Miami Beach Redevelopment Agency

(A Component Unit of the City of Miami Beach, Florida)

Financial Report

For the Fiscal Year Ended September 30, 2022

Contents

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Financial Report
Fiscal Year Ended September 30, 2022

PREPARED BY

THE FINANCE DEPARTMENT

RSM

Independent Auditor's Report

RSM US LLP

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

Report on the Audit of the Financial Statements

Opinions
We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Miami Beach Redevelopment Agency (the Agency), a component unit of City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Agency'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, and each major fund of the Agency, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, 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 Matters
As discussed in Note 1, the financial statements of the Agency are intended to present the financial position, the changes in financial position, and, where applicable, cash flows of only that portion of the governmental activities, the business-type activities, each major fund of the City that is attributable to the transactions of the Agency. They do not purport to, and do not, present fairly the financial position of the City as of September 30, 2022, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

As discussed in Note 17 to the financial statements, the Agency adopted the recognition and disclosure requirements of Governmental Accounting Standard Board Statement No. 87, *Leases*, as of October 1, 2021. As a result, beginning lease receivable and deferred inflows of resources balances were restated. Our opinion is not modified with respect to this matter.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Agency'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 Agency'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, schedule of contributions retirement systems, schedule of the agency's proportionate share of the city's net pension liability - retirement systems, notes to the retirement systems schedules, schedule of other post-employment benefits agency contributions, schedule of investment returns, schedule of agency's proportionate share of the City's net OPEB liability, budgetary comparison schedule of the general fund, notes to budgetary comparison schedule be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic

financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The *budgetary comparison schedule for the debt service fund* is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *budgetary comparison schedule* is 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 report. The other information comprises of the *Other City Reports on Compliance with Local Government reporting Section 163.371, Florida Statutes* but does not include the basic financial statements and our auditor's 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 8, 2023, on our consideration of the Agency’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 Agency’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 Agency’s internal control over financial reporting and compliance.

RSM US LLP

Miami, Florida
June 8, 2023

The Management's Discussion and Analysis (the "MD&A") of the Miami Beach Redevelopment Agency (the "Agency") is intended to provide an overview of the Agency's position and results of operations for the fiscal year ended September 30, 2022. The MD&A is an element of the reporting model required by the Governmental Accounting Standards Board (the "GASB") Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments* issued in 1999. The MD&A should be read in conjunction with the Agency's financial statements, including the accompanying notes, to enhance the understanding of the Agency's financial performance.

Financial Highlights

- The Agency's assets and deferred outflows decreased by approximately $34.9 million or 10.7%. The decrease is primarily attributed to a decrease of capital assets of $3.9 million and a decrease in current and other assets of $30.8 million.

- Governmental activities revenue decreased by $7.8 million or 13.7% and expenses decreased by $20.0 million or 32.2%

- Business Type Activity revenue increased by $1.3 million or 34.7% and expenses decreased by $11.0 million or 63.8%.

- The Agency's total liabilities decreased by $35.4 million or 9.5% during the current year. The decrease is due to a reduction in accrued expenses of $19.5 million and the Agency's normal principal payments on its debt $9.4 million. (See Note 6 and 7 for more information regarding the bonds), along with a decrease in retainage expenditures payable of $6.1 million.

- The liabilities and deferred inflows exceeded assets and deferred outflows of the Agency at the close of fiscal year 2022 by $44.9 million (net position).

- During fiscal 2022, the Agency implemented GASB 87 *Leases.* This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. This statement categorized leases as either short- term or long- term obligations and required the recording of specific classifications of assets or liabilities and disclosures for lessees and lessors accordingly. For more information, please refer to notes 1, 5 and 17.

- The Agency's net position (deficit) decreased by $415 thousand. The governmental net position (deficit) increased by $11.9 million and the business-type net position increased by $12.3 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements, which have the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

The statement of net position presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.
The statement of activities presents information showing how the Agency's net position changed during each 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 the statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements listed above distinguish functions of the Agency that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their cost through user fees and charges. The governmental activities of the Agency include general government, public safety, physical environment, transportation, economic environment and culture and recreation. The business-type activity of the Agency includes the parking and leasing operations of the Anchor, Pennsylvania Avenue and Collins Park Garages and Anchor and Pennsylvania Avenue Shops, respectively.

The government-wide financial statements can be found on pages 14 – 15 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 Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Agency can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. 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 a fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

Key elements of the reconciliation of these two statements are that the government-wide statements report the issuance of debt as a liability, the purchases of capital assets as assets which are then charged to expense over their useful lives (depreciated) and changes in long-term liabilities as adjustments of expenses. Conversely, the governmental funds statements report the issuance of debt as another financing source of funds, the repayment of debt as expenditure, the purchase of capital assets as expenditure and do not reflect changes in long-term liabilities.

The Agency maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, City Center debt service fund, and City Center capital projects fund which are considered to be major funds. For the current fiscal year, the Agency does not have any non-major governmental funds.

The governmental funds financial statements can be found on pages 16 – 19 of this report.

Proprietary Funds

The Agency maintains two different types of proprietary funds or enterprise funds. The Agency uses enterprise funds to account for the parking and leasing operations of the Anchor, Pennsylvania Avenue and Collins Park Garages and Anchor and Pennsylvania Avenue Shops, respectively.

The proprietary fund financial statements provide separate information for parking and leasing of the Anchor and Pennsylvania Avenue Garage/Shops which are considered to be major funds of the Agency. For the current fiscal year, the Agency does not have any non-major proprietary funds.

The basic proprietary fund financial statements can be found on pages 20-22 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential for a full understanding of the information provided in the government-wide and fund financial statements. For note details, refer to the table of contents. The Agency is considered a component unit of the City of Miami Beach, Florida and as such, the financial information of the Agency is included in the City's Comprehensive Annual Financial Report for the current fiscal year.

Government-Wide Financial Analysis

The table below summarizes the statement of net position (deficit):

Summary of Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	**2022**	2021	**2022**	2021
Current and other assets	**$ 95,282**	$ 127,435	**$ 30,477**	$ 29,084	**$ 125,759**	$ 156,519
Capital assets	**116,134**	119,382	**45,584**	46,260	**161,718**	165,642
Deferred Outflows	**4,271**	4,582	**-**	-	**4,271**	4,582
Total assets	**215,687**	251,399	**76,061**	75,344	**291,748**	326,743
Long-term liabilities	**306,130**	321,701	**132**	80	**306,262**	321,781
Other liabilities	**22,494**	35,582	**972**	13,931	**23,466**	49,513
Unearned revenue	**-**		**82**	63	**82**	63
Deferred Inflows	**5,607**	720	**1,249**	-	**6,856**	720
Total liabilities	**334,231**	358,003	**2,435**	14,074	**336,666**	372,077
Net position (deficit):						
Net invesment in capital assets	**110,453**	108,202	**45,545**	46,210	**155,998**	154,412
Restricted for debt service	**1,654**	31,954	**-**	-	**1,654**	31,954
Restricted for economic development						
Restricted for capital improvement	**49,655**	52,357	**-**	-	**49,655**	52,357
Unrestricted (deficit)	**(280,306)**	(299,117)	**28,081**	15,060	**(252,225)**	(284,057)
Total net position (deficit)	**$ (118,544)**	$ (106,604)	**$ 73,626**	$ 61,270	**$ (44,918)**	$ (45,334)

Net position (deficit) may serve over time as a useful indicator of a government's financial position. In the case of the Agency, liabilities and deferred inflows exceeded assets and deferred outflows by $44.9 million at September 30, 2022, a decreased of $415 thousand or 0.9% from September 30, 2021.

The Agency's net position (deficit) represents resources that are subject to external restrictions on how they may be used.

There are also various normal impacts on revenue and expense that can affect the change in net position from year to year. The economic condition, which can reflect a declining, stable or growing economic environment, can have a substantial impact on tax revenue as well as the public's spending habits on fees and charges for services. An increase/or decrease in Commission approved rates can have a substantial impact on parking revenue if there is a current year increase/decrease in an approved rate. Also, current market condition may cause investment income to fluctuate from year to year. Impacts on expense from year to year could result from new programs, an increase or decrease in personnel, salary increases and of course inflation.

The table below summarizes the change in net position (deficit):

Summary of Changes in Net Position
(in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	**2022**	2021	**2022**	2021
Revenues:						
Program revenues:						
Charges for services	$ -	$	$ 4,975	$ 3,703	$ 4,975	$ -
General revenues:						
Taxes:						
Property taxes	53,916	56,434	-	-	53,916	-
Resort taxes						
Investment earnings	(4,532)	457	133	89	(4,399)	89
Unrealized Loss on Investment	-	-	-	-	-	343
Miscellaneous	-	343	-	-	-	-
Total revenues	49,384	57,234	5,108	3,792	54,492	61,026
Expenses:						
General government	512	5,186	-	-	512	5,186
Public safety	4,220	5,161	-	-	4,220	5,161
Physical environment	5,866	6,005	-	-	5,866	6,005
Transportation	11	109	-	-	11	109
Economic environment	12,132	6,471	-	-	12,132	6,471
Culture and recreation	7,067	26,168	-	-	7,067	26,168
Parking - Anchor & Penn. Garage	-		5,647	10,855	5,647	10,855
Leases - Anchor & Penn. Shops	-		615	6,424	615	6,424
Interest on long-term debt	12,506	13,305	-	-	12,506	13,305
Total expenses	42,314	62,405	6,262	17,279	48,576	79,684
Increase (decrease) in net position before transfers	7,070	(5,171)	(1,154)	(13,487)	5,916	(18,658)
Capital Contribution	-	(23,848)	-	23,848	-	-
Transfers	(19,010)	-	13,510	-	(5,500)	-
Increase (decrease) in net position	(11,940)	(29,019)	12,356	10,361	416	(18,658)
Net position, beginning	(106,604)	(77,585)	61,270	50,909	(45,334)	(26,676)
Net position, ending	(106,604)	(77,585)	61,270	52,179	(45,334)	(25,406)
Net position (deficit), ending	$ (118,544)	$ (106,604)	$ 73,626	$ 61,270	$ (44,918)	$ (45,334)

Governmental activities decreased the Agency's net position by $11.9 million. Key elements of the net decrease are as follows:

- Total expenses from governmental activities in fiscal 2022 totaled $42.3 million. This is a decrease of 20.0 million or 32.1 % from the prior year and increase in transfer out to primary government of $19.0 million.

- Revenues from governmental activities in fiscal year 2022 totaled $49.3 million, a decrease of $7.8 million from 2021. The decrease is primarily due to the unrealized loss of $5.3 million and a decrease in property taxes of $2.5 million.

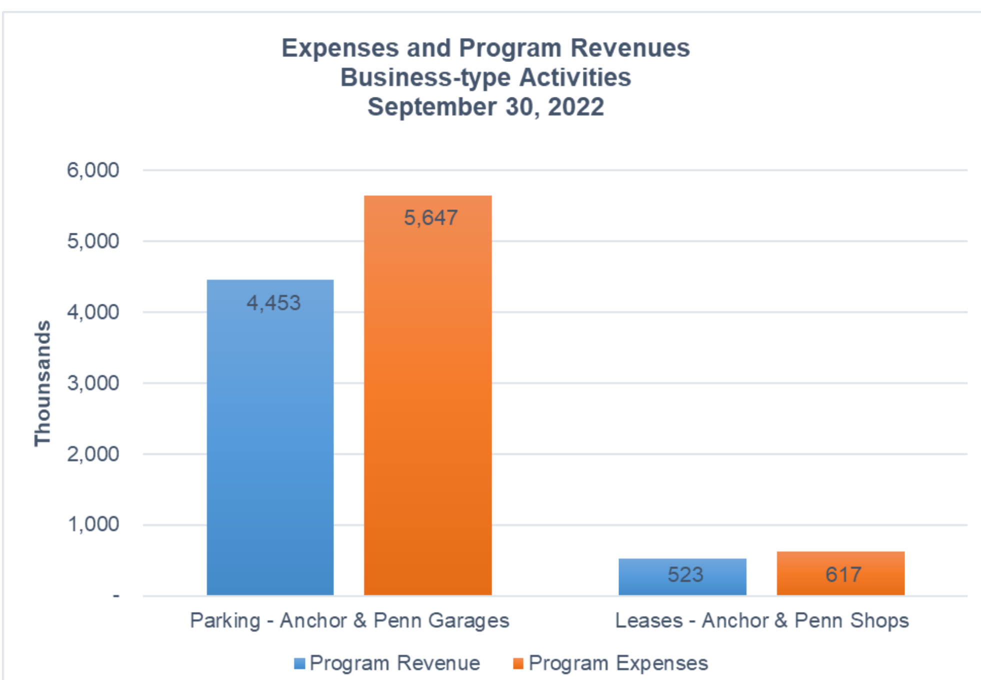
- Capital assets decreased by approximately $3.2 million. This decreased was primarily attributed to the transfer of capital assets to the Convention Center Fund and the Capital Contribution to Business-type activities.

Business-Type Activities

Business-type activities increased the Agency's net position by approximately $12.3 million. Key elements of this increase are as follows:

Other liabilities decreased due to a reduction in accrued expenses $12.9 million.

The following chart shows a comparison of expenses to program revenues for business-type activities for fiscal year 2022:



Governmental Funds

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

Total fund balance for the Governmental Funds totaled $84.7 million at September 30, 2022. This is a decrease of $18.8 million or approximately 18.2%.

The general fund is the chief operating fund of the Agency. The fund balance of the Agency's general fund had a net decrease in fund balance of $30.3 million during the current fiscal year. The general fund's tax increment revenues decreased by $2.5 million or 4.5%. Tax increments revenue is computed by applying the operating tax rate for the City and Miami-Dade County, Florida, (the County) multiplied by the increased value of property in the district over the base property value minus 5%. Fluctuations in tax increment revenue is based on real estate property values City wide.

The Agency's General Fund is required to adopt an annual budget prepared on a basis consistent with generally accepted accounting principles. The agency's debt service fund did not have a change in net position. Principal and interest payments on the tax increment revenue bonds were $21.7 million. Net transfers from the general fund to pay debt service expenditures were $21.7 million.

The agency's capital project fund had a net increase in fund balance of $11.5 million. This fund had total revenues of $303 thousand. Capital expenditures decreased by $15.5 million or 83.8% compared to FY 2021. The Agency's Capital Projects Fund accounts for the financing of the Agency's capital program. The primary resources are obtained from the receipt of tax increment funds from Miami-Dade County and from the issuance of Agency debt.

Financial Analysis of the Governmental Funds

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The table below summarizes the changes in the fund balances of the Agency's governmental funds (in $1,000's):

	General	Debt Service City Center	Capital Projects City Center	Total Governmental Funds
Fund balance, September 30, 2021	$ 65,430	$ -	$ 38,157	$ 103,587
Revenues	49,081	-	303	49,384
Expenditures	25,072	21,713	3,005	49,790
Other financing sources (uses)	(54,313)	21,713	14,200	(18,400)
Fund balance, September 30, 2022	$ 35,126	$ -	$ 49,655	$ 84,781

Proprietary Funds

The Agency's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The net position for both proprietary funds increased by approximately $12.4 million (See discussion of the Agency's business-type activities for more information on the proprietary funds.)

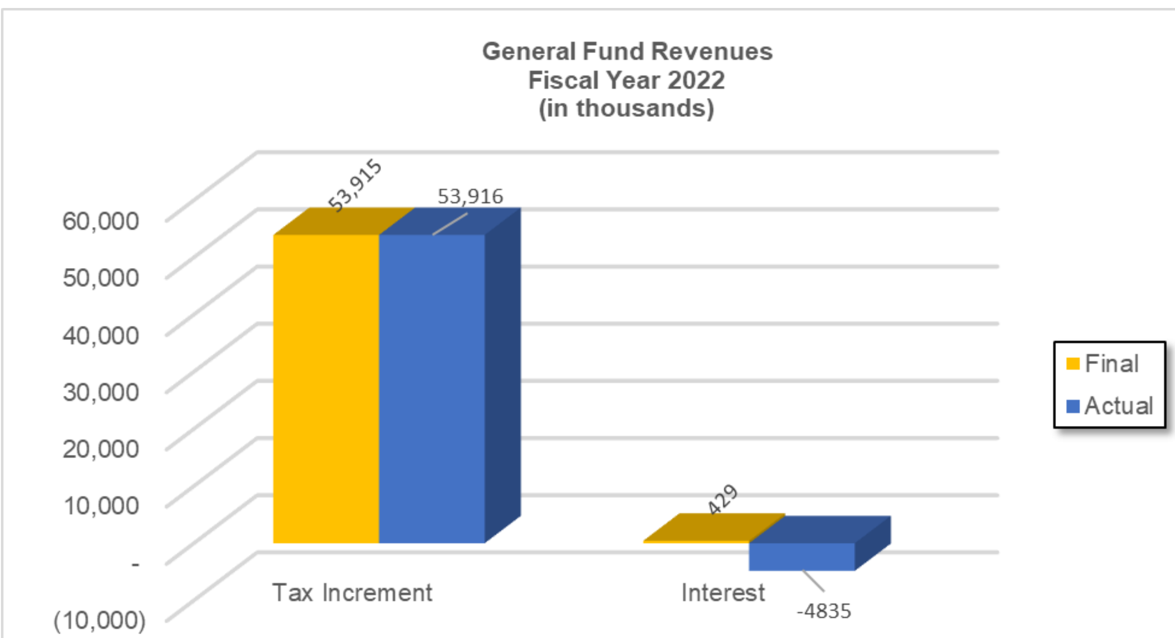
Budgetary Highlights

The following information is presented to assist the reader in comparing the original/final budget (Adopted Budget) and the actual results for the Agency's General Fund.

Actual expenditures were $25.0 million or 37.8% less than budgeted. The difference with budgeted amounts was mainly in the General Government function. The variance of the actual versus budgeted expenditures within this function was primarily attributed to the contingencies relating to debt service requirements and capital expenditures of the Agency.

