECTION".

COMPLIANCE SECTION

**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

To the Honorable Mayor and Members of the City Council
City of Hialeah, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hialeah, Florida (the "City"), as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 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 City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items, SD2024-001 and SD2024-002, that we consider to be significant deficiencies.

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*.

City Management's Response to Findings

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

Purpose of this Report

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

CBIZ CPAs P.C.

Miami, FL
June 30, 2025

Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General

To the Honorable Mayor and Members of the City Council
City of Hialeah, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited the City of Hialeah, Florida (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the *State of Florida Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state projects for the fiscal year ended September 30, 2024. The City's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("Government Auditing Standards"); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General (Chapter 10.550). Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550, are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

CBIZ CPAs P.C.

Miami, FL
June 30, 2025

CITY OF HIALEAH, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

<u>Federal Agency/Pass-Through Grantor/Program Title</u>	<u>Federal ALN</u>	<u>Federal Grant Number</u>	<u>Passed Through to Subrecipients</u>	<u>Expenditures</u>
Direct Programs:				
U.S. Department of Housing and Urban Development				
Community Development Block Grants/Entitlement Grants	14.218	B18MC120008	\$ -	\$ 223,154
Community Development Block Grants/Entitlement Grants	14.218	B19MC120008	-	791,943
Community Development Block Grants/Entitlement Grants	14.218	B20MC120008	-	1,571,001
Community Development Block Grants/Entitlement Grants	14.218	B20MW120008	-	5,594
Community Development Block Grants/Entitlement Grants	14.218	B21MC120008	-	1,205,576
Community Development Block Grants/Entitlement Grants	14.218	B22MC120008	-	1,794,839
Community Development Block Grants/Entitlement Grants	14.218	B22MC120008	-	94,378
Community Development Block Grants/Entitlement Grants	14.218	B23MC120008	22,000	1,893,466
Total Community Development Block Grants/Entitlement Grants			22,000	7,579,951
Total CDBG - Entitlement /Special Purpose Grants Cluster			22,000	7,579,951
HOME Investment Partnerships Program	14.239	M20MC120207	-	108,560
HOME Investment Partnerships Program	14.239	M21MC120207	-	25,183
HOME Investment Partnerships Program	14.239	M21MP120207	-	1,627
Total HOME Partnerships Program			-	135,370
Emergency Solutions Grant Program	14.231	E20MW120008	-	1,599
Emergency Solutions Grant Program	14.231	E21MC120008	37,042	42,828
Emergency Solutions Grant Program	14.231	E22MC120008	214,846	232,266
Emergency Solutions Grant Program	14.231	E23MC120008	126,140	126,140
Total Emergency Solutions Program			378,028	402,833
Total U.S. Department of Housing and Urban Development			400,028	8,118,154
U.S. Department of Justice				
Equitable Sharing Program	16.922	N/A	-	442,536
Public Safety Partnership and Community Policing Grant	16.710	15JCOPS-23-GG-02102-PPSE	-	159,667
Edward Byrne Memorial Justic Assistance Grant Program	16.738	15PBJA-21-GG-01306-JAGX	-	41,053
Edward Byrne Memorial Justic Assistance Grant Program	16.738	15PBJA-22-GG-00656-MUMU	-	22,509
Edward Byrne Memorial Justic Assistance Grant Program	16.738	15PBJA-23-GG-03279-JAGX	-	45,638
Subtotal for Edward Byrne Memorial Grant Program			-	109,200
Pass-Through Program from:				
State of Florida Office of the Attorney General				
Crime Victim Assistance (VOCA)	16.575	VOCA-C-2023-City of Hialeah-00077	-	148,593
Total U.S. Department of Justice			-	859,996
U.S Department of Treasury				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	985,116
Pass Through Program from :				
Florida Department of Environmental Protection				
Coronavirus State and Local Fiscal Recovery Funds	21.027	23PLN93	-	6,750
Total Coronavirus State and Local Fiscal Recovery Funds			-	991,866
Emergency Rental Assistance Program	21.023	N/A	-	2,981,001
Total U.S. Department of Treasury			-	3,972,867
Subtotal			400,028	12,951,017