General Fund Revenues

The following charts and tables summarize actual revenues by category for fiscal year 2022 and compares actual revenues with the Adopted/Final Budget:

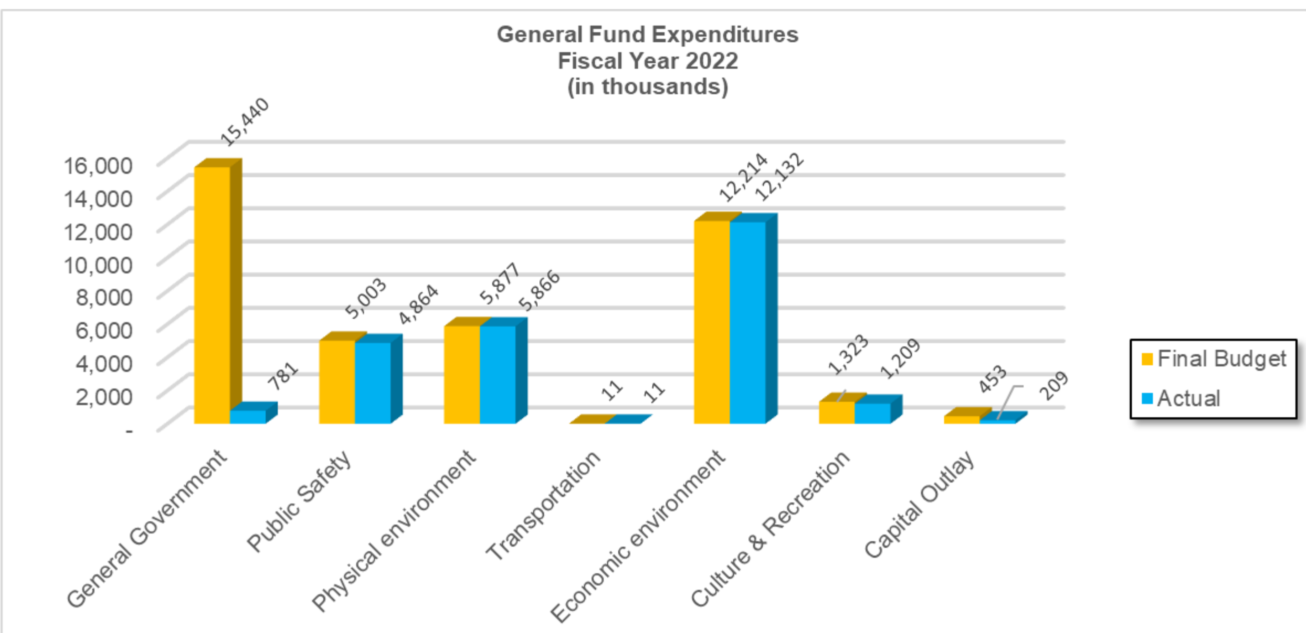


General Fund Revenues
Fiscal Year 2022
(in thousands)

	Final Adopted Budget	Actual Amounts
Revenues:		
Tax increment (property taxes)	$ 53,915	$ 53,916
Interest income	429	(4,835)
Total revenues	$ 54,344	$ 49,081

General Fund Expenditures

The following chart and table summarize actual expenditures by function/program for fiscal year 2022 and compare the actual expenditures with the Final Budget:



General Fund Expenditures
Fiscal Year 2022
(in thousands)

	Final Adopted Budget		Actual Amounts	
Expenditures:				
General government		15,440	$	781
Public safety		5,003		4,864
Physical environment		5,877		5,866
Transportation		11		11
Economic environment		12,214		12,132
Culture and recreation		1,323		1,209
Capital outlay		453		209
Total expenditures	$	40,321	$	25,072

Capital Assets and Debt Administration

Capital Assets

The Agency's investment in capital assets for its governmental and business-type activities as of September 30, 2022, amounts to $161.7 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and structures, vehicles, machinery and equipment, streetscape improvements, restorations and renovations and construction work-in-progress, which are detailed as follows (net of accumulated depreciation):

Capital Assets
(in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	**2022**	2021	**2022**	2021
Land and land improvements	$ 10,818	$ 10,818	$ 3,003	$ 3,003	$ 13,821	$ 13,821
Buildings and structures	25,112	25,721	42,200	42,892	67,312	68,613
Machinery, vehicles and equipment	366	411	372	357	738	768
Furniture and fixtures	16	54	-	-	16	54
Streetscape improvements	23,101	25,125	-	-	23,101	25,125
Parks	8,146	8,379	-	-	8,146	8,379
Restorations and renovations	18,519	19,512	-	-	18,519	19,512
Construction in progress	30,056	29,362	8	8	30,064	29,370
Totals	$ 116,134	$ 119,382	$ 45,583	$ 46,260	$ 161,717	$ 165,642

During Fiscal year 2022 the Agency transferred assets of approximately $1.8 million to the Convention Center fund. The expenses were recorded by the Agency however once the Convention Center was completed, assets consisting primarily of Buildings and Furniture and Fixtures were recorded in the Convention Center Fund.

Details about the capital improvement program can be found in the *Other City Reports* - Achievements and Goals.

Outstanding Debt

At the end of the current fiscal year 2022, the Agency had a total debt outstanding in the governmental activities of $299.4 million. The debt balance decreased by $9.1 million during the year due to annual principal payments on the 2015A and 2015B Tax Increment Bonds.

Miami Beach Redevelopment Agency's
Outstanding Debt
Fiscal Year 2022
(in thousands)

	Governmental Activities	
	2022	2021
Tax increment revenue bonds	$ 299,415	$ 308,575

Economic Factors and Future Developments

The Redevelopment Agency has continued to focus its efforts on a number of initiatives aimed at upgrading the area's infrastructure, streets and parks, alleviating traffic and parking congestion and encouraging the continued increase in tourism. Details about the Agency's achievements and goals can be found in the *Other City Reports* – Achievements and Goals.

Requests for Information

This financial report is designed to provide a general overview of the Miami Beach Redevelopment Agency's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to The Miami Beach Redevelopment Agency, Finance Department, 1700 Convention Center Drive, Miami Beach, Florida 33139.

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Statement of Net Position
September 30, 2022

	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash and investments	$ 74,286,187	$ 28,389,798	$ 102,675,985
Receivables (net):			
Leases receivable		1,240,689	1,240,689
Accounts receivables	-	1,750	1,750
Accrued Interest	218,820	-	218,820
Due from primary government	-	500,935	500,935
Prepaid expenses	-	127,952	127,952
Total current assets	74,505,007	30,261,124	104,766,131
Noncurrent assets:			
Restricted cash and investments	20,777,111	215,858	20,992,969
Capital assets not being depreciated:			
Land	10,817,763	3,003,282	13,821,045
Construction in progress	30,056,276	8,035	30,064,311
Capital assets net of accumulated depreciation:			
Buildings and structures	25,112,251	42,200,339	67,312,590
Streetscape improvements	23,101,480	-	23,101,480
Restorations and renovations	18,518,720	-	18,518,720
Parks	8,145,899	-	8,145,899
Vehicles	118,623	-	118,623
Machinery and equipment	247,067	372,123	619,190
Furniture and fixtures	16,386	-	16,386
Total noncurrent assets	136,911,576	45,799,637	182,711,213
Total assets	211,416,583	76,060,761	287,477,344
Deferred outflows of resources:			
Loss on refunding	6,395	-	6,395
Miami Beach Employee Retirement Plan (MBERP)	212,300	-	212,300
Miami Beach Pension Fund for Firefighters and Police (MBF&P)	1,675,614	-	1,675,614
Other postemployment benefits plan (OPEB)	2,376,475	-	2,376,475
Total deferred outflows of resources	4,270,784	-	4,270,784
Total assets and deferred outflows of resources	$ 215,687,367	$ 76,060,761	$ 291,748,128

(Continued)

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Statement of Net Position (Continued)
September 30, 2022

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current liabilities:			
Accounts payable	$ 698,631	$ 430,266	$ 1,128,897
Retainage payable	441,719	38,869	480,588
Accrued expenses	10,093,442	-	10,093,442
Due to primary government	1,528,753	498,802	2,027,555
Due to other governments	-	2,018	2,018
Unearned revenue	-	81,919	81,919
Deposits	-	1,730	1,730
Portion due or payable within one year:			
Environmental remediation	55,000	-	55,000
Accrued compensated absences	216,895	-	216,895
Bonds payable, net	9,459,860	-	9,459,860
Total current liabilities	22,494,300	1,053,604	23,547,904
Long-term liabilities:			
Deposits	-	132,209	132,209
Net pension liability - MBERP	606,827	-	606,827
Net pension liability - MBF&P	4,917,198	-	4,917,198
Net OPEB liability	10,325,187	-	10,325,187
Portion due or payable after one year:			
Accrued compensated absences	165,573	-	165,573
Bonds payable, net	289,955,447	-	289,955,447
Environmental remediation	160,000	-	160,000
Total long-term liabilities	306,130,232	132,209	306,262,441
Total liabilities	328,624,532	1,185,813	329,810,345
Deferred inflows of resources:			
Leases	-	1,249,270	1,249,270
MBERP	509,342	-	509,342
MBF&P	2,650,467	-	2,650,467
OPEB	2,447,060	-	2,447,060
Total deferred inflows of resources	5,606,869	1,249,270	6,856,139
Net position:			
Net investment in capital assets	110,453,069	45,544,910	155,997,979
Restricted for:			
Debt service	1,654,442	-	1,654,442
Economic development	-		-
Capital improvement	49,654,834	-	49,654,834
Unrestricted	(280,306,379)	28,080,768	(252,225,611)
Total net (deficit) position	$ (118,544,034)	$ 73,625,678	$ (44,918,356)

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Statement of Activities
Year Ended September 30, 2022

	Expenses	Program Revenues: Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Business-Type Activities	Total
Activities:							
Governmental:							
General government	$ 512,310	$ -	$ -	$ -	$ (512,310)	$ -	$ (512,310)
Public safety	4,220,157	-	-	-	(4,220,157)	-	(4,220,157)
Physical environment	5,866,136	-	-	-	(5,866,136)	-	(5,866,136)
Transportation	11,395	-	-	-	(11,395)	-	(11,395)
Economic environment	12,132,378	-	-	-	(12,132,378)	-	(12,132,378)
Culture and recreation	7,066,433	-	-	-	(7,066,433)	-	(7,066,433)
Interest on long-term debt	12,506,332	-	-	-	(12,506,332)	-	(12,506,332)
Total governmental activities	42,315,141	-	-	-	(42,315,141)	-	(42,315,141)
Business-type:							
Parking – Anchor & Penn. Garages	5,646,964	4,453,040	-	-	-	(1,193,924)	(1,193,924)
Leasing – Anchor & Penn. Shops	616,936	523,311	-	-	-	(93,625)	(93,625)
Total business-type activities	6,263,900	4,976,351	-	-	-	(1,287,549)	(1,287,549)
Total primary government	$ 48,579,041	$ 4,976,351	$ -	$ -	(42,315,141)	(1,287,549)	(43,602,690)
General revenues:							
Taxes:							
Tax increments for redevelopment districts					53,915,935	-	53,915,935
Investment income					(4,531,547)	133,148	(4,398,399)
Transfers					(19,009,596)	13,509,599	(5,499,997)
Total general revenues					30,374,792	13,642,747	44,017,539
Changes in net position					(11,940,349)	12,355,198	414,849
Net position, beginning					(106,603,685)	61,270,480	(45,333,205)
Net (deficit) position - ending					$ (118,544,034)	$ 73,625,678	$ (44,918,356)

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Balance Sheet
Governmental Funds
September 30, 2022

	General Fund	Debt Service	Capital Projects	Total Governmental Funds
Assets				
Cash and investments	$ 36,002,448	$ -	$ 59,060,850	$ 95,063,298
Accrued interest	178,980	-	39,840	218,820
Total assets	$ 36,181,428	$ -	$ 59,100,690	$ 95,282,118
Liabilities and fund balances				
Liabilities:				
Accounts payable	$ 485,256	$ -	$ 213,375	$ 698,631
Retainage payable	-	-	441,721	441,721
Accrued expenses	77,535	-	7,700,000	7,777,535
Due to primary government	492,993	-	1,035,760	1,528,753
Environmental remediation	-	-	55,000	55,000
Total liabilities	1,055,784	-	9,445,856	10,501,640
Fund balances:				
Restricted	1,654,442	-	49,654,834	51,309,276
Assigned	16,720,941	-		16,720,941
Unassigned	16,750,261	-		16,750,261
Total fund balances	35,125,644	-	49,654,834	84,780,478
Total liabilities and fund balances	$ 36,181,428	$ -	$ 59,100,690	$ 95,282,118

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position
September 30, 2022

Total fund balance – governmental funds		$ 84,780,478
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore, are not reported in the governmental funds. Those assets consist of:		
Land	$ 10,817,763	
Construction in progress	30,056,276	
Buildings and structures, net	25,112,251	
Street improvements, net	23,101,480	
Parks	8,145,899	
Restoration and renovations, net	18,518,720	
Vehicles, net	118,623	
Machinery and equipment, net	247,067	
Furniture and fixtures, net	16,386	
Total capital assets, net		116,134,465
Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position.		
Accrued interest on bonds	(2,315,905)	
Bonds payable	(279,860,000)	
Net Premium/Discount on bonds payable	(19,555,307)	
Accrued compensated absences	(382,468)	
Environmental Remediation	(160,000)	
Net Pension Liability - MBERP	(606,827)	
Net pension liability - MBF&P	(4,917,198)	
Net OPEB Liability	(10,325,187)	
Total long-term liabilities		(318,122,892)
In governmental funds, deferred outflows and inflows of resources relating to long term debt, pensions and OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relataing to pensions and OPEB are reported.		
Deferred refunding costs	6,395	
Deferred outflows of resources relating to MBERP	212,300	
Deferred outflows of resources relating to MBF&P	1,675,614	
Deferred outflows of resources relating to OPEB	2,376,475	
Deferred inflows of resources relating to MBERP	(509,342)	
Deferred inflows of resources relating to MBF&P	(2,650,467)	
Deferred inflows of resources relating to OPEB	(2,447,060)	
Total deferred resources		(1,336,085)
Net position (deficit) of governmental activities		$ (118,544,034)

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year Ended September 30, 2022

	General Fund	Debt Service	Capital Projects	Total Governmental Funds
Revenues:				
Tax increment	$ 53,915,935	$ -	$ -	$ 53,915,935
Interest	(4,834,612)	-	303,065	(4,531,547)
Intergovernmental	-	-	-	-
Other	-	-	-	-
Total revenues	49,081,323	-	303,065	49,384,388
Expenditures:				
Current:				
General government	780,962	-	-	780,962
Public safety	4,863,647	-	-	4,863,647
Physical environment	5,866,136	-	-	5,866,136
Economic environment	12,132,378	-	-	12,132,378
Transportation	11,395	-	-	11,395
Culture and recreation	1,208,909	-	(5,000)	1,203,909
Capital outlay	208,967	-	3,010,710	3,219,677
Debt service:				
Principal	-	7,675,000	-	7,675,000
Interest and fiscal charges	-	14,037,615	-	14,037,615
Other	-	754	-	754
Total expenditures	25,072,394	21,713,369	3,005,710	49,791,473
Excess of revenues over (under) expenditures	24,008,929	(21,713,369)	(2,702,645)	(407,085)
Other financing sources (uses):				
Transfers in	-	21,713,369	14,200,000	35,913,369
Transfers out	(54,313,369)	-	-	(54,313,369)
Total other financing sources (uses)	(54,313,369)	21,713,369	14,200,000	(18,400,000)
Net change in fund balances	(30,304,440)	-	11,497,355	(18,807,085)
Fund balances, beginning	65,430,084	-	38,157,479	103,587,563
Fund balances, ending	$ 35,125,644	$ -	$ 49,654,834	$ 84,780,478

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended September 30, 2022

Net change in fund balances - governmental funds		$ (18,807,085)
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period,these amounts are:		
Capital outlay	3,219,677	
Contribution to primary government convention center	(1,797,400)	
Contrubtion from primary government	56,570	
Capital contribution	(609,599)	
Capital deletions and adjustments	(44,762)	
Depreciation expense	(4,071,816)	
Excess of deletions and depreciation over capital outlay		(3,247,330)
The issuance of long-term debt (e.g., bonds) provides current financial resources to government funds, while the repayment of the principal of long-term obligations is an expenditure in the governmental funds. Neither transation, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The statement of net position has been adjusted for transactions as follows:		
Decrease in interest payable	47,391	
Net premium amortization and other refunding items	(38,375)	
Principal - debt service	7,675,000	
Amortization of premium on bonds (included with accrued expense)	1,484,646	
Total long-term debt and related transactions		9,168,662
In government funds, pension and OPEB costs are recognized when employer contributions are made. In the statement of activities, pension and OPEB costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs, OPEB and actual employer contribution was:		
MBERP	34,113	
MBF&P	697,493	
OPEB	(140,082)	
Total pension and OPEB costs		591,524
Some expenditures reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental activities section of the statement of net position:		
Decrease in environmental remediation	310,000	
Decrease in accrued compensated absences	43,880	
Decrease in accrued interests on bonds		
Total expenditures that do not require the use of current financial resources		353,880
Change in net position of governmental activities		$ (11,940,349)

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Statement of Net Position
Enterprise Funds
September 30, 2022

	Business-Type Activities Enterprise Funds		
	Parking Fund	Leasing Fund	Total
Assets			
Current assets:			
Cash and investments	$ 15,737,462	$ 12,652,336	$ 28,389,798
Accounts receivable (net of allowance for uncollectibles)	1,750	-	1,750
Leases receivables	-	1,240,689	1,240,689
Due from primary government	177,935	323,000	500,935
Prepaid expenses	127,952	-	127,952
Total current assets	16,045,099	14,216,025	30,261,124
Noncurrent assets:			
Cash and investments:			
Customer deposits and advance sales	89,569	126,289	215,858
Capital assets:			
Land	2,793,052	210,230	3,003,282
Buildings and structures	54,952,665	2,397,145	57,349,810
Machinery and equipment	1,091,639	-	1,091,639
Construction in progress	8,035	-	8,035
Less accumulated depreciation	(14,645,354)	(1,223,633)	(15,868,987)
Total capital assets (net of accumulated depreciation)	44,200,037	1,383,742	45,583,779
Total noncurrent assets	44,289,606	1,510,031	45,799,637
Total assets	60,334,705	15,726,056	76,060,761
Liabilities			
Current liabilities:			
Accounts payable	388,499	41,767	430,266
Retainage payable	38,869	-	38,869
Due to primary government	172,737	326,065	498,802
Due to other governments	23	1,995	2,018
Deposits	1,730	-	1,730
Unearned revenues	81,919	-	81,919
Total current liabilities	683,777	369,827	1,053,604
Noncurrent liabilities:			
Deposits	5,920	126,289	132,209
Total noncurrent liabilities	5,920	126,289	132,209
Total liabilities	689,697	496,116	1,185,813
DEFERRED INFLOWS OF RESOURCES			
Leases	-	1,249,270	1,249,270
Total deferred inflows of resources	-	1,249,270	1,249,270
Net Position			
Net investment in capital assets	44,161,168	1,383,742	45,544,910
Unrestricted	15,483,840	12,596,928	28,080,768
Total net position	$ 59,645,008	$ 13,980,670	$ 73,625,678

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Statement of Revenues, Expenses and Changes in Net Position
Enterprise Funds
Year Ended September 30, 2022

	Business-Type Activities Enterprise Funds		
	Parking Fund	Leasing Fund	Total
Operating revenues:			
Charges for services	$ 3,978,497	$ -	$ 3,978,497
Permits, rentals and other	474,543	523,311	997,854
Total operating revenues	4,453,040	523,311	4,976,351
Operating expenses:			
Operating supplies	714		714
Contractual services	3,096,423	453,085	3,549,508
Utilities	211,851	13,361	225,212
Internal charges	483,077	39,000	522,077
Depreciation	1,349,024	77,352	1,426,376
Administrative fees	176,000	10,000	186,000
Other	329,875	24,138	354,013
Total operating expenses	5,646,964	616,936	6,263,900
Operating loss	(1,193,924)	(93,625)	(1,287,549)
Nonoperating revenues:			
Interest income	67,769	65,379	133,148
Total nonoperating revenues	67,769	65,379	133,148
Capital contribution	609,599	-	609,599
Transfer in	7,155,000	6,223,000	13,378,000
Transfer out	(155,000)	(323,000)	(478,000)
Changes in net position	6,483,444	5,871,754	12,355,198
Total net position, beginning	53,161,564	8,108,916	61,270,480
Total net position, ending	$ 59,645,008	$ 13,980,670	$ 73,625,678

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Statement of Cash Flows
Enterprise Funds
Year Ended September 30, 2022

	Business-Type Activities Enterprise Funds		
	Parking Fund	Leasing Fund	Total
Cash flows from operating activities:			
Receipts received from customers	$ 4,133,144	$ -	$ 4,133,144
Payments to suppliers	(10,381,255)	(6,366,013)	(16,747,268)
Payments made for interfund services used	(950,269)	(50,528)	(1,000,797)
Receipts for other operating revenue	474,543	529,892	1,004,435
Net cash provided by (used in) operating activities	(6,723,837)	(5,886,649)	(12,610,486)
Cash flows from capital and related financing activities:			
Purchase of capital assets	(150,809)	-	(150,809)
Net cash used in capital and related financing activities	(150,809)	-	(150,809)
Cash flows from noncapital financing activities:			
Transfers in	7,155,000	6,223,000	13,378,000
Transfers out	(155,000)	(323,000)	(478,000)
Net cash provided by financing activities	7,000,000	5,900,000	12,900,000
Cash flows from investing activities:			
Interest on investments	67,769	65,379	133,148
Net cash provided by investing activities	67,769	65,379	133,148
Net increase in cash and investments	193,123	78,730	271,853
Cash and investments – beginning of year	15,633,908	12,699,895	28,333,803
Cash and investments – end of year	$ 15,827,031	$ 12,778,625	$ 28,605,656
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating loss	$ (1,193,924)	$ (93,625)	$ (1,287,549)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	1,349,024	77,352	1,426,376
Changes in assets and liabilities:			
(Increase) decrease in due from other funds		(2,000)	(2,000)
(Increase) decrease leases deferred inflow		1,249,270	1,249,270
(Increase) decrease leases receivable		(1,240,689)	(1,240,689)
(Increase) decrease in due from primary government	135,137	-	135,137
(Increase) decrease in prepaid expenses	(13,356)	-	(13,356)
Increase (decrease) in accounts payable	270,941	34,783	305,724
Increase (decrease) in accrued expenses	(7,000,000)	(5,912,207)	(12,912,207)
Increase (decrease) in due to other government	23	1,995	2,018
Increase (decrease) in due to primary government	(291,192)	(1,528)	(292,720)
Increase (decrease) in deposits	740	-	740
Increase (decrease) in unearned other revenue	18,770	-	18,770
Total adjustments	(5,529,913)	(5,793,024)	(11,322,937)
Net cash provided by (used in) operating activities	$ (6,723,837)	$ (5,886,649)	$ (12,610,486)
Non-Cash Transactions affecting financial position:			
Change in construction and related related liabilities	(10,006)	-	(10,006)
Capital contributions	609,599	-	609,599
Total non-cash transactions affecting financial position:	$ 599,593	$ -	$ 599,593

See notes to financial statements

Note 1 - Summary of Significant Accounting Policies

A. Financial Reporting Entity

In February 1976, the Miami Beach Redevelopment Agency (the "Agency") was formed by the City of Miami Beach, Florida (the "City") under the provisions of Chapter 163 of the Florida Statutes.

The Agency's stated purpose was to spur development and redevelopment in the South Pointe area of the City, an area which includes approximately 250 acres at the southern tip of the City, and a redevelopment area called the City Center/Historic Convention Village Redevelopment and Revitalization Area. During fiscal year 2006, the South Pointe district, under the Agency's jurisdiction expired, and at that point, the City assumed the responsibilities for the South Pointe area. At that time, the stated purpose became specifically the City Center/Historic Convention Village Redevelopment and Revitalization Area.

Subsequent to its inception in March 1977, the City adopted the Agency's redevelopment plan which provided for the construction of residential housing, hotels, a marina and commercial, recreational and entertainment facilities. Because of the desire of the City Commission to revise the concept for redevelopment of the South Pointe area, on December 17, 1982, the City Commission declared itself to be, and to constitute the Agency. This action resulted in the City Commissioners becoming the new Agency's Board Members and the City manager becoming the executive director of the Agency. The Agency's budget is adopted by its Board of Directors.

The City Center/Historic Convention Village Redevelopment and Revitalization Area was formed in the same manner as the South Pointe Area. In March 1993, the City adopted the Agency's redevelopment plan for the City Center/Historic Convention Village Redevelopment and Revitalization Area, which called for the revitalization of the blighted area surrounding the Miami Beach Convention Center and Lincoln Road.

The City has expended certain funds prior to and subsequent to the inception of the Agency for various projects, which have benefited the redevelopment area. These expenditures have been recorded in the accounting records of the City, and accordingly, are not reflected in the accompanying financial statements of the Agency.

The City provides the Agency facilities for its operations.

The Board of Directors of the Agency (the "Board") is comprised of the six members of the City Commission and the Mayor. The Agency meets the criteria for inclusion in the City's reporting entity as a blended component unit, and therefore, has been reported in the basic financial statements of the City.

For financial reporting purposes, in accordance with Governmental Accounting Standards Board ("GASB") Codification Section 2100, the Agency includes those organizations and activities that are generally controlled by or dependent on the Agency. Control by or dependence of the Agency is determined on the basis of such factors as budget adoption, outstanding debt secured by revenue of the Agency and obligation of the Agency to finance any deficit that may occur.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the non-fiduciary activities of the Agency. For the most part, the effect of interfund activity has been removed from these statements. The government-wide focus is more on the sustainability of the Agency as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The fund financial statements focus on short-term results of operations and financing decisions at a specific fund level. 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 functional category are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific functional category. The Agency's program revenue consists of charges to customers or applicants, who purchase use or directly benefit from goods, services or privileges provided by a given functional category. Taxes and other items not included among program revenues are reported instead as general revenues.

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

The basic financial statements consist of the government-wide financial statements and fund financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund 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 (tax increments) are recognized as revenue in the year when levied for. 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. Only current assets and current liabilities are generally included on their balance sheet. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide governmental activities column, a reconciliation is necessary to explain the adjustments needed to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation. Their operating statements present sources (revenue and financing sources) and uses (expenditures and other financing uses) of available spendable resources during the period. 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 Agency considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absence, claims and judgments, leases, pensions, pollution remediation obligation and other postemployment benefits are recorded only when payment is due, or when the Agency has made a decision to fund those obligations with current available resources.

Tax increment when levied for and interest associated with the current fiscal period, are all considered to be measurable and so have been recognized as revenues of the current fiscal period, if available. All other revenues are measurable upon receipt of cash and are recognized at that time.

Amounts reported as program revenue in the government-wide financial statements include charges to customers or applicants for goods and services or privileges provided and, operating grants and contributions and capital grants and contributions restricted to a particular program. Internally dedicated resources are reported as general revenues rather than as program revenues. All taxes are included in general revenues.

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

The Agency reports the following major governmental funds:

- The general fund is the general operating fund of the Agency. All financial resources, except those required to be accounted for in another fund, are accounted for in the general fund.

- The City Center debt service fund is used to account for the accumulation of resources for the payment of general long-term debt, principal, interest and related costs associated with the City Center District.

- The City Center capital projects fund accounts for financial resources to be used for the acquisition or construction of major capital facilities within the City Center District.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

The Agency established the use of proprietary funds to account for its business-type activities; accordingly, the operations of the Agency's parking and leasing activities are accounted for in separate enterprise funds.

The Agency reports the following major proprietary funds:

- The Parking Fund accounts for the parking operations of the Anchor Garage, Pennsylvania Avenue Garage and Collins Park Garage which are located within the City Center District.

- The Leasing Fund accounts for the leasing operations of the Anchor Shops and the Pennsylvania Avenue Shops. The Anchor Shops and Pennsylvania Avenue Shops are both located within the City Center District.

D. <u>Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance or Equity</u>

1. Cash and Investments

Cash is comprised of deposits with financial institutions. Investments are comprised of U.S. Treasury obligations, money market funds and external governmental investment pools. For the purpose of the statement of cash flows for the proprietary fund types, cash and investments are short-term, highly liquid investments with an original maturity of three months or less.

Investments are recorded at fair value using quoted market price or the best available estimate thereof, except for those investments with remaining maturities of one year or less, when purchased, which are recorded at amortized cost, in accordance with GASB Statement No. 72 "*Fair Value Measurement and Application*" and/or No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools"* where applicable.

2. Receivables and Payables

During the course of its operations, the Agency has numerous transactions between funds to finance operations, provide services, construct assets and service debt. To the extent that certain transactions between funds have not been paid or received as of September 30, balances of interfund amounts receivable or payable have been reflected. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All receivables are shown net of an allowance for uncollectible accounts. Accounts receivable in excess of 90 days that are not deemed collectible, comprise the allowance for uncollectible accounts.

Following are the significant components of the receivables due to the Agency at September 30, 2022:

a. Accrued Interest Receivable – This amount represents the interest earned but not collected on the Agency's investments at September 30, 2022.
b. Leases Receivable – The Agency's leases receivable are measured at the present value of lease payments expected to be received during the lease term. Under the lease agreements, the Agency may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. Deferred inflows of resources are recorded at the initiation of each lease in an amount equal to the initial recording of the lease receivable. The deferred inflows of resources are amortized on a straight-line basis over the term of each lease.

3. Capital Assets

Capital assets, which include property, vehicles, machinery, furniture and fixtures, are reported in the applicable governmental or business-type columns in the government-wide and proprietary fund financial statements. Capital assets are defined by the Agency as assets with an initial, individual cost as described below, and an estimated useful life in excess of one year. Such assets are recorded at historical costs or based on valuations, which approximate cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, furniture and fixtures of the Agency are depreciated over the estimated useful lives using the straight-line method. The estimated useful lives and the capitalization threshold are as follows:

Assets	Threshold Capitalized All	Years
Land and other nondepreciable assets	$ 100,000	N/A
Construction work in progress	100,000	N/A
Building and building improvements	100,000	35-50
Roads, sidewalks, foot bridges, and curbs and streets	100,000	30
Causeways, bridges, canals, and drainage systems	100,000	50
Guard rails, noise abatement, alley and seawalls, boardwork, walkways	100,000	30
Furniture and equipment	5,000	7
Maintenance and heavy moving equipment	5,000	15
Motor vehicles	5,000	5
Motor vehicles (greater than $50,000)	50,000	10

In governmental funds, capital outlay (capital assets) is reported as an expenditure and no depreciation expense is reported.

4. Right-to-Use Assets

The right-to-use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease. At September 30, 2022, the Agency had no right-to-use lease assets to record.

5. Prepaid Items

Expenditures made for services that will benefit periods beyond September 30, 2022 are recorded as prepaid expenses in the government-wide statements and proprietary fund statements.

6. Leases

The Agency recognizes a lease liability and an intangible right-to-use lease asset in the government-wide and propriety funds financial statements. The Agency elected not to set a threshold for leases.

At the commencement of a lease, the Agency initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the term of the lease.

Key estimates and judgments related to leases include how the Agency determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Agency uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Agency generally uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and where applicable purchase option price that the Agency is reasonably certain to exercise.

The Agency monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Right-to-use assets, net of depreciation are presented separately on the statement of net position in the government-wide and propriety funds statements. Leases commencing within the current year, in governmental funds, are recorded as lease proceeds under other financing sources and capital outlay in the statement of revenues, expenditures, and changes in fund balance. The net asset value is included in the Net Investment in Capital Assets calculation on the statements of net position detailed disclosures on individual leases and right to use assets are provided in Note 5.

The Agency is a lessor for noncancellable leases of buildings. The Agency recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental and propriety fund financial statements.

At the commencement of a lease, the Agency initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Agency determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- The Agency uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Agency monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

During fiscal year 2022, the Agency did not recognize any lease liabilities or right to use assets.

7. Fund Equity/Net Position

Fund Equity:

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes criteria for classifying fund balances into specifically defined classification and clarifies definitions for governmental fund types. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

a. Non-spendable Fund Balance – amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Examples on non-spendable fund balance include leases, inventories and/or prepaid expenditures.

b. Restricted Fund Balance - amounts that are restricted to specific purposes when constraints placed on the use of resources are either by (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

c. Committed Fund Balance - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. The commission adopts a City resolution, which includes the amount to be committed and the reason for the commitment. Only an adopted resolution by the Commission can establish, modify or rescind the commitment.

d. Assigned Fund Balance – amounts that are constrained by the City Commission's or an official delegated by the governing body's (City Manager) intent to be used for specific purposes but are neither restricted nor committed. Fund balance is primarily assigned based on the City's budgeting policy. Some amounts are approved and assigned by the City commission subsequent to September 30, 2022.

e. Unassigned Fund Balance – Includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted or committed for those specific purposes.

Net Position:

The government-wide and proprietary funds financial statements utilize a net position presentation. Net Position is categorized as investment in capital assets, restricted or unrestricted. The first category represents capital assets, less accumulated depreciation and net of any outstanding debt associated with the acquisition of capital assets. Restricted net position represents amounts that are restricted by requirement of debt indenture. Unrestricted net position represents the net position of the Agency which is not restricted for any project or purpose. During Fiscal year 2020 the Agency transferred to the Convention Center Fund assets related to the Convention Center renovation. The debt associated with the asset is outstanding in the Agency causing a deficit in Net Position. The total deficit will continue to decrease as the total debt outstanding is paid off.

8. Use of estimates

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

9. Risk Management

The City, which includes coverage for the Agency, is self-insured for health insurance, automobile liability, general liability, police professional liability, workers' compensation, theft and property damage. The Agency is charged a premium fee by the City's self-insurance fund. The Agency does not retain any risk beyond premiums paid to the City. For fiscal year ended September 30, 2020, the City charged the Agency $347,000 automobile liability, general liability, police professional liability and workers' compensation coverage.

10. Employee Benefit Plan

The following is a brief description of the Agency employees' participation in the Miami Beach Employees' Retirement Plan and the City's Pension Fund for Firefighter's and Police (the "Plans"). Pursuant to Modification 29 of the Florida State Social Security Agreement, effective January 1, 1955, the City of Miami Beach does not participate in the Federal Old-Age and Survivors Insurance System (OASI) embodied in the Social Security Act. Instead, it provides eligible employees a comprehensive defined benefit pension. The City of Miami Beach does participate in the hospital insurance tax, also known as Medicare and withholds taxes accordingly. Readers should refer to Note 16 in the City's 2020 Annual Comprehensive Financial Report and Plan documents for detailed and comprehensive information on the Plans.

All full-time employees of the City who work more than 30 hours per week and hold classified or unclassified positions, except for Policemen and Firemen, are covered by the Miami Beach Employees' Retirement Plan (the "Plan"). The Plan provides retirement benefits as well as death and disability benefits at two different tiers depending on when the employees entered the plan. All First Tier employees who participate are required to contribute 12% of their salary to the Plan. All Second Tier employees are required to contribute 10% of their salary. The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due.

The City's Pension Fund for Firefighters and Police (the "Plan) is a defined benefit pension plan covering substantially all police officers and firefighters of the City. Members of the plan contribute 10% of their salary. The City is required to contribute an actuarially determined amount that, when combined with members' contributions, will fully provide for all benefits as they become payable.

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 plan net position of the Miami Beach General Employees' Retirement Plan ("MBERP") and the Miami Beach Fire and Police Retirement Plan ("MBF&P") and additions to/deductions from the MBERP and MBF&P plan net position has been determined on the same basis as they are reported by the MBERP and MBF&P, respectively. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

11. Post-Employment Benefits Other Than Pensions (OPEB)

Pursuant to Section 112.08, Florida Statutes, the Agency is required to permit eligible retirees and their eligible dependents to participate in the Agency's health insurance program at a cost to the retirees that is no greater than the cost at which coverage is available for active employees. The Agency is a part of the City of Miami Beach's single employer OPEB plan with benefits based on age and date of employment. The City has established an irrevocable trust fund to hold the assets of the OPEB plan. OPEB liabilities, deferred inflows and outflows reported in the statement of activities are typically liquidated from the general fund. Please refer to Note 15 of the Agency and Note 17 of the City's 2022 Annual Comprehensive Financial Report for more information.

12. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations including leases 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 recorded as additions to or deductions from the related debt and amortized in interest expense over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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. Leases are recorded as lease liabilities issued under other financing sources and capital outlay. Debt principal payments are reported as debt service expenditures.

13. 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 represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Agency has three items that qualify for reporting in this category.

a. A deferred loss on refunding is reported in the government-wide and proprietary fund statements of net position. Deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The difference that results from the refunding is not a separate 'loss' transaction, but rather a reduction of the interest savings to be obtained in the future by substituting the new interest rate for the old. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

b. Deferred outflows of resources related to the MBERP and MBF&P pension plans are recognized when the Agency makes contributions subsequent to the measurement date and when there are differences between expected and actual experience. Differences between expected and actual experience and changes in assumptions are deferred and amortized over the average of the expected remaining service lives of employees who are provided with benefits through the pension plans. Employer contributions made subsequent to the measurement date are deferred and recognized as a reduction of the net pension liability in the subsequent reporting year. Differences between projected and actual investment earnings are deferred and amortized over five years. The deferred outflows of resources related to pensions are only reported on the government-wide financial statements.

c. Deferred outflows of resources relating to Other Post Employment Benefits are recognized when the Agency makes contributions subsequent to the measurement date, when there are differences between expected and actual experience, changes in assumptions, changes in funds proportionate shares of the deferrals, and differences between expected and actual investment earnings. The difference between expected and actual investment earnings is amortized over five years. Other deferrals are amortized over the average remaining service life of participants.

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 represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has two items that qualify for reporting in this category.

a. Deferred inflows of resources related to the MBERP and MBF&P pension plans are reported when changes in the net pension liability are not included in the pension expense of the actuarially calculated net pension liability, such as differences between projected and actual investment earnings. Differences between projected and actual investment earnings are deferred and amortized over five years. The deferred inflows of resources related to pensions are only reported on the government-wide financial statements.

b. Deferred inflows of resources relating to Other Post Employment Benefits are recognized when there are differences between expected and actual experience, changes in assumptions, changes in funds proportionate shares of the deferrals, and differences between expected and actual investment earnings. The difference between expected and actual investment earnings is amortized over five years. Other deferrals are amortized over the average remaining service life of participants.

c. Deferred inflow of resources related to leases are recorded at the initiation of each lease in an amount equal to the initial recording of the lease receivable. The deferred inflows of resources are amortized on a straight-line basis over the term of each lease.

14. Recent accounting pronouncements adopted/implemented

For the year beginning October 1, 2021, the Agency implemented GASB Statement No. 87, *Leases*.

In June 2017, the GASB issued Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. See Note 1, item 6, and Note 5 for disclosures. The implementation of GASB 87 *Leases* resulted in restatement of beginning balances for certain proprietary balances, see Note 17.

Note 2 - Deposits and Investments

<u>Deposits</u>

All deposits are held in banking institutions approved by the State Treasurer of the State of Florida, to hold public funds. Under the Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral equal to 50% to 125% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. governmental and agency securities, state or municipality government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280, Florida Statutes. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

<u>Investments</u>

The Agency adopted the City's ordinance designating the investments which are allowable for its cash management activities. The policy specifies the types and limits by instrument and establishes a diversified investment objective that takes into consideration the safety, return and liquidity of capital. The authorized investments include direct U.S. treasury obligations, U.S. government agencies, corporate bonds, commercial paper, state or municipal obligations and cash held at investment institutions. These investments are insured, or registered, or the securities are held by its agent in the Agency's name.

Employee Retirement Systems Investments:

The Agency has (through city-adopted ordinances which govern the investment of funds for all of the Employee's Retirement Systems (the System)) a retirement system for employees. Each Plan is allowed to invest in a wide range of instruments including but not limited to United States Treasury obligations, loans guaranteed by government agencies, Mutual and Money Market funds, Private Placement, Real Estate funds, General Obligation or Revenue Bonds issued by states and municipalities, dividend paying stocks of domestic corporations, International Equity Funds, bonds, notes or other interest bearing obligations of domestic corporations, and shares and accounts of savings and loan associations. Each Plan has a Board of Trustees who authorizes the investment policy.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market rates.

Investments are made based on prevailing market conditions at the time of the transaction with the intent to hold the instrument until maturity. If the yield of the portfolio can be improved by the sale of an investment, prior to maturity, with the reinvestment of the proceeds, then this provision is allowed. As a means of limiting its exposure to fair value losses, the Agency's investment policy limits maturity of its investments to seven years or less. At September 30, 2022, all of the Agency's investments had a maturity of 5 years or less.

As of September 30, 2022, the Agency had the following investments and maturities:

		Investment Maturities (in years)	
	Fair Value	Less Than One	1-5
U.S. Treasury securities	$ 83,301,902	$ 9,764,062	$ 73,537,840
FLCLASS Pool	39,664,179	39,664,179	
	$ 122,966,081	$ 49,428,241	$ 73,537,840

Credit Risk: This is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. State law limits investments in commercial paper and corporate bonds rated in one of the top two ratings issued by the Nationally Recognized Statistical Rating Organization ("NRSRO"). It is the Agency's policy to limit its investments in these investment types to the top rating issued by the NSRSO. As of September 30, 2022, the Agency had no investments in commercial paper or corporate bonds.

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.

As of September 30, 2022, the Agency's investments were rated by Moody's Investors Service and Standard & Poor's as follow:

Investment Type	Issuer	Standard & Poor's	Moody's	Fair Value
US Gov't Treasuries	U.S. Government	AA+	AAA	$ 83,301,902
FLCLASS	Local Govt. Investment Pool	AAAm	N/A	39,664,179
				$ 122,966,081

Concentration of Credit Risk: The Agency's investment plan limits the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. The maximum portfolio allocation is 100% for both cash held at investment institutions and Treasury Securities as well as money market funds unless they are private money market mutual funds backed by "Full Faith and Credit" U.S. Government Securities in which case they cannot exceed 25%.