See notes to schedule of federal awards and state financial assistance

CITY OF HIALEAH, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
(CONTINUED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Federal Agency/Pass-Through Grantor/Program Title	Federal A/LN	Federal Grant Number	Passed Through to Subrecipients	Expenditures
Executive Office of the President				
Pass-Through Program Monroe County Sheriff's Office				
High Intensity Drug Trafficking Areas Program (HIDTA) - Local Task Force	95.001	G23MI0001A	-	12,673
High Intensity Drug Trafficking Areas Program (SFLHIDTA) - Operation Fallen Angel & Well Drainers	95.001	G23MI0001A	-	29,125
Total Monroe County Sheriff's Office			-	41,798
Pass-Through Program Drug Enforcement Administration (DEA) Through the Department of Justice				
High Intensity Drug Trafficking Areas Program (HIDTA) - Group 42 Task Force - Paloma Initiative	95.001	N/A	-	2,397
High Intensity Drug Trafficking Areas Program (SFLHIDTA) - Group Task Force 16 - Hurt Feelings Initiative	95.001	N/A	-	2,373
Total Drug Enforcement Administration (DEA) Through the Department of Justice			-	4,770
Pass-Through Program ATF, and FBI Through DOJ				
High Intensity Drug Trafficking Areas Program (HIDTA - ATF) - Stop Task Force	95.001	N/A	-	13,336
Total Program ATF, and FBI Through DOJ			-	13,336
Total Executive Office of the President			-	59,904
U.S. Department of Transportation				
Pass-Through Program from:				
The Florida Department of Transportation				
Highway Planning and Construction (Federal - Aid Highway Program)	20.205	433144-1-8404	-	44,316
Total U.S. Department of Transportation			-	44,316
U.S. Department of Education				
Pass-Through Program from:				
State of Florida Department of Education				
21st Century Community Learning Centers - Academic Achievers	84.287	138-2444B-4CCC1	-	411,818
21st Century Community Learning Centers - Academic Achievers	84.287	138-2445C-5CCC1	-	69,438
Total U.S. Department of Education - Through the State of Florida Department of Education			-	481,256
U.S. Department of Homeland Security				
Pass-Through Program from:				
Florida Division of Emergency Management				
Homeland Security Grant Program (HSGP)	97.067	R0521	-	1,053,814
Homeland Security Grant Program (HSGP)	97.067	R0588	-	555,216
Total Homeland Security Grant Program (HSGP)			-	1,609,030
Disaster Grants-Public Assistance (President Declared Disasters)	97.036	Z1122	-	67,424
Total Disaster Grants-Public Assistance (Presidentially Declared Disasters)			-	67,424
Total U.S. Department of Homeland Security - Through the Florida Division of Emergency Management			-	1,676,454
Total Expenditures of Federal Awards			\$ 400,028	\$ 15,212,946

See notes to schedule of federal awards and state financial assistance

CITY OF HIALEAH, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
(CONTINUED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

<u>State Agency/Pass-Through Grantor/Program Title</u>	<u>State CSFA Number</u>	<u>State Grant Number</u>	<u>Passed Through to Subrecipients</u>	<u>Expenditures</u>
Florida Housing Finance Corporation				
State Housing Initiative Partnership Program (SHIP)				
Total Florida Housing Finance Corporation	40.901	N/A	\$ -	\$ 144,398
			-	144,398
Florida Department of State and Secretary of State				
State Aid to Libraries - (2022)	45.030	22-ST-32	-	205
State Aid to Libraries - (2023)	45.030	23-ST-32	-	3,695
State Aid to Libraries - (2024)	45.030	24-ST-32	-	23,622
Total Florida Department of State and Secretary of State			-	27,522
Florida Department of Elder Affairs				
Local Service Programs - Alliance for Aging - Meals for the Elderly	65.009	2020-2021 LSP-KL-2034	-	7,951
Local Service Programs - Alliance for Aging - Meals for the Elderly	65.009	2021-2022 LSP-KL-2134	-	80,750
Local Service Programs - Alliance for Aging - Meals for the Elderly	65.009	2022-2023 LSP-KL-2234	-	25,200
Local Service Programs - Alliance for Aging - Meals for the Elderly	65.009	2023-2024 LSP-KL-2234	-	24,892
Local Service Programs - Alliance for Aging - Meals for the Elderly	65.009	2023-2024 LSP-KL-2234	1,747,156	1,747,156
Local Service Programs - Alliance for Aging - Meals for the Elderly	65.009	2024-2025 LSP-KL-2234	487,469	487,469
Total Florida Department of Elder Affairs			2,234,625	2,373,418
Florida Department of Law Enforcement				
City of Hialeah Police Department Mobile Command Center Vehicle	71.083	L8010	-	484,000
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	2023-SAFE-SF-057	-	242,868
Total Florida Department of Law Enforcement			-	726,868
Florida Department of Management Services				
DMS - 23-24-039 City of Hialeah 911 Communications Tower	72.015	DMS-23/24-039	-	1,314,500
Total Florida Department of Management Services			-	1,314,500
Florida Department of Transportation				
County Incentive Grant Program (CIGP) (FREEBEE)	55.008	G2M68	-	150,000
Total Florida Department of Transportation			-	150,000
Total Expenditures of State Financial Assistance			\$ 2,234,625	\$ 4,736,706
Total Expenditures of Federal Awards and State Financial Assistance			\$ 2,634,653	\$ 19,949,652