The Agency's investments at September 30, 2022 are shown below:

	Carrying Amount	% of Portfolio
FLCLASS Pool	$ 39,664,179	32.3%
Treasury securities	83,301,902	67.7%
	$ 122,966,081	100.0%

Custodial Credit Risk: The Agency's investment policy requires that securities be registered in the name of the Agency. All safekeeping receipts for investment instruments are held in accounts in the Agency's name and all securities are registered in the Agency's name. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Agency's investments in Treasury securities are held by a counterparty in the Agency's name.

Fair Value Measurement: GASB No. 72 defines fair value as the price that would be received to sell an asset. The Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are based on other significant observable inputs such as indices for fixed income bonds and quoted prices similar assets in markets that are not active; Level 3 inputs are significant unobservable inputs.

The Agency has the following recurring fair value measurements as of September 30, 2022:

Investments	2022	Fair Value Measurements Using Level 2
Investments by Fair Value Level		
U.S. Government Treasuries	$ 83,301,902	$ 83,301,902
Total Debt Securities	83,301,902	
Investments measured at Net Asset Value		
FLCLASS	39,664,179	
Total Investments measured at Net Asset Value	39,664,179	
Total Investments	$ 122,966,081	$ 83,301,902

Florida Cooperative Liquid Assets Securities System (FLCLASS) is an external local government investment pool created by interlocal agreement under F.S. 163.01. The pool is supervised by an appointed Board of Trustees comprised of eligible participants of the program. The Board acts as the liaison between the participants, the custodian, and the program administrator. The fund is an S&P AAA rated money market product offering a fiscally conservative diversification option for Florida local governments. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The weighted average maturity is 1.91 years or 697 days as of September 30, 2022.

The City's cash and investments held at September 30, 2022 are shown below:

US Treasury	$	83,301,902
FLCLASS		39,664,179
Total Investments		122,966,081
Cash Equivalents		702,873
Total Cash and Investments	$	123,668,954
Schedule of cash and investments by fund:		
General	$	36,002,448
Capital Projects		59,060,850
Parking		15,827,031
Leasing		12,778,625
Total	$	123,668,954

Note 3 - Capital Assets

Capital asset activities for the year ended September 30, 2022 were as follows:

A. Governmental Activities

	Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Governmental activities:				
Capital assets,not being depreciated:				
Land	$ 10,817,763	$ -	$ -	$ 10,817,763
Construction in progress	29,362,458	3,164,515	2,470,697	30,056,276
Total capital assets not being depreciated	40,180,221	3,164,515	2,470,697	40,874,039
Capital assets, being depreciated:				
Buildings and structures	31,899,014	-	-	31,899,014
Streetscape improvements	42,829,815	18,932	-	42,848,747
Restoration/renovations	29,763,083	-	-	29,763,083
Parks	8,684,755	56,570	-	8,741,325
Vehicles	263,628	-	-	263,628
Machinery and equipment	711,409	55,164	-	766,573
Furniture and fixtures	873,996	-	-	873,996
Total capital assets being depreciated	115,025,700	130,666	-	115,156,366
Less accumulated depreciation for:				
Buildings and structures	6,178,502	608,261	-	6,786,763
Streetscape improvements	17,704,866	2,042,401	-	19,747,267
Restorations/renovations	10,250,865	993,498	-	11,244,363
Parks	305,484	289,942	-	595,426
Vehicles	93,488	51,517	-	145,005
Machinery and equipment	470,907	48,599	-	519,506
Furniture and fixtures	820,014	37,596	-	857,610
Total accumulated depreciation	35,824,126	4,071,814	-	39,895,940
Total capital assets, being depreciated, net	79,201,574	(3,941,148)	-	75,260,426
Governmental activities capital assets, net	$ 119,381,795	$ (776,633)	$ 2,470,697	$ 116,134,465

For the year ended September 30, 2022 RDA transferred approximately $1.7 million in fixed assets to the Convention Center Fund. These assets primarily consisted of building and furniture and fixtures. Also, the Agency contributed from governmental activities $ 609,599 to Business Type activities for the Collins Parking Garage.

B. Business-Type Activities

	Ending Balance	Increases	Decreases/ Adjustments	Ending Balance
Capital assets, not being depreciated:				
Land	3,003,282	-	-	3,003,282
Construction in progress	8,035	-	-	8,035
Total capital assets not being depreciated	3,011,317	-	-	3,011,317
Capital assets, being depreciated:				
Building and structures	56,740,212	609,598	-	57,349,810
Machinery and equipment	950,835	140,804	-	1,091,639
Furniture and fixtures	-	-	-	-
Total capital assets being depreciated	57,691,047	750,402	-	58,441,449
Less accumulated depreciation for:				
Building and structures	13,848,466	1,301,005	-	15,149,471
Machinery and equipment	594,145	125,371	-	719,516
Total accumulated depreciation	14,442,611	1,426,376	-	15,868,987
Total capital assets being depreciated net	43,248,436	(675,974)	-	42,572,462
BTA activities capital assets, net	46,259,753	(675,974)	-	45,583,779

Depreciation expense was charged to functions/programs of Agency as follows:

Governmental activities:	
General government	$ 373,672
Public safety	53,567
Physical environment	40,951
Transportation	1,601,027
Culture and recreation	2,002,597
Total depreciation expense - governmental activities	$ 4,071,814
Business-type activities:	
Parking	$ 1,349,024
Leasing	77,352
Total depreciation expense - business-type activities	$ 1,426,376

Note 4 - Construction Commitments

The Agency had the following construction commitments as of September 30, 2022:

General Fund	$	3,053,863
Capital Project		1,799,290
	$	4,853,153

The Agency had the following Encumbrance commitments as of September 30, 2022:

General Fund	$	77,992
Parking		1,311,886
	$	1,389,878

Note 5 – Leases

The financial statements for the year ended September 30, 2022 include the adoption of GASB Statement No. 87, *Leases.* The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Balances at October 1, 2021 were restated in accordance with the GASB requirements.

A. Leases Receivable

Details of the City's leases receivable by lease for business-type activities for the year ended September 30, 2022 was as follows:

Leases Receivable
Business-type activities:

Reference	Fund	Asset Type	Start Date	End Date	Term as of 10/10/2021	Int Rate in %	Ext. Option	Number of Options	Ext Period (in moths)	Beginning Balance (As restated)	Additions	Receipts/ Reductions	Ending Balance	Interest Income	Fixed Annual Payment
2021-011	Leasing	Buildings	10/1/2021	12/31/2025	51	0.67	No	-	-	$ 707,244	$ -	$ 164,902	$ 542,342	$ 3,848	$ 168,750
2021-014	Leasing	Buildings	10/1/2021	1/14/2025	39	0.49	Yes	2	60	-	921,096	222,749	698,347	8,683	231,432
									Leasing Total	$ 707,244	921,096	387,651	1,240,689	12,531	400,182

Details of the City's leases deferred inflow by lease for business-type activities for the year ended September 30, 2022 was as follows:

Leases Deferred Inflow
Business-type activities:

Reference	Fund	Asset Type	Beginning Balance (As restated)	Additions	Reductions	Ending Balance
2021-011	RDA Leasing	Buildings	$ 707,244	$ -	$ 166,411	$ 540,833
2021-014	RDA Leasing	Buildings	-	921,096	212,659	708,437
		RDA Leasing Total	$ 707,244	921,096	379,070	1,249,270

Note 6 - Tax Increment Revenue Bonds

On December 15, 2015 the City issued $286,245,000 in Series 2015A Tax Increment Revenue and Revenue Refunding Bonds to provide for the current refunding of all of the Agency's Tax Increment Revenue Refunding Bonds, Series 2005B; finance certain costs of acquiring and constructing renovations to the convention center and certain other improvements; and pay costs of issuance of the Series 2015A bonds. The Series 2015A bonds were issued with interest rates of 4.00% to 5.00% payable semiannually on February 1 and August 1.

On December 15, 2015 the City issued $35,850,000 in taxable Series 2015B Tax Increment Revenue Refunding Bonds to provide for the advance refunding of all of the Agency's Tax Increment Revenue Refunding Bonds, Taxable Series 1998A; provide for the current refunding of all of the Agency's Tax Increment Revenue Refunding Bonds,

Taxable Series 2005A; and pay costs of issuance of the Series 2015B bonds. The Series 2015B bonds were issued with interest rates of 1.93% to 3.69% payable semiannually on February 1 and August 1.
The principal and interest of the Series 2015A and 2015B Tax Increment Revenue Refunding Bonds are fully secured by the tax increment revenues derived from the Redevelopment area and received solely from the City and the County. Annual pledged revenues received by the Agency are required to be at least equal to 1.5 times the maximum annual debt service.

For fiscal year ending September 30, 2022, the City received $53,915,935 in pledged revenues. The maximum annual debt service is $21,729,597 and will occur in fiscal year 2023. For fiscal year 2022, the Agency's ratio of pledged revenues to maximum annual debt service coverage is 2.48.

Note 6 - Tax Increment Revenue Bonds (Continued)

The aggregate maturities of tax increment revenue bonds at September 30, 2022 are as follows:

Year Ending September 30,	Principal	Interest	Total
2023	$ 7,985,000	$ 13,744,597	$ 21,729,597
2024	7,505,000	13,406,125	20,911,125
2025	7,885,000	13,021,375	20,906,375
2026	8,290,000	12,617,000	20,907,000
2027	8,715,000	12,191,875	20,906,875
2028-2032	50,775,000	53,776,875	104,551,875
2033-2037	65,195,000	39,352,625	104,547,625
2038-2042	83,705,000	20,832,375	104,537,375
2043-2044	39,805,000	2,015,125	41,820,125
	279,860,000	180,957,972	460,817,972
Plus: Net unarmortized Bond Premium	19,555,307	-	19,555,307
	$ 299,415,307	$180,957,972	$ 480,373,279

Note 7 - Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balances	Due Within One Year
Governmental activities:					
Revenue Bonds	$ 287,535,000	$	$ (7,675,000)	$ 279,860,000	$ 7,985,000
Add: 2015 Premium	21,039,953		(1,484,646)	$ 19,555,307	1,474,860
Total bonds payable	308,574,953		(9,159,646)	299,415,307	9,459,860
Compensated absences	426,348	173,015	(216,895)	382,468	216,895
Environmental remediation	530,000	80,000	(395,000)	215,000	55,000
Net OPEB Liability	12,823,190		(2,498,003)	10,325,187	
Net Pension Liability - MBERP	1,156,871		(550,044)	606,827	
Net Pension Liability - MBF&P	7,620,481		(2,703,283)	4,917,198	
Total	22,556,890	253,015	(6,363,225)	16,446,680	271,895
Governmental activity long-term liabilities	$ 331,131,843	$ 253,015	$ (15,522,871)	$ 315,861,987	$ 9,731,755
Business-type activities:					
Tenant deposits	133,199	2,469	(1,730)	133,938	1,730
Business-type activity long-term liabilities	$ 133,199	$ 2,469	$ (1,730)	$ 133,938	$ 1,730

Note 8 - Tax Increment Revenue

The Agency is primarily funded through tax-increment revenue. This revenue is computed by applying the operating tax for the City and Miami-Dade County, Florida, (the “County”) multiplied by the increased value of property in the district over the base property value minus 5%. Both the City and the County are required to fund this amount annually without regard to tax collections or other obligations.

Note 9 - Related-Party Transactions

The Agency obtains certain managerial and administrative services from the Primary Government and Miami Dade County in accordance with a management agreement with Miami Dade County. The Agency incurred $1,227,075 of management-fee expense under this agreement for the year ended September 30, 2022. Amounts due from the Agency are primarily disbursements paid from the primary government general depository account and are pending reimbursement from the Agency. The amount due to the Agency from the primary government to the leasing fund and parking fund respectively are for deposits made to the general depository account pending transfer to the Agency. As of September 30, 2022, due to and from are as follows:

Governmental funds:	
Due to the primary government from:	
General fund	492,993
Capital projects fund	1,035,760
	$ 1,528,753
Business-type activities:	
Due from the primary government to:	
Enterprise funds – parking fund	$ 177,935
Enterprise funds – leasing fund	323,000
	$ 500,935
Due to the primary government from:	
Enterprise funds – parking fund	172,737
Enterprise funds – leasing fund	326,065
	$ 498,802

Note 10 - Interfund Transfers

Interfund transfers for the year ended September 30, 2022, consisted of the following:

Government funds:		
Transfers from the general fund to:		
Debt service	$	21,713,369
Capital Projects		14,200,000
Enterprise funds		12,900,000
Primary government		5,500,000
Total transfers from the general fund	$	54,313,369
Business - Type activities		
Transfers from Parking Fund to:		
Leases	$	155,000
Transfers from Leases Fund to:		
Parking	$	323,000
Total transfers from Business Type Activities	$	478,000

Transfers are used to: (1) move revenues from the fund that budget requires to collect them to the fund that budget requires to expend them, and (2) move receipts restricted for debt services from the funds collecting the receipts to the debt service fund. (3) transfer to the Primary government for pension obligations, Beach Renourishment and Transportation Capital Initiative Project.

Note 11 - Receivables

At September 30, 2022, the Agency had the following receivable balances:

	Business-Type Activities
	Parking Funds
Receivables:	
Accounts	$ 2,463.0
Gross receivable	2,463
Less allowance for uncollectible	(713)
Net receivables	$ 1,750

Note 12 - Governmental Fund – Fund Balance

Below is a table of fund balance categories and classifications at September 30, 2022 for the Agency's governmental funds:

	General Fund	Capital Projects
Restricted:		
Economic environment	$ 1,654,442	$ 7,341,506
Physical environment	-	1,446,979
Culture and recreation	-	19,496,897
General public facility	-	1,212,767
Streets/sidwalks	-	20,156,685
	1,654,442	49,654,834
Assigned	16,720,941	-
Unassigned	16,750,261	-
Total Fund Balance	$ 35,125,644	$ 49,654,834

Note 13 - Contingencies

The Agency, in the normal course of operations, is a party to various other actions in which plaintiffs have alleged certain damages. In all cases, management does not believe the disposition of these matters will materially affect the financial position of the Agency.

Note 14 - Pension Plan

Miami Beach Employees' Retirement System ("MBERP")

Plan Description

Pursuant to Modification 29 of the Florida State Social Security Agreement effective January 1, 1955, the City of Miami Beach does not participate in the Federal Old-Age and Survivors Insurance System (OASI) embodied in the Social Security Act. The Miami Beach Employees' Retirement Plan (the Plan) is a single employer defined benefit pension plan for general employees established by the City of Miami Beach, Florida (the City) effective March 18, 2006. The plan acts as a cost-sharing plan to the Agency. The Miami Beach Employees' Retirement System was created under and by the authority of Chapter 18691, Laws of Florida, Act of 1937, as amended, by merging the "Retirement System for General Employees of the City of Miami Beach" created by Ordinance 1901 with the "Retirement System for Unclassified Employees and Elected Officials of the City of Miami Beach" created by Ordinance 88-2603, as amended. Members are full-time employees, classified and unclassified positions, who work more than 30 hours per week except for policemen and firemen and persons who elect to join the defined contribution retirement Plan sponsored by the City.

Substantially all full-time employees of the Agency are provided with pensions through the Miami Beach Employees' Retirement Plan (the Plan) – a single employer defined benefit pension plan administered by the City of Miami Beach, Florida. The Plan issues a publicly available financial report that can be obtained at http://web.miamibeachfl.gov/mberp.

The benefit provisions and all other requirements are established and may be amended by City ordinance.

The plan provides for retirement benefits as well as death and disability benefits at three different tiers depending on when the members entered the Plan.

The First Tier is for members who entered the Plan prior to the Second Tier Dates. The Second Tier is for members who entered the Plan on or after the Second Tier Dates but before the Third Tier Dates. The Third Tier is for members who entered the Plan on or after the Third Tier Dates. Both the Second Tier and Third Tier Dates were established when each of the unions bargained with the City to establish new guidelines for retirement benefits relating to employees associated with their Unions. The Second Tier Dates are April 30, 1993 for members of AFSCME; August 1, 1993 for those classified as Other and GSAF, and February 21, 1994 for members of CWA. The Third Tier Dates are September 30, 2010 for members of AFSCME, GSAF and for those classified as other, and October 27, 2010 for members of CWA.

Classified members administered under the First Tier are eligible for normal retirement at age 50 and five years of Creditable Service and are entitled to benefits of 3% of Final Average Monthly Earnings (FAME) multiplied by the first 15 years of Creditable Service plus 4% of FAME multiplied by years of service in excess of 15 years, with the total not to exceed 90% of FAME. First Tier unclassified members accrued 4% for creditable service before October 18, 1992. Unclassified First Tier members accrued 3% per year of service after October 18, 1992, with the total not to exceed 80% of FAME. Classified and unclassified members administered under the Second Tier are eligible for Normal Retirement at age 55 and five years of creditable service and are entitled to benefits of 3% of FAME multiplied by creditable service, subject to a maximum of 80% of FAME. Classified and unclassified members administered under the Third Tier are eligible for Normal Retirement at age 55 with at least 30 years of creditable service, or age 62 with at least five years of creditable service and are entitled to benefits of 2.5% of FAME multiplied by creditable service, subject to a maximum of 80% of FAME. For elected officials, City Manager or City Attorney, the benefit is 4% of FAME for each year of creditable service as an elected official, city manager or city attorney plus the retirement benefit as defined above for any other period of city employment, subject to a maximum of 80% of FAME.

Final average monthly earnings (FAME) means one-twelfth of the average annual earnings during the highest two paid years of credible service. For Unclassified First Tier members who became a member prior to October 18, 1992 and was continuously a member from that date until March 18, 2006, FAME is defined as the larger of one-twelfth average covered salary during the two highest paid years of creditable service or one-twelfth of the pay of the year immediately preceding March 18, 2006. Effective as of September 30, 2010, FAME for members who have obtained normal retirement age or are within 24 months from normal retirement age is defined as average covered salary during the two highest paid years of creditable service. FAME for those members who as of September 30, 2010 are between 24 and 36 months from normal retirement age is defined as average covered salary during the three highest paid years of creditable service. FAME for those members who as of September 30, 2010 are between 36 and 48 months from normal retirement age is defined as average covered salary during the four highest paid years of creditable service. FAME for those members who as of September 30, 2010 are more than 48 months from normal retirement age is defined as average covered salary during the five highest paid years of creditable service.

Any First Tier member who terminates employment may either request a refund of their own contributions plus interest, or receive their accrued benefit beginning at age 50, if at least five years of creditable service are completed. Any Second Tier member who entered on or after the Second Tier Date and who terminates employment after five years of creditable service may either request a refund of their own contributions plus interest or receive their accrued benefit beginning at age 55. Any Third Tier member who entered on or after the Third Tier Date and who terminates employment after five years of creditable service but prior to the normal or early retirement date shall be eligible to receive a normal retirement benefit at age 62.

Deferred retirement option plan (DROP)

A DROP was enacted on January 28, 2009 by Ordinance 2009-3626. Under this Plan, First and Second Tier members who have attained eligibility for Normal Retirement may continue working with the City for up to three years, while receiving a retirement benefit that is deposited into a DROP account. Third Tier members may participate in a DROP account for up to five years. Effective July 17, 2013, Members within classifications in the CWA bargaining unit who were hired prior to October 27, 2010, and Members not included in any bargaining unit who were hired prior to September 10, 2010, may elect to retire for the purposes of the Plan but continue employment with the City for up to sixty months, and have their monthly retirement benefit paid into a DROP account during the DROP period. Effective October 1, 2013, any member within classifications in the GSAF bargaining may elect to retire for the purposes of the Program but continue employment with the City for up to sixty months, and have their monthly retirement paid into a DROP account during the DROP period. Effective April 23, 2014, members within classifications in the AFSCME bargaining unit who were hired prior to September 30, 2010, may elect to retire for the purposes of the Plan but continue employment with the City for up to sixty months, and have their monthly retirement benefits paid into a DROP account during the DROP period. The amount of the benefit is calculated as if the participant had retired on the date of DROP commencement. Upon termination with the City, the accumulated value of the DROP account is distributed to the participant. A member's creditable service, accrued benefit and compensation calculation shall be frozen.

A series of investment vehicles which are established by the board of trustees are made available to DROP participants to choose from. Any losses, charges, or expenses incurred by the participant in their DROP account are not made up by the City or the Trust, but shall be borne by the participant. Upon termination of employment, a member may receive distributions in accordance with the Plan.

A DROP participant shall not be entitled to receive an ordinary or service disability retirement and in the event of death of a DROP participant, there shall be no accidental death benefit for pension purposes. DROP participation does not affect any other death or disability benefit provided to a member under federal law, state law, City ordinance, or any rights or benefits under any applicable collective bargaining agreement. First and Second Tier members receive an annual cost-of–living adjustment (COLA) of 2.5%. The COLA is not payable while members are in the DROP. For Third Tier members the COLA is 1.5%. As of September 30, 2022, there were 141 members in the DROP and the value of DROP investment was $17,226,730 which is included in the Plan's net position. The DROP also allows for member loans. Approximately $161,000 & 155,000 in loans were outstanding as of September 30, 2022, and September 30, 2021 respectively.

Funding Policy, Contributions Required and Contributions Made

The City is to contribute such amounts as are necessary to maintain the actuarial soundness of the Plan and to provide the Plan with assets sufficient to meet the benefits to be paid to the members. All First Tier members who participate are required to contribute 12% of their covered salary to the Plan. All Second and Third Tier members are required to contribute 10% of their covered salary. The City Commission has the authority to increase or decrease contributions.

For the fiscal year ended September 30, 2022, the Agency was required to make contributions of 179,193 or 18.15% of covered payroll to the Plan in accordance with actuarially determined requirements computed through an actuarial valuation performed as of October 1, 2019. For the year ended September 30, 2022, the employees contributed $51,602.

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

For the year ended September 30, 2022, the Agency recognized a pension benefit of $34,113.

The Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 2,808	$ 20,271
Change in Assumptions	30,299	31,312
Net Difference between projected and actual earnings on pension plan investments	-	457,759
City contributions subsequent to the measurement date	179,193	-
	$ 212,300	$ 509,342

The Agency contributions of $179,193 subsequent to the reporting date are reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense in future years as follows:

Year Ending September 30,		Amortization of Net Deferred Inflows/Outflows
2023	$	(101,797)
2024		(103,078)
2025		(147,997)
2026		(123,363)
	$	(476,234)

The Plan uses the following actuarial methods and assumptions:

Valuation Date:	October 1, 2020
Measurement Date:	September 30, 2021
Actuarial Cost Method	Entry Age Normal
Inflation	2.5%
Salary Increases	3.75% to 6.10% depending on service, including inflation
Investment Rate of Return	7.40%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The same versions of the PUB-2010 Headcount-Weighted Mortality Tables and mortality improvement projection scale used for Regular Class members of the Florida Retirement System (FRS) in the July 1, 2020 actuarial valuation. Florida Statutes Chapter 11.263(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Pension Liability of the Agency

The components of the net pension liability of the Agency at September 30, 2021 were as follows:

Total pension liability	$	5,229,328
Plan fiduciary net position		(4,622,501)
Agency net pension liability	$	606,827

The above methods and assumptions were used to determine the total pension liability at the actuarial valuation date of October 1, 2020. The actuarial measurement date is September 30, 2021. The Agency's proportionate share is determined as the ratio of the Agency's retirement contributions over the total retirement contributions for the City. For fiscal year 2022, the Agency's share of the liability was 0.61% or $606,827. Net Pension Liability as a percentage of Covered Payroll is 61%.

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

The target and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equities	39 %	8.47 %
Fixed income	19	2.14
International equities	18	9.39
Real estate	12	5.64
Infrastructure	7	7.14
Private Equity	5	12.14
Total	100 %	

Discount

A single discount rate of 7.40% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on Pension Plan investments of 7.40%. The projection of cash flows used to determine this single discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Pension Plan investments (7.40%) was applied to all periods of projected benefit payments to determine the total pension liability.

Changes In MBERP Net Pension Liability

	Increase(decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balance at September 30, 2020	$ 5,072,038	$ 3,915,167	$ 1,156,871
Changes for the year:		-	
Service cost	93,368	-	93,368
Interest	408,047	-	408,047
Changes of benefit terms	2,958	-	2,958
Differences between expected and actual experience	(9,903)	-	(9,903)
Changes in assumptions	-	(117,996)	117,996
Contributions – employer		185,913	(185,913)
Contributions – employee	-	51,602	(51,602)
Net investment income		929,222	(929,222)
Benefit payments	(328,711)	(328,711)	-
Refunds	(8,468)	(8,468)	-
Administrative expenses	-	(4,227)	4,227
Net change	157,290	707,334	(550,044)
Balance at September 30, 2021	$ 5,229,328	$ 4,622,501	$ 606,827

Sensitivity of the net pension liability to changes in the discount rate

The following present the Agency's net pension liability, calculated using a single discount rate of 7.40%, as well as what the Agency's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

1% Decrease 6.40%	Rate Assumption 7.40%	1% Increase 8.40%
$ 1,293,656	$ 606,827	$ 36,722

Historical trend information is presented in the required supplementary information schedules following the notes to the financial statements to show the changes in the net pension liability and the contributions to the plan.

Retirement System for Firefighters and Police Officers (MBF&P)

Plan Description

Pursuant to Modification 29 of the Florida State Social Security Agreement effective January 1, 1955 the City of Miami Beach does not participate in the Federal Old-Age and Survivors Insurance System (OASI) embodied in the Social Security Act. The plan is a single employer defined benefit plan established by the City of Miami Beach, Florida (The "City") and was created under Chapter 23414, Laws of Florida, Special Acts of 1945, as amended through ordinance No. 2016-4035 adopted September 27, 2016. The Plan's governing board is the Board of Trustees, which comprises nine members: three of which are elected by the active and retired members of the fire department, three of which are elected by the active and retired members of the police department, and three of which are appointed by the mayor. Members are substantially all certified police officers and firefighters employed by the City of Miami Beach, Florida. Members are further divided in the following five tiers:

Tier One members are those hired prior to July 14, 2010.
Tier Two members are those hired on or after July 14, 2010, but prior to September 30, 2013.
Tier Three members are those hired on or after September 30, 2013, but prior to June 8, 2016 and July 20, 2016 for Fire Department and Police Department members, respectively.
Tier Four members are those hired on or after June 8, 2016, but prior to May 8, 2019, for the Fire Department members and July 20, 2016, but prior to July 31, 2019 for the Police Department members.
Tier Five members are those hired on or after May 8, 2019 and July 31,2019 for the Fire Department and Police Department, respectively,

Tier One members

Members who met eligibility to retire prior to September 30, 2013 may retire on a service retirement pension upon the attainment of age 50 or, if earlier, the date when age and length of creditable service equals to at least 70 years. Members eligible to retire on or after September 30, 2013 may retire on a service retirement pension upon the attainment of age 50 or, if earlier, the date when the member attains age 47 and length of creditable service equals to at least 70 years. or when the member reaches the 85% maximum pension benefit regardless of age.

Upon retirement, a member who met eligibility to retire on or before September 30, 2013 will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 15 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 15 years, provided that the pension does not exceed 90% of the average monthly salary. Members who met eligibility to retire on or after to September 30, 2013 will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the average monthly salary. All retirees and beneficiaries receiving a monthly pension as of September 30, 2010 will receive a 2.5% increase in benefits on October 1st of each year. Members that retire on or after September 30, 2010 will receive a 2.5% increase in benefits annually on the anniversary date of the member's retirement

Tier Two members

Any member may retire on a service retirement pension upon the attainment of age 50 and the completion of at least 5 years of credible pension service or, if earlier, the date when the member attains age 48 plus the length of creditable service equals to at least 70 years or when the member reaches the 85% maximum pension benefit regardless of age.

Upon retirement, a member will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the average monthly salary. The average monthly salary of the employee is computed based on the salary for the three highest paid years prior to the date of retirement or the average of the last three paid years to the employee prior to the date of retirement, whichever produces the greater benefit after consideration of the overtime limitations. For limitation and detailed information, please see the pension plan statement. All retirees and beneficiaries will receive a 1.5% increase in benefits annually on the anniversary date of the member's retirement.

Tier Three members

Any member may retire on a service retirement pension upon the attainment of age 50 and the completion of at least 5 years of credible pension service or, if earlier, the date when the member attains age 48 plus the length of creditable service equals to at least 70 years or when the member reaches the 85% maximum pension benefit regardless of age. Upon retirement, a member will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the average monthly salary. The average monthly salary of the employee is computed based on the salary for the five highest paid years prior to the date of retirement or the average of the last five paid years to the employee prior to the date of retirement, whichever produces the greater benefit after consideration of the overtime limitations. For limitation and detailed information, please see the pension plan statement. All retirees and beneficiaries will receive a 1.5% increase in benefits annually on the anniversary date of the member's retirement.

Tier Four and Five members
Any member may retire on a service retirement pension upon the attainment of age 52 and the completion of at least 5 years of credible pension service or, if earlier, the date when the member attains age 48 plus the length of creditable service equals to at least 70 years.

Upon retirement, a member will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the average monthly salary. The average monthly salary of the employee is computed based on the salary for the 5 highest paid years prior to the date of retirement or the average of the last 5 paid years to the employee prior to the date of retirement, whichever produces the greater benefit after consideration of the overtime limitations. For limitation and detailed information, please see the pension plan statement. All retirees and beneficiaries will receive a 1.5% increase in benefits annually on the anniversary date of the member's retirement.

Any member of the plan who becomes totally and permanently disabled at any time as a result of illness or injury suffered in the line of duty may be retired on an accidental disability pension. For a service-connected disability, the minimum pension payable is 85% of monthly salary of the employee at the time of disability retirement, less any offset for worker's compensation. Any member who becomes totally or permanently disabled after 5 years of creditable service as a result of illness or injury not suffered in the line of duty may be retired on an ordinary disability retirement pension. Upon a non-service-connected disability retirement, a member receives a monthly pension equal to the monthly pension benefit accrued to date of disability. The plan also has various pre-retirement death benefit.

If a member resigns or is lawfully discharged prior to 5 years of service, their contributions with 3% interest per annum are returned to them. The Plan also provides a special provision for vested benefits for members who terminate after 5 or 10 years of service.

The payment of retirement benefits is payable to the member for his or her life. Upon death of member, except those retiring prior to November 5, 2003, the standard benefit is a 75% joint and survivor annuity with a specified beneficiary as provided under the plan. The specified beneficiary will receive a survivor annuity equal to 100% of the total benefit for one year following the death of the member and thereafter 75% of the total benefit until death or remarriage. However, upon death, if the member has been married or in a domestic partnership for less than 10 years, the survivor annuity is payable only for the life expectancy of the deceased member at time of death.

In lieu of the standard benefit, the members may elect the actuarial equivalent of the 10-year certain and life annuity, with a designated beneficiary, any of the following, optional forms of payment:

- 75% joint and contingent survivor annuity with a designated beneficiary
- 66 ⅔% joint and contingent survivor annuity with a designated beneficiary
- 50% joint and contingent survivor annuity with a designated beneficiary
- 25% joint and contingent survivor annuity with a designated beneficiary
- 10 year certain and life annuity with a designated beneficiary

Deferred Retirement Option Plan (DROP)

An active member of Tier One may enter into the DROP on the first day of any month after meeting eligibility to retire. Members who entered the DROP on or before September 30, 2015, shall be eligible to participate for a period not to exceed 72 months. Members who entered the DROP on or after October 1, 2015, shall be eligible to participate for a period not to exceed 96 months. All members shall receive a 2.5% COLA increase in benefits annually on the anniversary date of the member's entry into the DROP, in conjunction with a few annual exceptions.

An active member of Tier Two, Three or Four may enter into the DROP on the first day of any month after meeting eligibility to retire. Members who entered the DROP on or after October 1, 2015, shall be eligible to participate for a period not to exceed 96 months. All members shall receive a 1.5% COLA increase in benefits annually on the anniversary date of the member's entry into the DROP, in conjunction with a few annual exceptions.

Once a member enters the DROP, their monthly retirement benefit is fixed, and their monthly benefit is paid into their DROP account. Upon termination of employment, the balance in the member's DROP account, including earnings, is payable to them and they will begin to receive their normal retirement benefit.
At September 30, 2022, the total amount of the Deferred Retirement Option Plan payable, $38,787,144 represents the balance of the self-directed participants as all the participants are now in the self-directed DROP.

Funding Policy, Contributions Required and Contributions Made

The City (the "Employer") is required to contribute an actuarially determined amount that, when combined with members' contributions, will fully provide for all benefits as they become payable. All Tier One and Tier Two members are required to contribute 10% of their salary to the Plan, while all Tier Three members are required to contribute 10.5% of their salary to the Plan. The City Commission has the authority to increase or decrease contributions.

For the fiscal year ended September 30, 2022, the Agency was required to make contributions of $1,124,118 or 73.2% of covered payroll to the Plan in accordance with actuarially determined requirements computed through an actuarial valuation performed as of October 1, 2020. For the year ended September 30, 2022, the employees contributed $400,994.

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

For the year ended September 30, 2022, the Agency recognized pension benefit adjustment of $697,493

At September 30, 2022, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 121,252	$ 109,323
Change in Assumptions	430,243	232,275
Net Difference between projected and actual earnings on pension plan investments	-	2,308,419
City contributions subsequent to the measurement date	1,124,118	-
	$ 1,675,614	$ 2,650,467

The Agency contributions of 1,124,118 subsequent to the reporting date are reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ended September 30, 2022. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense in future years as follows:

Year Ending September 30,	Amortization of Net Deferred Inflows/Outflows
2023	$ (433,879)
2024	(478,974)
2025	(601,421)
2026	(584,698)
	$ (2,098,972)

The following methods and assumptions were used to determine the total pension liability at the actuarial valuation date of October 1, 2020. The actuarial valuation was rolled forward to the September 30, 2021 measurement date.

Valuation date	October 1, 2020
Measurement date	September 30, 2021
Actuarial cost method	Entry Age normal
Amortization method	Level Percentage, Closed
Amortization period	30 years
Asset valuation method	5-year smoothed market
Inflation	3.00%
Payroll growth	3.00%
Salary increases	1.70%-9.89%
Cost of living increase	1.50%, 2.00%, or 2.50%
Investment rate of return	7.55%
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 Safety Employee Female Mortality Table and Safety Below Median Employee Mortality Table, both sets forward one year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward one year, with fully generational mortality improvements projected to each future decrement date with scale MP-2018.

For disabled male participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.

Discount

A discount rate of 7.55% was used to measure the September 30, 2021 total pension liability; a decrease from the prior year rate of 7.65%. This discount rate was based on the expected rate of return on Fund investments of 7.55%. The projection of cash flows used to determine this discount rate assumed member contributions will be made at the current member contribution rate and employer contributions will be made at rates equal to the difference between actuarially determined current contribution rates and the member contribution rate. Based on these assumptions, the Fund's fiduciary net position was projected to be available to make all projected future expected benefit payments to current Fund members. Therefore, the long-term expected rate of return on Fund investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes In MBF&P Net Pension Liability

	Increase(decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balance at September 30, 2020	$ 32,363,701	$ 24,743,220	$ 7,620,481
Changes for the year:		-	
Service cost	560,258	-	560,258
Interest	2,520,471	-	2,520,471
Changes of benefit terms	-	-	-
Differences between expected and actual experience	39,373	-	- 39,373
Changes in assumptions	471,555	(45,505)	517,060
Contributions – employer		1,075,343	(1,075,343)
Contributions – employee	-	400,994	(400,994)
Net investment income		4,887,828	(4,887,828)
Benefit payments	(1,924,952)	(1,924,952)	-
Refunds			-
Administrative expenses	-	(23,720)	23,720
Net change	1,666,705	4,369,988	(2,703,283)
Balance at September 30, 2021	$ 34,030,406	$ 29,113,208	$ 4,917,198

Net Pension Liability of the Agency

The components of the net pension liability of the Agency at September 30, 2021, were as follows:

Total pension liability	$	34,223,662
Plan fiduciary net position		(29,113,208)
Agency net pension liability	$	4,917,198

The Agency's proportionate share is determined as the ratio of the Agency's retirement contributions over the total retirement contributions for the City. For fiscal year 2022, the Agency's share of the liability was 2.46% or $4,917,198.

The target and best estimate of arithmetic real rates of return for each major asset class are summarized in the following tables:

Target Asset Class	Assumed Asset Allocation
Domestic equities	41% to 51%
International equities	0% to 10%
Domestic fixed income	12% to 22%
International fixed income	0% to 10%
Real estate funds	12% to 22%
Hedge funds	0% to 5%
Private equity	0% to 6%
Cash / short-term investments	0% to 10%

Asset Class	Long-Term Expected Real Rate Of Return	
Domestic equities	7.50	%
International equities	8.50	%
Domestic bonds	2.50	%
International bonds	3.50	%
Real estate funds	4.50	%
Alternatives	5.67	%

The following present the Agency's net pension liability calculated using a single discount rate of 7.55%, as well as what the Agency's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

	1% Decrease	Discount Rate	1% Increase
	6.55%	7.55%	8.55%
Net Pension Liability	9,261,691	4,917,198	1,360,375

Historical trend information is presented in the required supplementary information schedules following the notes to the financial statements to show the changes in the net pension liability and the contributions to the plan.

Financial Statements

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial reports. Each of the Retirement Systems are audited separately. Complete financial statements can be obtained at the following offices:

City of Miami Beach
Employee Retirement System
1700 Convention Center Drive
Miami Beach, Florida 33139

City of Miami Beach
Retirement System for Firefighters and Police Officers
1691 Michigan Ave. Suite 555
Miami Beach, Florida 33139

Florida's Federal-State Social Security Agreement

Pursuant to Modification 29 of the Florida State Social Security Agreement effective January 1, 1955, the City of Miami Beach does not participate in the Federal Old-Age and Survivors Insurance System (OASI) embodied in the Social Security Act. Instead, it provides eligible employees a comprehensive defined benefit pension plan. Contributions to Social Security for fiscal year 2022 and 2021 would have been $12,665,414 and $12,074,473 respectively. The City of Miami Beach does participate in the hospital insurance tax, also known as Medicare, and withholds taxes accordingly.

Firemen's and Police Relief and Pension Funds

The City's firefighters and police officers are members of two separate non-contributory money purchase benefit plans established under the provisions of Florida Statutes, Chapters 175 and 185, respectively. These plans are funded solely from proceeds of certain excise taxes levied by the City and imposed upon property and casualty insurance coverage within City limits. This tax, which is collected from insurers by the State of Florida, is remitted to the Plans' Boards of Trustees. The City is under no obligation to make any further contributions to the plans. The excise taxes received from the State of Florida and remitted to the plans for the year ended September 30, 2022 was $1,373,339 for firefighters and $824,335 for police officers. These payments were recorded on the City's books as revenues and expenditures during the fiscal year.

Plan benefits are allocated to participants based upon their service during the year and the level of funding received during the year. Participants are fully vested after 10 years of service with no benefits vested prior to 10 years of service, except those prior to June 1983. All benefits are paid in a lump sum format, except for the Police Relief Funds, where participants may also elect not to withdraw or to partially withdraw, his or her retirement funds.

Defined Contribution Retirement Plan-401(A)

Effective October 18, 1992 City's Ordinance No. 92-2813 provided for the creation of a Defined Contribution Retirement Plan (the "Plan") under section 401(A) of the internal revenue code of 1986. The Plan provides retirement and other related benefits for eligible employees as an option over the other retirement systems sponsored by the City.

Any person employed on or after October 18, 1992, in the unclassified service of the City, has the right to select the Plan as an optional retirement plan to the Unclassified Employees and Elected Officials Retirement System. At the time of the Ordinance, employees of the City who were members of the Unclassified Employee and Elected Official Retirement System (the "System") had the irrevocable right to elect to transfer membership from the System to the Plan for a limited period of time. Effective March 19, 2006 the Plan is no longer offered to new employees of the City. Employees participating in the Plan prior to March 19, 2006 were given the option to transfer membership to the System.