See notes to schedule of federal awards and state financial assistance

CITY OF HIALEAH, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL
ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") includes the federal and state grant activity of the City of Hialeah (the "City") for the fiscal year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Auditing Requirements for Federal Awards (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General. Because the Schedule present only a select portion of the operations of the City, it's not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – INDIRECT COST RECOVERY

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

NOTE 4 – SUBRECIPIENTS

The City provided federal awards to subrecipients as follows:

	Federal Assistance	
<u>Program Title</u>	<u>Listing Number</u>	<u>Provided</u>
Community Development Block Grants/Entitlement Grants	14.218	\$ 22,000
Emergency Solutions Grant Program	14.231	\$ 378,028

The City provided state assistance projects to subrecipients as follows:

<u>Project Title</u>	<u>CSFA</u>	<u>Provided</u>
Local Services Programs - Alliance for Aging-Meals for the Elderly	65.009	\$ 2,234,625

NOTE 5 – CONTINGENCY

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by grantor agency 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 and state laws and regulations.

CITY OF HIALEAH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified Opinion*

Internal control over financial reporting:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☒ Yes ☐ None reported

Non-compliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards and State Financial Assistance

Internal control over major federal programs and state projects:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Type of auditors' report issued on compliance for major Federal programs and state projects: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or Chapter 10.557, Rules of the Auditor General? ☐ Yes ☒ No

Identification of Federal Major Programs and State Projects:

Assistance Listing

Number (ALN)

21.027

21.023

14.218

Federal Programs:

Coronavirus State and Local Fiscal Recovery Funds

Emergency Rental Assistance Program

Community Development Block Grants/Entitlement Grants

CSFA No.

65.009

72.015

State Project:

Local Services Programs

DMS-23/24-039 City of Hialeah 911 Communications Tower

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

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

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance ☐ Yes ☒ No

CITY OF HIALEAH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION II – FINANCIAL STATEMENT FINDINGS

SIGNIFICANT DEFICIENCY

SD2024-001 (PREVIOUSLY REPORTED AS SD2023-02) – GENERAL INFORMATION TECHNOLOGY (REPEAT FINDING)

Criteria

The City's computerized information systems are vital to its daily operations. As such, the City should have a formal written Information Technology (IT) Policy that documents and encompasses various areas such as: General IT procedural manual, disaster recovery plan, user access reviews, software modifications, data back-up schedules, cybersecurity incident response plan, etc.

Condition

While we observed that certain informal policies are in place and operational, we found that the City lacks formal documentation for its computer standards, policies, and procedures, which are essential for maintaining control over the numerous computing activities being carried out. Additionally, there is an absence of an official written policy addressing user access reviews, the management of controls for internally developed applications, and the City's disaster recovery plan. As of September 30, 2024, the City has contracted an outside vendor to assist in the process of preparing a formal written IT policy.

Cause

The City currently does not have a comprehensive formal written IT policy.

Effect

Without proper documentation, management is not assured that its desired policies and procedures are being carried out. In addition, documentation is an effective tool for training new personnel, providing operations instructions, and assisting in system revisions and development of IT needs. Also, in the event of personnel turnover or emergency, the City does not have a formal written IT policy document to use for immediate reference.