The Plan is administered by a Board of Trustees, which has the general responsibility for the proper operation and management of the Plan. The Plan complies with the provisions of section 401(A) of the Internal Revenue Code of 1986 and may be amended by the City Commission of the City. The City has no fiduciary responsibility for the Plan, consequently, amounts accrued for benefits are not recorded in the fiduciary fund.

Employees in the Plan hired prior to February 21, 1994 are required to contribute 10% of their salary while those hired subsequent to February 21, 1994 are required to contribute 8% of their salary. The City matches the employee's contribution 100%. The Plan of each employee is the immediate property of the employee. Employees have Nationwide Retirement Solutions or IMCA-RC as their plan administrator. In addition, the employee is responsible for the investment of their funds amongst choices of investment vehicles offered by their selected plan administrator.

Plan information as of and for the fiscal year ended September 30, 2022 is as follows:

Members in the Plan	14
City's contribution	$ 81,255
Percentage of covered payroll	7.94%
Employees' contribution	84,047
Percentage of covered payroll	8.21%

Note 15 - Postemployment Benefits Other than Pension Benefits (OPEB)

Plan Description

Pursuant to Section 112.08, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retirees that is no greater than the cost at which coverage is available for active employees. The City's single employer defined benefit Postemployment Benefit Plan (the "Plan") currently provides the following postemployment benefits:

1. Health and Dental Insurance - Employees hired prior to March 18, 2006 are eligible to receive a 50% health insurance contribution of the total premium cost. Employees hired after March 18, 2006, after vesting in City's retirement plans, are eligible to receive an offset to the retiree premium equal to $10 per year of credible service, up to a maximum of $250 per month until age 65 and $5 per year of credible service up to a maximum of $125, thereafter.

2. Life Insurance ($1,000)- At September 30, 2008 and pursuant to resolution 2009-27024 the City established an OPEB Trust (the "Trust") and began funding its OPEB obligation. Stand-alone financial statements for the Trust are not prepared.

The City's plan's board is comprised of a Board of Trustees. The Board of Trustees is comprised of three members. The members are the City's Chief Financial Officer or designee, Budget and Performance Improvement Director or designee, and the Human Resources Officer or designee. Each member has a term of four years.

The determination of the net OPEB obligation at September 30, 2022 is based on a valuation date of September 30, 2022. At this time, the plan participation consisted of:

Active OPEB plan participants	1,679
Inactive members receiving benefit payments	1,171
Total	2,850

Funding Policy

The City has the authority to establish and amend funding policy. For the year ended September 30, 2022, the City paid $15,684,233 in OPEB benefits on a pay-as-go basis. The City's net OPEB liability at September 30, 2022 was $364,192,406. It is the City's intent to consider OPEB Trust funding during the annual budget process; however, no Trust contributions are legally or contractually required.

OPEB Plan Assets and Policies

The Plan's investment composition is controlled by the City's OPEB Trust investment policy as adopted by the OPEB Trustee and as limited by Florida Statute. 218.415. The Trustee utilizes an investment manager to invest the trust assets. The policy determines the maximum and minimum allocations between investment classes; as noted below. The investment policy may be amended with a majority vote of the OPEB Trustee members. It is the City's policy to maximize the returns of the plan's asset through diversification of equities and fixed income securities without a significant investment in cash or cash equivalents.

The composition of the Plan's investments at September 30, 2022 is consistent with the Plan's investment policy is noted below:

	Allocation Mix		
	Minimum	Target	Maximum
Equity Investments	40%	60%	75%
Fixed Income	25%	39%	60%
Cash and Equivalents (Money Market	0%	1%	100%

The long-term expected rate of return is determined via arithmetic real rates of return for each major class of assets. Please refer to note 3 of the City's CAFR for more detailed information regarding the OPEB Trusts' plan assets.

Rate of Return

As of September 30, 2022, the annual money-weighted rate of return, net of OPEB plan expenses, was -19.29%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The rate of return incorporates the timing and size of cash flows to determine an internal rate of return on a monthly accrual basis. Cash flows used in the calculation excludes reinvested dividends, unrealized and realized gains or losses, and other fees and charges not converted into cash. Contributes are treated as a positive cash flow and benefit payments as a negative cash flow.

Discount rates are used in determining the present value as of the valuation date of future cash flows currently expected to be required to satisfy the postretirement benefit obligation. For unfunded plans, interest rate using a long-term expected rate of return on tax-exempt, high-quality municipal bond. For funded plans, the expected long-term rate of return on trust assets, to the extent the net fiduciary position is projected to be sufficient to provide the benefits. For partially funded plans or if a funded shortfall is projected, the interest rate is blended between the funded and the unfunded rate. The projection of cash flows used to determine this single discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. The long-term expected rate of return on the 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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For the fiscal year ended 2022, the discount rate increased from 2.56% to 4.22%, to more accurately reflect the activity of the trust. Although the expected long-term return on the trust is 6.5%, it is blended together with Bond Buyer 20-Bond GO index rate due to the plan not being fully funded. The City's current OPEB plan investment allocation is noted above.

Net OPEB Liability of the Agency

The City's net OPEB liability at September 30, 2022 was $364,192,406. The Total OPEB Liability was valued at a measurement date of September 30, 2022. The Agency's share of this liability is $10,325,187 or 2.8% of the total City liability. The Fund's proportionate share is determined as the ratio of the Fund's pay-go and trust fund contributions over the total pay-go and trust contributions for the City. During the fiscal year, the Agency incurred a expense of $140,082.

The components of the net OPEB liability of the Agency at September 30, 2021, were as follows:

Total OPEB liability	$16,112,044
OPEB plan fiduciary net position	(5,786,857)
Net OPEB Liability	$10,325,187

Plan fiduciary net position as a percentage of The total OPEB liability	9.9%

Schedule Of Deferred Inflows/Outflows

		Deferred Outflows Of Resources		Deferred Inflows Of Resources
Difference between expected and actual experience	$	967,288	$	(143,938)
Change in assumptions/inputs		1,409,187		(2,303,123)
	$	2,376,475	$	(2,447,060)

Amortization Of Net Deferred Outflows/(Inflows)

Year		Amortization
2023	$	42,386
2024		41,334
2025		(91,713)
2026		(62,593)
	$	(70,585)

Actuarial assumptions

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

Valuation Date	September 30, 2022
Discount Rate	4.22% per annum. This was based on combination of the estimated long term rate of return from the City's OPEB trust and 20 year GO Bond rate of return @ 09/30/2022.
Asset Valuation Method	Fair Market Value
Current Asset Mix	Currently the City is targeted to invest approximately 60% in equities and 39% in bonds, with the remainder as cash.
Salary Increase Rate	3.5% per annum
Inflation Rate	3.0% per annum
Medical Consumer Price Index	Chained-CPI of 2.0% per annum
Census Data	The census was provided by the City as of September, 2021
Marriage Rate	It is assumed that 40% of future retirees have a spouse. This is based on the current retiree demographic.
Spouse Age	Spouse dates of birth were provided by the City. Where this information is missing, male spouses are assumed to be three years older than female spouses.
Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65.
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Experience/Assumptions gains and losses are amortized over a closed period of 5.05 years starting the current fiscal year, equal to the average remaining service to expected retirement age of active and inactive plan members (who have no future service).
Plan Participation Percentage	The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 70% of future retirees will participate in the retiree medical plan and 100% participate in the life insurance plan. For those employees hired after 03/18/2006, and for FOP/IAFF employees hired after 07/14/2010, it is assumed that 70% continue on the plans post-Medicare. This assumes that a one-time irrevocable election to participate is made at retirement.
Mortality Rates	PUB-2010 generational table, split by Teacher, Public Safety, and General, scaled using MP-2018 and applied on a gender-specific basis.

The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the current HCA Consulting trend study and are applied on a select and ultimate basis. Select trends are reduced 0.5% each year until reaching the ultimate trend rate.

Expense Type	Select	Ultimate
Pre-medicare Medical and Rx	5.50%	4.50%
Medicare Benefits	4.50	4.50
Stop Loss Fees	5.50	4.50
Administrative Fees	4.50	4.50

The Per Capita Health Claim Costs for expected retiree claim costs were developed using historical claim experience through September 2020. For the police and fire plans, the claims were developed based on the premium equivalents and age adjusted. The annual age 60 and 70 claim costs for retirees and their spouses are as follows:

Per Capita Costs	Age 60	Age 70
Police	$11,353	$5,795
Fire	10,254	5,764
Other	11,446	6,420

Changes In Net OPEB Liability

	Increase(decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balance at September 30, 2020	$ 14,202,968	$ 1,379,778	$ 12,823,190
Changes for the year:		-	
Service cost	641,731	-	641,731
Interest	2,886,995	-	2,886,995
Changes of benefit terms	-	-	-
Differences between expected			-
and actual experience	45,099	-	45,099
Changes in assumptions	540,128	(650,511)	1,190,639
Contributions – employer		1,231,718	(1,231,718)
Contributions – employee	-	459,306	(459,306)
Net investment income		5,598,612	(5,598,612)
Benefit payments	(2,204,877)	(2,204,877)	-
Refunds			-
Administrative expenses	-	(27,169)	27,169
Net change	1,909,076	4,407,079	(2,498,003)
Balance at September 30, 2021	$ 16,112,044	$ 5,786,857	$ 10,325,187

Sensitivity of the net OPEB liability to changes in the discount rate.

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

	1% Decrease 3.22%	Discount Rate 4.22%	1% Increase 5.22%
Net OPEB Liability	11,976,614	10,325,187	8,992,346

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

	1% Decrease	Healthcare Cost Trend (Refer to assumptions)	(1% Increase)
Net OPEB Liability	8,912,752	10,325,187	12,066,903

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

Note 16 – Pollution Remediation

GASB Statement 49, Accounting and Financial Reporting for Pollution Remediation Obligations, establishes and accounting and financial reporting standards for pollution remediation obligations. As of September 30, 2022, the Agency has identified and recorded the following pollution remediation liabilities:

Description	Total Obligation	Current Obligation
Collins Park Garage Hydrocarbon Remediation	$105,000	$25,000
Miami Beach Convention Center Arsenic Investigation	110,000	30,000
	$ 215,000	$ 55,000

NOTE 17 – Restatement for Adoption of New Accounting Standard

The City adopted Statement No. 87, *Leases* on October 1, 2021. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement apply to financial statements of all state and local governments. For purposes of applying this Statement, a lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. To determine whether a contract conveys control of the right to use the underlying asset, the City assess whether it has both of the following: (a) The right to obtain the present service capacity from use of the underlying asset as specified in the contract (b) The right to determine the nature and manner of use of the underlying asset as specified in the contract. Leases include contracts that, although not explicitly identified as leases, meet the definition of a lease. This definition excludes contracts for services except those contracts that contain both a lease component and a service component. Restated beginning balances for leases receivables, and deferred inflow are located in Note 5.

The net amount of these restatements has no effect on fund balance and net position.

The new standard requires the reporting of certain lease assets and liabilities, which were not previously reported. The result of these changes impacted the beginning balances for leases receivable, right-to-use asset, leases liability, and deferred inflow of resources, as shown below:

	Business-type Activities	
Statement of Net Position	Leases Receivable	Deferred inflow of Resources
September 30, 2021	-	-
Change to Implement GASB No. 87	707,244	707,244
October 1, 2021	707,244	707,244

	RDA Leasing	
Statement of Net Position	Leases Receivable	Deferred inflow of Resources
September 30, 2021	-	-
Change to Implement GASB No. 87	707,244	707,244
October 1, 2021	707,244	707,244

Note 18. North Beach Community Redevelopment Agency (North Beach CRA)

The North Beach CRA was created under the Community Redevelopment Act of 1969, enacted by the Florida Legislature, approved by City of Miami Beach Resolution No. 2021-31596 on February 10, 2021 and Miami-Dade County Resolution No. R-696-21 on July 20, 2021. Registration with the Florida Department of Economic Opportunity's Special District Accountability Program was completed in August 2021 and in accordance with section 189.012(2)(a) and (d), Florida Statutes, the North Beach CRA was classified as a special district.

The City of Miami Beach approved the Interlocal Cooperation Agreement by and among the City of Miami Beach, Miami-Dade County, and the North Beach CRA via Resolution No. 2021-31817 as amended on July 28, 2021. The North Beach CRA approved the Interlocal Cooperation Agreement by and among Miami-Dade County, the City of Miami Beach and the North Beach CRA via Resolution No. 005-2021 on July 28, 2021.

The North Beach CRA is generally bounded on the north by 87th Terrace, on the south by 65th street, on the east by the Atlantic Ocean and on the west by Rue Notre Dame. The Board of Directors is the City Commission and the executive director is the City Manager. The primary revenue source is tax increment financing (TIF), the incremental growth of ad valorem revenues beyond an established base year. TIF is to be collected annually from Miami-Dade County and the City of Miami Beach beginning in Fiscal Year 2023. The North Beach CRA had no financial activities to report for the fiscal year ended September 30, 2022.

Requests for Information

This financial report is designed to provide a general overview of the Miami Beach Redevelopment Agency's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to The Miami Beach Redevelopment Agency, Finance Department, 1700 Convention Center Drive, Miami Beach, Florida 33139.

REQUIRED SUPPLEMENTARY INFORMATION
(OTHER THAN MD&A)
UNAUDITED

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)
SCHEDULE OF CONTRIBUTIONS
RETIREMENT SYSTEMS
(Unaudited)

*Miami Beach Employees Retirement Plan

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	$ 179,193	$ 168,705	$ 186,339	$ 191,000	$ 197,000	$ 182,000	$ 165,000	$ 191,385	$ 185,204	$ 141,360	$ 117,122
Actual contribution	179,193	168,705	186,339	191,000	197,000	182,000	165,000	191,385	185,204	141,360	117,122
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 987,539	$ 945,879	$ 931,889	$ 784,145	$ 706,085	$ 698,244	$ 588,000	$ 595,782	$ 552,405	$ 539,894	$ 605,689
Actual contribution as a % of covered payroll	18.15%	17.84%	20.00%	24.36%	27.90%	26.07%	28.06%	32.12%	33.53%	26.18%	19.34%

City Pension for Firefighters and Police Officers

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	$ 1,124,118	$ 1,065,994	$ 804,115	$ 1,049,000	$ 969,000	$ 900,919	$ 976,000	$ 846,000	$ 921,087	$ 1,011,549	$ 929,722
Actual contribution	1,124,118	1,065,994	804,115	1,049,000	969,000	900,919	976,000	846,000	921,087	1,011,549	929,722
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
** Covered payroll	$ 1,535,017	$ 1,582,364	$ 1,498,987	$ 1,473,852	$ 1,473,852	$ 1,311,798	$ 1,344,000	$ 1,652,889	$ 1,096,378	$ 992,167	$ 942,634
Actual contribution as a % of covered payroll	73.23%	67.37%	53.64%	71.17%	65.75%	68.68%	72.62%	51.18%	84.01%	101.95%	98.63%

** Includes DROP members

Notes:

1. City Pension for Firefighters and Police Officers actual contributions include certain Chapter 175/185 non-employer contribution amounts. These amounts are from the State of Florida.

Miami Beach Redvelopment Agency
(A Component Unit of the City of Miami Beach, Florida)
SCHEDULE OF THE AGENCY'S PROPORTIONATE SHARE OF THE CITY'S NET PENSION LIABILITY
RETIREMENT SYSTEMS
(Unaudited)

MBERP*	2022	2021	2020	2019	2018	2017	2016	2015
Agency's proportion of the net pension liability	0.61%	0.55%	0.59%	0.60%	0.62%	0.62%	0.59%	0.72%
Agency's proportionate share of the net pension liability	606,827	1,156,871	1,416,414	$ 1,257,399	$ 1,343,024	$ 1,268,843	$ 1,285,164	$ 1,209,020
Agency's covered payroll	$ 987,539	$ 945,879	$ 931,889	$ 784,145	$ 698,244	$ 588,000	$ 595,782	$ 552,405
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	61.45%	122.31%	151.99%	160.35%	192.34%	215.79%	215.79%	218.86%
Plan fiduciary net position as a percentage of the total pension liability	89.44%	77.20%	73.59%	73.93%	73.93%	73.06%	70.11%	75.55%

MBF&P*	2022	2021	2020	2019	2018	2017	2016	2015
Agency's proportion of the net pension liability	2.48%	2.46%	2.48%	2.64%	2.57%	2.56%	2.79%	2.56%
Agency's proportionate share of the net pension liability	$ 4,917,198	$ 7,620,481	$ 8,658,815	$ 8,040,669	$ 7,759,668	$ 7,607,398	$ 8,116,815	$ 5,691,617
Agency's covered payroll	$ 1,535,017	$ 1,582,364	$ 1,498,987	$ 1,473,352	$ 1,311,798	$ 1,344,000	$ 1,652,889	$ 1,096,378
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	320.34%	481.59%	577.64%	545.74%	591.53%	566.03%	491.07%	519.13%
Plan fiduciary net position as a percentage of the total pension liability	85.63%	76.45%	72.91%	74.37%	73.04%	73.04%	72.07%	77.59%

*Only eight years of data is readily available. The years will be populated each year until 10 years are presented.

Notes to the net pension liability - MBERP

Note To Schedule Of Contributions

Valuation Date	October 1, 2020
Notes	Actuarially determined contributions 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, Closed
Remaining Amortization Period	29 years
Asset Valuation Method	5-year smoothed market
Inflation Rate	2.50%
Salary Increases	3.75% to 6.10% depending on service, including inflation
Investment Rate Of Return	7.40%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality Rates	The same versions of the PUB-2010 Headcount-Weighted Mortality Tables and mortality improvement projection scale used for Regular Class members of the Florida Retirement System (FRS) in the July 1, 2020 actuarial valuation. Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recent published FRS actuarial valuation reports.

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)
Notes to the Retirement Systems Schedules
September 30, 2022

Note To Schedule Of Contributions

Valuation Date	Actuarially determined contributions are calculated as of October 1 - two years prior to the fiscal year in which contributions are reported.
Notes	MBF&P actual contributions include certain Chapter 175/185 non-employer contribution amounts. These amounts are from the State of Florida

Methods And Assumptions Used To Determine Contribution Rates

Actuarial Cost Method	Entry Age Normal.
Amortization Method	Level Percentage, Closed
Remaining Amortization Period	30 years
Asset Valuation Method	5-year smoothed market
Inflation Rate	3.00%
Payroll Growth	3.00%
Salary Increases	1.70% - 9.89%
Investment Rate Of Return	7.55%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality Rates	For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Mortality Table, both set forward one year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward one year, with fully generational mortality improvements projected to each future decrement date with scale MP-2018. For disabled male participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.
Cost-Of-Living Increases	1.50%, 2.00%, or 2.50%

Each of the Retirement Systems are audited separately. Complete financial statements can be obtained at the following offices:

City of Miami Beach
Employee Retirement System

1700 Convention Center Drive
Miami Beach, Florida 33139

City of Miami Beach
Retirement System for Firefighters and Police Officers

1691 Michigan Ave. Suite 555
Miami, Florida 33139

MIAMI BEACH REDEVELOPMENT AGENCY

SCHEDULE OF OTHER POST EMPLOYMENT BENEFITS - AGENCY CONTRIBUTIONS
Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$ 763,800	$ 857,828	$ 847,092	$ 1,098,891	$ 511,891	$ 398,924	$ 747,160	$ 347,661	$ 548,964	$ 478,631
Contributions in relation to the actuarially determined contributions	470,178	458,481	272,199	242,000	413,000	282,207	280,643	125,006	190,450	187,510
Contribution deficiency (excess)	$ 293,622	$ 399,347	$ 574,893	$ 856,891	$ 98,891	$ 116,717	$ 466,517	$ 222,655	$ 358,514	$ 291,121
Covered-employee payroll	2,522,556	2,528,243	2,430,876	2,303,688	2,179,937	2,010,041	1,892,398	82,359,302	76,362,960	65,054,000
Contributions as a percentage of covered-employee payroll	18.64%	18.13%	11.20%	10.50%	18.95%	14.04%	14.83%	0.15%	0.25%	0.29%

Methods and Assumptions Used to Determine Contribution Rates

September 30, 2022

4.22 per annum. This was based on combination of the estimated long term rate of return from the City's OPEB trust and 20 year GO Bond rate of return @ 9/30/2021.