CITY OF HIALEAH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

SIGNIFICANT DEFICIENCY (CONTINUED)

SD2024-001 (PREVIOUSLY REPORTED AS SD2023-02) – GENERAL INFORMATION TECHNOLOGY (REPEAT FINDING) (CONTINUED)

Recommendation

We recommend the City to produce a formal written IT policy to properly address the condition above and to continuously update the policy on an annual basis as considered necessary. As a component of the policy, the document should include an up-to-date disaster recovery plan to provide continued operations and to ensure electronic files are not lost because of a major computer hardware or software failure or other potential external interruptions (e.g. natural disasters and cybersecurity attacks).

View of Responsible Official and Planned Corrective Action

See accompanying corrective action plan.

CITY OF HIALEAH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

SIGNIFICANT DEFICIENCY (CONTINUED)

SD2024-002 (PREVIOUSLY REPORTED AS SD2015-02)– WATER AND SEWER UTILITY FUND, SOLID WASTE UTILITY FUND, AND STORMWATER UTILITY FUND UNRESTRICTED NET POSITION (REPEAT FINDING)

Criteria

Governments are required to maintain positive unrestricted fund net position.

Condition

As the result of our audit procedures, we noted that as of September 30, 2024, the Water and Sewer utility fund and Solid Waste utility fund, reported negative unrestricted net position amounts of \$33,875,295 and \$28,600,507, respectively. However, the Stormwater Utility Fund reported a positive unrestricted net position as of September 30, 2024, in the amount of \$4,672,168.

Cause

The deficits are a result of historical operating losses (including recognition of pension and OPEB expense), as well as continued investment in capital assets.

Effect

The two (2) enterprise funds' unrestricted net position are at a deficit and the City is required to submit a deficit elimination plan.

Recommendation

We recommend that the City review its current rates for Water and Sewer utility and Solid Waste utility, to ensure the fees cover the costs of operations and reduce the deficit unrestricted net position while maintaining the quality of service. In addition, the department should develop a deficit elimination plan that is reviewed and approved by those charged with governance.

CITY OF HIALEAH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

SIGNIFICANT DEFICIENCY (CONTINUED)

**SD2024-002 (PREVIOUSLY REPORTED AS SD2015-02)– WATER AND SEWER UTILITY FUND,
SOLID WASTE UTILITY FUND, AND STORMWATER UTILITY FUND UNRESTRICTED NET
POSITION (REPEAT FINDING) (CONTINUED)**

View of Responsible Official and Planned Corrective Action

See accompanying corrective action plan.

**SECTION III – FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FINDINGS AND QUESTIONED COSTS**

None.

CITY OF HIALEAH, FLORIDA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION I – PRIOR YEAR FINANCIAL STATEMENT FINDINGS

SIGNIFICANT DEFICIENCIES

SD2023-01 – Accuracy of Census Data Provided to Actuary – Other Postemployment Benefits (OPEB) – Finding was addressed and not repeated in the current year.

SD2023-02 – General Information Technology – Finding was not addressed and the finding is repeated.

SD2015-02 – Water and Sewer Utility Fund, Solid Waste Utility Fund, and Stormwater Utility Fund Unrestricted Net Position - Finding was not addressed and the finding is repeated.

SECTION II – PRIOR YEAR FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

None.

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

To the Honorable Mayor and Members of the City Council
City of Hialeah, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Hialeah, Florida (the “City”), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 30, 2024.

Auditors’ Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors’ Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated June 30, 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 financial audit report. The prior year financial statement finding SD2023-01 was not repeated in the current. The prior year financial statement findings SD2023-02 and SD2015-02 were not addressed and the findings are repeated in the Schedule of Findings and Questioned Costs.

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 has made these disclosures in Note 1 of the financial statements.

Financial Condition and Management

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

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

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

Property Assessed Clean Energy (PACE) Program

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the City's geographical boundaries during the fiscal year under audit. During the fiscal year ended September 30, 2024, the PACE Program did not operate within the City's geographical boundaries.

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

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

CBIZ CPAs P.C.

Miami, FL

June 30, 2025

**Independent Accountants' Report on Compliance Pursuant to
Section 218.415, Florida Statutes**

To the Honorable Mayor and Members of the City Council
City of Hialeah, Florida

We have examined the City of Hialeah, Florida (the "City") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the fiscal year ended September 30, 2024. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

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

In our opinion, the City complied, in all material respects, with Section 218.415, Florida Statutes for the fiscal year ended September 30, 2024.