Fair Market Value

Currently the City is targeted to invest approximately 60% in equities and 39% in bonds, with the remainder as cash.

3.5% per annum

3.0% per annum

Medical Consumer Price Index — Chained-CPI of 2.0% per annum

The census was provided by the City as of September, 2022.

It is assumed that 40% of future retirees have a spouse. This is based on the current retiree demographic.

Spouse dates of birth were provided by the City. Where this information is missing, male spouses are assumed to be three years older than female spouses.

All current and future retirees are assumed to be eligible for Medicare at age 65.

Entry Age Normal Cost method

Experience/Assumptions gains and losses are amortized over a closed period of 5.05 years starting the current fiscal year, equal to the average remaining service to expected retirement age of active and inactive plan members (who have no future service).

The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 70% of future retirees will participate in the retiree medical plan and 100% participate in the life insurance plan. For those employees hired after 03/18/2006, and for FOP/IAFF employees hired after 07/14/2010, it is assumed that 70% continue on the plans post-Medicare. This assumes that a one-time irrevocable election to participate is made at retirement.

PUB-2010 generational table, split by Teacher, Public Safety, and General, scaled using MP-2018 and applied on a gender-specific basis.

SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years (*)

	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	-19.29%	16.30%	11.80%	2.30%	8.00%	11.69%

* Fiscal year 2017 is the first year data is available. The Agency will accumulate a ten year schedule as data becomes available.

Miami Beach Redvelopment Agency
(A Component Unit of the City of Miami Beach, Florida)
Required Supplementary Information
SCHEDULE OF THE AGENCY'S PROPORTIONATE SHARE OF THE CITY'S NET OPEB LIABILITY
RETIREMENT SYSTEMS
(Unaudited)

	2022	2021	2020	2019	2018	2017
Agency's proportion of the net OPEB liability	2.84%	2.82%	2.90%	3.27%	3.40%	2.65%
Agency's proportionate share of the net OPEB liability	10,325,187	12,823,190	12,989,742	$ 10,750,906	$ 5,090,097	$ 3,948,074
Agency's covered-employee payroll	$ 2,522,556	$ 2,528,243	$ 2,403,876	$ 2,303,688	$ 2,179,937	$ 2,010,041
Agency's proportionate share of the net pension liability as a percentage of its covered-employee payroll	409.31%	507.20%	540.37%	466.68%	233.50%	196.42%
Plan fiduciary net position as a percentage of the total pension liability	9.94%	9.71%	8.28%	8.89%	18.69%	17.18%

*Only six years of data is readily available. The years will be populated each year until 10 years are presented.

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Budgetary Comparison Schedule
General Fund
Year Ended September 30, 2022
(Unaudited)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget – Positive (Negative)
Revenues:				
Tax Increment	$ 53,915,000	$ 53,915,000	$ 53,915,935	$ 935
Interest	429,000	429,000	(4,834,612)	(5,263,612)
Total revenues	54,344,000	54,344,000	49,081,323	(5,262,677)
Expenditures:				
General government	21,052,605	15,439,605	780,962	14,658,643
Public safety	5,228,500	5,003,000	4,863,647	139,353
Physical environment	5,437,500	5,877,172	5,866,136	11,036
Transportation	11,395	11,395	11,395	-
Economic environment	6,601,000	12,214,000	12,132,378	81,622
Culture and recreation	1,490,000	1,323,000	1,208,909	114,091
Capital outlay	212,000	452,828	208,967	243,861
Total expenditures	40,033,000	40,321,000	25,072,394	15,248,606
Excess of revenues over expenditures	14,311,000	14,023,000	24,008,929	9,985,929
Other financing (uses):				
Operating transfers out	(27,215,000)	(54,315,000)	(54,313,369)	1,631
Total other financing (uses)	(27,215,000)	(54,315,000)	(54,313,369)	1,631
Net change in fund balance	(12,904,000)	(40,292,000)	(30,304,440)	9,987,560
Fund balance, beginning	65,430,084	65,430,084	65,430,084	-
Fund balance, ending	$ 52,526,084	$ 25,138,084	$ 35,125,644	$ 9,987,560

The notes to this Budget to Actual statement is an integral part of this statement.

Note 1. Budgetary Policy

A. Budgetary Data

The Agency is required to prepare, approve, adopt and execute an annual budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The Agency uses appropriations in the capital budget to authorize the expenditures of funds for various capital projects. Capital appropriations, unless modified or rescinded, remain in effect until the completion of each project.

At least 65 days prior to the beginning of the fiscal year, the City Commission, which also serves as the Agency's Board of Directors, is presented with a proposed budget. The proposed budget includes anticipated expenditures and the means of financing them. After Commission review and public hearings, the budget is adopted prior to October 1st. The budget is approved by district and fund. Management may transfer amounts between line items within a fund as long as the transfer does not result in an increase in the fund's budget. Increases to fund budgets require Commission approval.

There were two (2) supplemental budgetary appropriations during fiscal year ended September 30, 2022.

Budgets are considered a management control and planning tool and as such are incorporated in the accounting system of the Agency. Budgets are adopted on the modified accrual basis of accounting with the inclusion of encumbrances as reductions in the budgetary amount available. All appropriations lapse at year-end.

B. Budget Variance

Interest expense for unrealized losses:

As of September 30, 2022, the Agency fund has a net unrealize loss of $5,297,610. As the Agency investment practice is to hold investments until maturity, the Agency does not budget for unrealized losses. Unrealized losses are not recognized unless the security is sold. During fiscal year 2022, fixed income interest rates experienced a significant increase of more than 3.5%, including the most dramatic increase in the federal funds overnight rate over a six-month period in more than 30 years. Negative variance on interest and fiscal charges due to investment transactions. This increase in rates resulted in a significant increase in unrealized losses due to the inverse relationship between changes in interest rates and bond prices. The unrealized loss of a security represents the difference between the book value and market value of the securities held on September 30, 2022.

SUPPLEMENTARY INFORMATION

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUDGETED NONMAJOR DEBT SERVICE FUNDS
For the Fiscal Years Ended September 30, 2022

	Miami Beach Redevelopment Agency Special Obligation Debt Service Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Debt Service:				
Principal	7,675,000	7,675,000	7,675,000	
Interest	14,038,000	14,038,000	14,037,615	385
Other	2,000	2,000	754	1,246
Total expenditures	21,715,000	21,715,000	21,713,369	1,631
Excess (deficiency) of revenues over (under) expenditures	(21,715,000)	(21,715,000)	(21,713,369)	1,631
Other financing sources (uses)				
Transfers in	21,715,000	21,715,000	21,713,369	1,631
Total other financing sources	21,715,000	21,715,000	21,713,369	1,631
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	$ -	$ -	$ -	$ -

OTHER REPORTS

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 Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, and each major fund of the Miami Beach Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated June 8, 2023. As discussed in Note 1, the financial statements of the Agency are intended to present the financial position, the changes in financial position, and, where applicable, cash flows of only that portion of the governmental activities, the business-type activities, each major fund of the City that is attributable to the transactions of the Agency. They do not purport to, and do not, present fairly the financial position of the City as of September 30, 2022, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America. Our report contained an emphasis of matter paragraph for the adoption of the provision of GASB Statement No. 87, *Leases*. Our opinions are not modified with respect to these matter.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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 instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

RSM US LLP

Miami, Florida
June 8, 2023

Management Letter in Accordance With the
Rules of the Auditor General of the State of Florida

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

Report on the Financial Statements
We have audited the financial statements of the Miami Beach Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2022, and have issued our report thereon date June 8, 2023. As discussed in Note 1, the financial statements present only the Agency and do not purport to, and do not, present fairly the financial position of the City, as of September 30, 2022, and the changes in its financial position, or where applicable its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*; and Independent Accountant's Reports on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated June 8, 2023, 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. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report.

Official Title and Legal Authority
Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information is disclosed in Note 1 to the Agency's financial statements.

Financial Condition and Management
Sections 10.554(1)(i)5.a, and 10.556(7), *Rules of the Auditor General*, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Agency 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. It is management's responsibility to monitor the Agency's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

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

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

RSM US LLP

Miami, Florida
June 8, 2023

RSM US LLP

Independent Accountant's Report
on Compliance with Section 218.415, *Florida Statutes*

Honorable Mayor, Members of the
City Commission and City Manager
City of Miami Beach, Florida

We have examined the Miami Beach Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida's (the City), compliance with Section 218.415, *Florida Statutes, and Local Government Investment Policies* during the period from October 1, 2021 to September 30, 2022. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements during the period from October 1, 2021 to September 30, 2022.

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

RSM US LLP

Miami, Florida
June 8, 2023

Miami Beach Redevelopment Agency (RDA)
Report for the fiscal year ended
September 30, 2022

OTHER RDA REPORTS

UNAUDITED

LOCAL GOVERNMENT REPORTING

SECTION 163.371, FLORIDA STATUTES

A. Projects and expenditures (as of December 31, 2022)

B. Property values (Form DR-420 TIF)

C. Affordable housing

D. Achievements and goals

Redevelopment Agency - City Center/Historic Convention Village
Summary of Accrual Basis Transactions by Project
Fiscal Years 1994 - Q1 2023 (12-31-2022)

REVENUES	Prior Reporting Period	Period Ended December 31, 2022	Total Rev/Expenses
Tax increment - County	384,105,136	23,920,815	408,025,951
Tax increment - City	428,669,365	325,117	428,994,482
Tax increment (Interest) - County	19,057	-	19,057
Tax increment - Children's Trust	19,941,368	5,184	19,946,552
Local Grants CARES ACT Covid19	319,041	30,173,036	30,492,077
Bond proceeds	108,779,453	-	108,779,453
Bond proceeds - Series 2015	322,095,000	-	322,095,000
Bond premium - Series 2015	29,558,832	-	29,558,832
Rental income	292,862	(21,113)	271,749
Anchor Garage receipts	60,529,219	2,447,234	62,976,453
Anchor Garage deposit card receipts	30,788	-	30,788
Anchor Shops rental income	15,845,045	400,070	16,245,115
Anchor Shops rental deposits	193,044	-	193,044
Pennsylvania Garage receipts	8,834,596	569,369	9,403,965
Pennsylvania Garage deposit card receipts	240	-	240
Pennsylvania Shops rental income	980,488	-	980,488
Pennsylvania Shops rental deposits	1,896,327	-	1,896,327
G12 Garage receipts	1,062,435	1,323,315	2,385,750
Legal settlement	100,000	-	100,000
Loews Facility Use/Usage Fee	145,462	-	145,462
Loews Ground Lease Receipts	8,240,984	-	8,240,984
Loews Hotel - exercise option	27,498,975	-	27,498,975
RDP Royal Palm Ground Lease Receipts	470,222	-	470,222
RDP Royal Palm - Sale of Land	12,562,278	-	12,562,278
New World Symphony Contribution	250,000	-	250,000
Interest income/Unrealized Gain/Loss Invest	37,641,542	(4,281,700)	33,359,841
Resort tax contributions	55,977,581	-	55,977,581
Cost of Issuance Proceeds-Series 2005	37,246,218	-	37,246,218
Bid deposits - hotels	375,000	-	375,000
Bid deposits - cinema	100,000	-	100,000
Loan from City	3,000,000	-	3,000,000
Line of credit from City	19,190,000	-	19,190,000
Cultural Campus	1,975,762	-	1,975,762
Transfers In	160,994,146	49,900,968	210,895,114
St. Moritz Hotel - refund/reimbursement	925,450	-	925,450
Reimbursements (GMCVB/RE taxes/Grants)	3,864,530	-	3,864,530
St. sales tax (receipt - income for pmt. to St)	2,371,561	-	2,371,561
Miami City Ballet-Capital	134,405	-	134,405
Miami City Ballet Lease/Maint	264,042	-	264,042
Anchor Garage insurance reimbursement	26,170	-	26,170
2015 RDA Bond CC Project-Insurance Recoveries/Replace	-	-	-
Real Estate taxes refund	299,056	-	299,056
Refund Due to/From	1,128,005	-	1,128,005
Refund - Loews - Water/Sewer Impact Fees	348,319	-	348,319
Refund - Police Salaries and Wages	844,503	-	844,503
Suspense Account	-	-	-
Miscellaneous/Prior Year Refunds & Voids	1,575,056	202,103	1,777,159
TOTAL REVENUES	1,760,701,563	104,964,398	1,865,665,961

EXPENDITURES

Projects	Prior Reporting Period	Period Ended December 31, 2022	Total Rev/Expenses
African-American Hotel			
Appraisal fees	(4,200)	-	(4,200)
Bid refund	(50,000)	-	(50,000)
Board up	(50,995)	-	(50,995)
Construction (soil remediation/tank)	(9,800)	-	(9,800)
Delivery	(503)	-	(503)
Electric service	(422)	-	(422)
Environmental clean up	(161,613)	-	(161,613)
Equipment rental	(14,815)	-	(14,815)
Fire alarm service	(13,870)	-	(13,870)
Hotel negotiation consultant	(126,131)	-	(126,131)
Land acquisition	(10,592,060)	-	(10,592,060)
Legal fees/costs	(667,871)	-	(667,871)
Lot clearing	(16,924)	-	(16,924)
Maintenance	(48,173)	-	(48,173)
Miscellaneous	(309,495)	-	(309,495)

Redevelopment Agency - City Center/Historic Convention Village Summary of Accrual Basis Transactions by Project Fiscal Years 1994 - Q1 2023 (12-31-2022)			
Owner's representative fees & expenses	(293,757)	-	(293,757)
Postage, printing & mailing	(4,153)	-	(4,153)
Professional services	(144,049)	-	(144,049)
Public notice/advertisement	(13,951)	-	(13,951)
Refund of deposits	(175,000)	-	(175,000)
Reimbursements	(15,799)	-	(15,799)
Relocation	(32,400)	-	(32,400)
Security guard service	(170,015)	-	(170,015)
Title insurance	(25,271)	-	(25,271)
Travel & related expenses	(2,159)	-	(2,159)
Water/Sewer (impact fees)	(25,240)	-	(25,240)
Total African-American Hotel	(12,968,666)	-	(12,968,666)
Convention Hotel			
Administrative fees	(5,436)	-	(5,436)
Appraisal fees	(67,150)	-	(67,150)
Bid refund	(100,000)	-	(100,000)
Bond costs	(173,998)	-	(173,998)
Building permit fees	(172,451)	-	(172,451)
Construction	(33,265,118)	-	(33,265,118)
	(1,778)	-	(1,778)
Demolition	(47,361)	-	(47,361)
Environmental clean up	(19,556)	-	(19,556)
Equipment rental	(24,389)	-	(24,389)
Fire alarm service	(600)	-	(600)
Hotel selection/study	(263,357)	-	(263,357)
Hotel negotiation consultant	(723,112)	-	(723,112)
Land acquisition	(20,673,575)	-	(20,673,575)
Legal fees/costs	(1,026,811)	-	(1,026,811)
Lot clearing	(12,407)	-	(12,407)
Maintenance	(695)	-	(695)
Miscellaneous	(28,063)	-	(28,063)
Owner's representative fee & expenses	(1,218,615)	-	(1,218,615)
Postage, printing & mailing	(15,977)	-	(15,977)
Professional services	(275,568)	-	(275,568)
Public notice/advertisement	(5,996)	-	(5,996)
Reimburse closing costs to C.M.B.	(3,000,000)	-	(3,000,000)
Reimbursements	(27,902)	-	(27,902)
Security guard service	(26,563)	-	(26,563)
Temporary staffing	(3,000)	-	(3,000)
Training, conferences & meetings	(1,750)	-	(1,750)
Travel & related expenses	(25,800)	-	(25,800)
Water/sewer service	(308,979)	-	(308,979)
Total Convention Hotel	(61,516,007)	-	(61,516,007)

	Prior Reporting Period	**Period Ended December 31, 2022**	**Total Rev/Expenses**
Hotel Garage - Construction			
Administrative fees	(26,248)	-	(26,248)
Appraisal fees	(24,913)	-	(24,913)
Board up	(9,763)	-	(9,763)
Bond costs	(37,442)	-	(37,442)
Building permit fees	(818)	-	(818)
Construction draw	(13,773,347)	-	(13,773,347)
Delivery	(230)	-	(230)
Demolition	(155,834)	-	(155,834)
Electric service	(1,554)	-	(1,554)
Equipment rental	(360)	-	(360)
Environmental	(30,824)	-	(30,824)
Land acquisition	(3,312,947)	-	(3,312,947)
Legal fees/costs	(239,024)	-	(239,024)
Maintenance	(832)	-	(832)
Miscellaneous	(36,680)	-	(36,680)
Owner's representative fee & expenses	(311,094)	-	(311,094)
Printing	(6,915)	-	(6,915)
Professional services	(80,094)	-	(80,094)
Public notice/advertisement	(6,525)	-	(6,525)
Reimbursement	(10,759)	-	(10,759)
Relocation	(99,384)	-	(99,384)
Security guard service	(81,247)	-	(81,247)
Water/sewer service	(1,142)	-	(1,142)
Total Hotel Garage	(18,247,976)	-	(18,247,976)
Movie Theater Project			
Appraisal fees	(4,500)	-	(4,500)

Redevelopment Agency - City Center/Historic Convention Village
Summary of Accrual Basis Transactions by Project
Fiscal Years 1994 - Q1 2023 (12-31-2022)

Bid refund	(80,000)	-	(80,000)
Delivery	(476)	-	(476)
Equipment rental	(4,032)	-	(4,032)
Legal fees	(57,299)	-	(57,299)
Miscellaneous	(2,913)	-	(2,913)
Professional services	(14,380)	-	(14,380)
Refund of deposit	(10,000)	-	(10,000)
Traffic parking study	(8,600)	-	(8,600)
Total South Beach Cinema	(182,200)	-	(182,200)
Lincoln Road			
Appraisal fees	(5,000)	-	(5,000)
Delivery	(8)	-	(8)
Equipment rental	(11,900)	-	(11,900)
Legal fees	(10,827)	-	(10,827)
Lot clearing	(5,440)	-	(5,440)
Lighting	(60,805)	-	(60,805)
Maintenance	(195,588)	-	(195,588)
Miscellaneous	(582)	-	(582)
Postage, printing & mailing	(810)	-	(810)
Professional services	(99,553)	-	(99,553)
Reimbursements	(23,581)	-	(23,581)
Revitalization	(960,522)	-	(960,522)
Repayment of Loan	(21,776,959)	-	(21,776,959)
Temporary staffing	(66,158)	-	(66,158)
Training, conferences & meetings	(1,518)	-	(1,518)
Travel & related expenses	(771)	-	(771)
Total Lincoln Road	(23,220,022)	-	(23,220,022)

	Prior Reporting Period	Period Ended December 31, 2022	Total Rev/Expenses
Beachwalk			
Environmental	(5,400)	-	(5,400)
Miscellaneous	(212,613)	-	(212,613)
Professional services	(5,015,698)	-	(5,015,698)
Total Beachwalk	(5,233,711)	-	(5,233,711)
Convention Center			
Convention Center Hotel	(596,772)	-	(596,772)
Convention Center Improvement	(283,683,132)	(8,494,440)	(292,177,572)
Total Convention Center	(284,279,904)	(8,494,440)	(292,774,344)
Collins Park Cultural Center			
Appraisal fees	(24,605)	-	(24,605)
Environmental	(137,515)	-	(137,515)
Land acquisition	(6,661,982)	-	(6,661,982)
Construction	(7,814,087)	-	(7,814,087)
Legal fees	(768,507)	-	(768,507)
Miscellaneous	(156,498)	-	(156,498)
Professional services	(1,242,704)	-	(1,242,704)
Streetscape	(401,312)	-	(401,312)
Utilities	(110,168)	-	(110,168)
Children's Feature	(7,200)	-	(7,200)
Total Cultural Campus	(17,324,578)	-	(17,324,578)