This report is intended solely to describe our testing of compliance with Section 218.415, Florida Statutes and it is not suitable for any other purpose.

CBIZ CPAs P.C.

Miami, FL
June 30, 2025

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Jorge Blanco, who being duly sworn, deposes and says on oath that

1. I am the Director of Finance of the City of Hialeah, Florida, which is a local governmental entity of the State of Florida;
2. The City of Hialeah, Florida adopted (Ordinance No. 2021-059 and 2007-24) implementing an impact fee; and
3. To my knowledge, the City of Hialeah, Florida has complied and as of the date of this Affidavit, remains in compliance with section 16.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

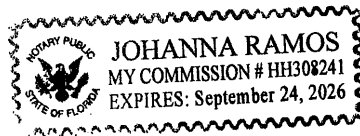


Director of Finance of the
City Of Hialeah, Florida

STATE OF FLORIDA

COUNTY OF MIAMI-DADE

SWORN TO AND SUBSCRIBED before me this 14 day of May, 2025.



NOTARY PUBLIC

Print Name Johanna Ramos

Personally Know ✓ or produced identification _____

Type of identification produced: _____

My commission Expires:

September 24, 2026



CORRECTIVE ACTION PLAN
For the Year Ended September 30, 2024

SD2024-01 (Previously reported as SD2023-02)

General Information Technology

View of the Responsible Official and Planned Corrective Action

The City agrees with the recommendation and intends to prioritize the need to document and generate written IT policies. The City hired an outside vendor to assist with the preparation of a formal written IT policy. The City is reviewing the final version of the formal written IT policy. Additionally, the City is implementing the Workday ERP system on October 1, 2025. The Workday system will include advanced features and best practices for managing user access, ensuring robust segregation of duties, and providing a robust audit trail.

Responsible Party: Information Technology Department

SD 2024-02 (Previously reported as SD2015-02)

Water and Sewer Utility Fund, Solid Waste Utility Fund, and Stormwater Utility Fund
Unrestricted Net Position

View of the Responsible Official and Planned Corrective Action

The City of Hialeah Water and Sewer Utility Fund has implemented the following actions to reduce its operating costs, therefore positively impacting the negative unrestricted net position. The Stormwater Utility Fund has been reducing its unrestricted negative net position over the last several years and continues to reduce its operating expenses without negatively impacting service levels to address the fund's negative unrestricted net position.

Response for Water and Sewer Utility Unrestricted Net Position – Deficit Reduction Plan

The Water and Sewer Utility, like many other governmental agencies, was identified as having a deficit in its unrestricted net position after a major change in accounting methodology. The utility has taken the following actions to reduce operating costs that should, over time, help reduce the unrestricted net position deficit:

- Contributed funds from the City's General Fund are being invested primarily to reduce groundwater infiltration costs, which is a substantial portion of the budget.
- The Utility will continue to analyze its rate structure and recommend rate increases to offset increases in operating costs.
- Recent refinancing of the Reverse Osmosis Water Plant bonds will continue to save the Utility approximately \$600,000 a year in debt-service costs over the next 20 years.
- The Water and Sewer Fund will continue to optimize and accelerate its sewer lining and rehabilitation programs over the next 3 calendar years (over \$53M) using primarily contributed funds along with State and Federal Grant monies. This will enable the Utility to line and repair areas of the system most in need of rehabilitation. Investment in this program is anticipated to significantly reduce the Sanitary Sewer service fee paid to the County in the coming years.

Responsible Party: Public Works Department

Response for Solid Waste Unrestricted Net Position – Deficit Reduction Plan

The Solid Waste Division continues taking the following actions to reduce operating costs and the unrestricted net position deficit:

- The Solid Waste Division has generated a surplus over the past four fiscal years.
- Recently, the Solid Waste Utility Fund extended its existing solid waste collection and disposal contracts on favorable terms for up to ten years. The associated cost stability over the term of these agreements will help the City continue to operate the fund at a surplus and reduce the negative net position.
- The recent credit to Other Post-Employment Benefits during FY 2024 is also expected to reduce the unrestricted net position
- Future consideration will be given to Solid Waste Rate adjustments as annual contractual cost increases take effect over the life of the collection and disposal contracts

Responsible Party: Public Works Department