	Prior Reporting Period	Period Ended December 31, 2022	Total Rev/Expenses
Other Projects			
Bus Prop. Ctr.	(159)	-	(159)
Chamber of Commerce Relocation Study	(2,000)	-	(2,000)
Colony Theater-Stage Lighting-Coils Repl	(6,618,783)	-	(6,618,783)
Construction of Library	(14,586)	-	(14,586)
East/West Corridor	(88)	-	(88)
Electrowave	(3,161)	-	(3,161)
Garden Center	(52,647)	-	(52,647)
Guidelines	(12,450)	-	(12,450)
Old City Hall	(499)	-	(499)
17th Street Surface Lot	(288,274)	-	(288,274)
10A Surface Lot-Lennox	(382,854)	-	(382,854)
Streetscapes	(324,849)	-	(324,849)
6th Street Streetscape	(577)	-	(577)

Redevelopment Agency - City Center/Historic Convention Village Summary of Accrual Basis Transactions by Project Fiscal Years 1994 - Q1 2023 (12-31-2022)			
Botanical Gardens	(1,214,442)	-	(1,214,442)
Transportation Mobility Study	(32,225)	-	(32,225)
Convention Center Streetscape	(12,383,495)	(88,280)	(12,471,775)
New World Symphony	(21,591,976)	-	(21,591,976)
New World Symphony-Lincoln Park	(14,440,890)	-	(14,440,890)
Washington Avenue Streetscape	(3,198,183)	-	(3,198,183)
Rotunda/ Collins Park 9/30/2014	(735,652)	-	(735,652)
R.O.W. Improvements	(2,356,207)	-	(2,356,207)
Flamingo (16 St. Corridor)	(4,721)	-	(4,721)
Flamingo Neigh.South - Bid A	(10,186)	-	(10,186)
Flamingo Neigh. Lummus - Bid B	(456,047)	-	(456,047)
Flamingo Bid C	(13,877)	-	(13,877)
Beachfront Restrooms	(431,147)	-	(431,147)
Water & Wastewater Pump Station	(1,228,541)	-	(1,228,541)
Miami City Ballet & HVAC	(5,859,594)	-	(5,859,594)
Wayfinding Project	(348,123)	-	(348,123)
West Ave/Bay Road Neigh. Improve.	(750,000)	-	(750,000)
Multi-Purpose Building Adj. City Hall	(14,762,648)	-	(14,762,648)
Bass Museum	(17,752,042)	-	(17,752,042)
Bass Museum Hydraulic	(2,750)	-	(2,750)
Bass Museum HVAC Improv./Heat Pump	(168,895)	-	(168,895)
Bass Museum Exterior Lighting	(41,658)	-	(41,658)
Bass Museum Heat Pump Replacement	(49,816)	-	(49,816)
Bass Museum Wheater Seal	(100,078)	-	(100,078)
Bass Museum Hydraulic	(42,013)	-	(42,013)
BASS MUSEUM GENERATOR	(101,386)	-	(101,386)
BASS MUSEUM ELECTRICAL BREAK	(1,223)	-	(1,223)
Bass Museum Fire Pump Replacement	(52,151)	-	(52,151)
Emergency Light Replacement	(2,854)	-	(2,854)
Botanical Garden Window	(41,840)	-	(41,840)
The Barclay, the Allen and the	(34,441)	-	(34,441)
London House	(14,154,643)	-	(14,154,643)
Carl Fisher Renewal and Replacement	(189,540)	-	(189,540)
Alleyway Restoration Program	(221,632)	-	(221,632)
Lincoln Road Between Lennox and Alton	(6,173,406)	-	(6,173,406)
City Center Neighborhood Improvement	(1,439,236)	-	(1,439,236)
Lincoln Road Between Collins/Washington	(1,482,197)	-	(1,482,197)
Lincoln Road Fountain	(4,484)	-	(4,484)
Lincoln Road Mall Accent Light	(90,446)	-	(90,446)
Lincoln Road Washington	(4,791,920)	(86,294)	(4,878,214)
Lincoln Road Washington	(30,611)	-	(30,611)
Lincoln Road Stone Restoration	(109,215)	(227,363)	(336,578)
Convention Center - Lincoln Road Connection	(891,116)	(110,087)	(1,001,203)
17th Street North Imprv Penn A	(12,593)	-	(12,593)
Aluminum Street Lighting Pole	(163,173)	-	(163,173)
Lincoln Road Landscaping	(72,167)	-	(72,167)
Reserve Euclid Avenue Improvement	(485,584)	-	(485,584)
Lincoln Road Uplighting	(7,820)	-	(7,820)
Miami City Ballet Ext	(10,568)	-	(10,568)
Miami City Ballet Transfers	(363,244)	-	(363,244)
Miami City Ballet Windows	(118,716)	-	(118,716)
Lincoln Road Master Plan	(500,000)	-	(500,000)
1100 Lincoln Road Updates	(133,000)	-	(133,000)
Little Stage Complex	(325,593)	-	(325,593)
Preferred Parking Surface Lot	(526,649)	-	(526,649)
Tree Wells Pilot Project	(409,571)	-	(409,571)
Washington Ave. Bridge Restoration Loan	(700,000)	-	(700,000)
Collins Canal Enhancement Project	(1,515,182)	(52,375)	(1,567,557)
Collins Park Parking Garage-and Land	(29,309,332)	(603,571)	(29,912,903)
Collins Park Ancillary Improvement	(3,479,142)	(3,148)	(3,482,290)
CCHV Neighborhood Improvements	(11,672,435)	-	(11,672,435)
21st Street Recreational Center Repairs	(14,901)	-	(14,901)
Animal Waste Dispensers & Receptacles	(25,000)	-	(25,000)
Trash Receptacles	(24,860)	-	(24,860)
Pedestrian Countdown Signals	(54,868)	-	(54,868)
Maze Project - 21st Street & Collins	(135,000)	-	(135,000)
Directory Signs in City Center ROW	(190,277)	-	(190,277)
Beach Shower Replacement & Renovation	(6,355)	-	(6,355)
24" PVC Sanitary Sewer Improvements	(315,016)	-	(315,016)
Bicycle Parking Phase 2	(8,620)	-	(8,620)
Bicycle Parking Project	(32,923)	-	(32,923)
Total Other Projects	(186,101,064)	(1,171,118)	(187,272,182)
Total Projects	(609,074,128)	(9,665,558)	(618,739,686)

Redevelopment Agency - City Center/Historic Convention Village
Summary of Accrual Basis Transactions by Project
Fiscal Years 1994 - Q1 2023 (12-31-2022)

	Prior Reporting Period	Period Ended December 31, 2022	Total Rev/Expenses
Administration			
Administrative fees	(225)	-	(225)
Anchor Shops Leasing	(134,878)	-	(134,878)
Appraisal fees	(7,000)	-	(7,000)
Bond costs/Bond Trustee. Fees	(2,200,650)	-	(2,200,650)
Delivery	(1,400)	-	(1,400)
Dues & subscriptions	(10,830)	-	(10,830)
Facility Usage - Loews Hotel	(117,377)	-	(117,377)
Management fees	(2,836,300)	-	(2,836,300)
Interlocal Agreement/City Center Operation	(63,661,881)	(12,894,008)	(76,555,889)
Miscellaneous	(83,225)	-	(83,225)
Office supplies	(45,009)	-	(45,009)
Postage, printing & mailing	(59,881)	-	(59,881)
Professional services	(1,166,950)	-	(1,166,950)
Parks Maintenance by Parks Department	(2,298,777)	(475,268)	(2,774,045)
Public notice/advertisement	(2,496)	-	(2,496)
Reimbursements	(62,184)	-	(62,184)
Sales tax	(180,222)	-	(180,222)
Settlement Costs	(457,500)	-	(457,500)
Legal Fees (Ongoing Litigation)	(334,629)	-	(334,629)
Temporary staffing	(14,197)	-	(14,197)
Training, conferences & meetings	(19,294)	-	(19,294)
Travel & related expenses	(1,769)	-	(1,769)
Resort Tax Accrual	-	-	-
Accrued interest on investments	(479,466)	-	(479,466)
Total Administration	(74,176,140)	(13,369,276)	(87,545,416)
New World Symphony Grant In Aid	(15,000,000)	-	(15,000,000)
Capital projects Maintenance	(12,434,581)	-	(12,434,581)
City Center Greenspace Management	(7,192,176)	(788,380)	(7,980,556)
South Beach Area- Property Management	(19,782,506)	(1,717,679)	(21,500,185)
RDA City Center Code Compliance	(1,304,609)	(180,933)	(1,485,542)
RDA City Center Sanitation	(29,621,136)	(4,009,715)	(33,630,851)
RDA Center Center - Misc. Employee Fringe Benfits	(2,675)	-	(2,675)
Cost of Issuance Series 2005 A&B	(37,219,044)	-	(37,219,044)
Transfers out - Debt Service	(63,657,221)	(32,600,000)	(96,257,221)
Debt Service/Loan Repayment	(335,906,488)	(6,948,476)	(342,854,964)
Debt Service/Escrow payment (Series 1998A, 2005A and 2005B)	(50,954,074)	-	(50,954,074)
Cost of Issuance Series 2015 A&B	(4,688,286)	-	(4,688,286)
Anchor Garage Operations	(58,090,968)	3,211,820	(54,879,148)
Anchor Shops Operation	(11,529,402)	5,264,657	(6,264,745)
Pennsylvania Ave- Garage Operations	(10,119,262)	(1,083,524)	(11,202,786)
Pennsylvania shops operations	(3,897,600)	(310,625)	(4,208,225)
Collins Park Garage	(698,689)	(1,125,401)	(1,824,090)
Community Policing-CCHCV	(66,364,501)	(4,540,298)	(70,904,799)
Transfer Out - Debt Service	(108,393,574)	(21,713,369)	(130,106,943)
Transfers Out	(16,153,697)	-	(16,153,697)
TOTAL EXPENDITURES	(1,536,260,757)	(89,576,757)	(1,625,837,514)
ENDING BALANCE	224,440,806	15,387,641	239,828,448

FLORIDA DEPARTMENT OF REVENUE

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R. 6/10
Rule 12D-16.002
Florida Administrative Code
Effective 11/12

TAX INCREMENT ADJUSTMENT WORKSHEET

Year : 2021	County : MIAMI-DADE
Principal Authority : CITY OF MIAMI BEACH	Taxing Authority : CITY OF MIAMI BEACH
Community Redevelopment Area : MIAMI BEACH CITY CENTER CRA	Base Year : 1992

SECTION I : COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value in the tax increment area	$	5,977,864,104	(1)
2.	Base year taxable value in the tax increment area	$	292,572,271	(2)
3.	Current year tax increment value *(Line 1 minus Line 2)*	$	5,685,291,833	(3)
4.	Prior year Final taxable value in the tax increment area	$	5,931,113,773	(4)
5.	Prior year tax increment value *(Line 4 minus Line 2)*	$	5,638,541,502	(5)

SIGN HERE	**Property Appraiser Certification**	I certify the taxable values above are correct to the best of my knowledge.
	Signature of Property Appraiser : Electronically Certified by Property Appraiser	Date : 7/1/2021 1:49 PM

SECTION II: COMPLETED BY TAXING AUTHORITY **Complete EITHER line 6 or line 7 as applicable. Do NOT complete both.**

6. If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:

6a.	Enter the proportion on which the payment is based.		95.00 %	(6a)
6b.	Dedicated increment value *(Line 3 multiplied by the percentage on Line 6a)* ***If value is zero or less than zero, then enter zero on Line 6b***	$	5,401,027,241	(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	$	31,110,894	(6c)

7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:

7a.	Amount of payment to redevelopment trust fund in prior year	$	0	(7a)
7b.	Prior year operating millage levy from Form DR-420, Line 10	0.0000	per $1,000	(7b)
7c.	Taxes levied on prior year tax increment value *(Line 5 multiplied by Line 7b, divided by 1,000)*	$	0	(7c)
7d.	Prior year payment as proportion of taxes levied on increment value *(Line 7a divided by Line 7c, multiplied by 100)*		0.00 %	(7d)
7e.	Dedicated increment value *(Line 3 multiplied by the percentage on Line 7d)* ***If value is zero or less than zero, then enter zero on Line 7e***	$	0	(7e)

SIGN HERE	**Taxing Authority Certification**	**I certify the calculations, millages and rates are correct to the best of my knowledge.**	
	Signature of Chief Administrative Officer : Electronically Certified By Taxing Authority	Date : 7/28/2021 11:54 AM	
	Title : CITY MANAGER	Contact Name and Contact Title : TAMEKA OTTO STEWART, BUDGET DIRECTOR	
	Mailing Address : 1700 CONVENTION CENTER DR	Physical Address : 1700 CONVENTION CENTER DRIVE	
	City, State, Zip : MIAMI BEACH, FL 33139	Phone Number : 305-673-7510	Fax Number :

Achievements and Goals

The 332-acre City Center/Historic Convention Village Redevelopment and Revitalization Area was established in 1993, primarily with the objective to create a funding mechanism to foster the development of a new convention hotel within close proximity to the Miami Beach Convention Center, and to connect the City's many core area civic, business, cultural and entertainment uses, and create a solid foundation for a vibrant urban downtown.

Legislative History of the Plan

On January 26, 1993, Miami-Dade County (the "County") adopted Resolution No. R-14-93, which:

(i) found the area, in the City of Miami Beach (the "City"), bounded on the east by the Atlantic Ocean, on the north by 24 Street, on the west by West Avenue, and on the south by 14 Lane (the "City Center Redevelopment Area" or "City Center District"), to be a "blighted area" within the meaning of Part III of Chapter 163, Florida Statutes; and

(ii) delegated to the City of Miami Beach, pursuant to Section 163.410 Florida Statutes, certain powers conferred upon the County Commission as the governing body of the County by Part III of Chapter 163 Florida Statutes, with regard to the Redevelopment Area, so that the City Commission, either directly or through its duly designated community redevelopment agency, could exercise such powers.

On February 3, 1993, the City adopted Resolution No. 93-20709, which established a community redevelopment agency, the Miami Beach Redevelopment Agency (the "Agency" or the "RDA") and declared the members of the City Commission as the members of the RDA Board. On February 12, 1993, the City adopted Resolution No. 93-20721, which adopted the Agency's City Center/Historic Convention Village Redevelopment and Revitalization Area plan (the "Plan") for the redevelopment and revitalization of the City Center Redevelopment Area.

On February 24, 1993, the City enacted Ordinance 93-2836, which created a City Center/Historic Convention Village Redevelopment and Revitalization Trust Fund and established a funding mechanism for implementing the Plan. The County, on March 30, 1993, adopted Resolution No. R-317-93 which, among other things, (i) adopted the Plan, and (ii) approved an Interlocal Cooperation Agreement (the "Interlocal Agreement"), between the County and the City, dated and executed on November 16, 1993, as amended five (5) times by which the County delegated to the City certain redevelopment powers granted by law including, but not limited to, the creation of the City Center Redevelopment Area and implementation of the Plan.

In 2014, the City and County adopted the Third Amendment to the Interlocal Agreement

Achievements and Goals

which, among other components, (i) extended the life of the City Center District from FY 2022/23 to March 31, 2044; (ii) allows the Board of County Commissioners the right to appoint a member of the Agency; and (iii) further provided for related payment terms, with the intent that all available excess Trust Fund revenues remaining on deposit in the Trust Fund be used for the prepayment or redemption of debt prior to maturity of tax increment revenue bonds issued by the RDA to support the City's Convention Center Renovation and Expansion project within the district.

Since 2014, pursuant to the Third Amendment to the Interlocal Agreement, the elected Commissioner of County Commission District 5, which includes the City Center District, serves as a voting member of the RDA Board. The addition of the County Commissioner as a voting member of the RDA Board has benefited the City with a strengthened relationship with the County Commissioner. Further, citing the City of Miami Beach as an example, the appointment of a County Commissioner to a Community Redevelopment Agency ("CRA") governing board has since become the Florida Legislature's recommended strategy for successful CRA governance.

In 2018, pursuant to Resolution No. 2018-30288, the City and County adopted a Fourth Amendment to the Plan, to 1) allow the RDA to reimburse the City $6,914,221 for construction related to the Miami Beach Convention Center renovation and expansion project resulting from the impact of Hurricane Irma; 2) provide additional funding, up to $20 million, for the Lincoln Road project (previously authorized as part of the Third Amendment) for a total project amount of up to $40 million for the Lincoln Road project; 3) distribute to the County and the City, beginning in FY 2018 and continuing until FY 2023, an annual reimbursement based on each entity's proportionate share of expenditures for administration, community policing, and capital projects maintenance; 4) require that the County and the City set aside $1.5 million of the annual reimbursement for beach renourishment that could be utilized to leverage State or Federal funding for beach re-nourishment projects; and 5) utilize any excess revenues, after the foregoing distributions, for the early prepayment of debt, as originally stipulated in the Third Amendment to the Interlocal Agreement.

<u>Mission / Purpose of the City Center Redevelopment Plan:</u>

- Assure continued economic viability of the City Center Redevelopment Area and the City as a whole, through the implementation of the objectives and projects defined in the City Center Redevelopment Plan and the amendment thereto;
- Establish the necessary linkages to tie in the Miami Beach Convention Center, area hotels, cultural amenities, entertainment, residential, and business uses in the district;
- Involve community residents in the redevelopment process and to incur minimum

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relocation and condemnation;

- Enhance diversity of form and activity through the use of established planning and design principles;
- Create a traffic system to serve local and through traffic needs; and
- Recognize the historic structures and designations within the historic districts and facilitate development accordingly.

Successful Implementation of City Center Redevelopment Plan Objectives:

The City Center Redevelopment District has undergone dynamic changes, which have furthered the goals of the Plan and enhanced the economic vitality of the City Center District. Between 1993 and January 2018, the City Center District experienced an increase in property tax values from $292.6 million dollars to $6 billion dollars, including more than $800 million in new building permit activity since the inception of the CRA.

Initial success includes attracting two convention-quality hotels, wherein the RDA began focusing its efforts on a number of initiatives aimed at upgrading the District's infrastructure, streets and parks, alleviating traffic and parking congestion, and encouraging the production and presentation of arts and cultural activities in the District. Since 2003, the RDA, with the consent and collaboration of the County, amended the City Center Plan for the City Center District four (4) times to accomplish these objectives. Representative projects included:

- Two (2) new convention-quality hotels, both of which are the result of public/private partnerships between the RDA and the private sector: the 800-room Loews Miami Beach Hotel and the 425-room Royal Palm Crowne Plaza Hotel, the latter of which was recognized as the first African American-owned convention center hotel in the United States, and both of which included restoration of historic buildings in the City's National Register Historic District.
- The development of an 800-space public parking garage, the Anchor Garage and Retail Shops, to accommodate the parking needs for the Loews Miami Beach Hotel, the Royal Palm Crowne Plaza Hotel, and other service and retail businesses in the District, including the incorporation of the facades of historic buildings in the City's National Register Historic District.
- Initiation of the Convention Center Renovation and Expansion, a project to modernize and upgrade the Convention Center facility and surrounding area to be competitive within the trade/consumer show and convention industries. The project included redesign and reconstruction of the convention center building and site; upgrading media, communications, and other area technology; alterations to on and off-site parking; on-site and off-site aesthetic improvements, and construction of 5.8 acre Pride Park.

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- Acquisition and renovation of three multifamily buildings (the Barclay, Allen House, the London House) to maintain the stock of affordable housing within the Redevelopment District.
- Award-winning Public Beachwalk Expansion project from 21 Street to Lummus Park, comprising an at-grade, landscaped pedestrian walkway and public restroom and shower facility replacement with stainless steel trees and drain interceptors throughout the beach accessways.
- Beach Renourishment Project, including funding to rebuild and fortify City public beaches, which serves as a notable public amenity and appeals to international tourists.
- Development and implementation of a Cultural Arts Campus Master Plan, within the Collins Park area, east of the Miami Beach Convention Center, including:
  - construction of a regional Miami Beach Public Library (including demolition of the old library and construction of the new library, partially funded by the RDA);
  - construction and purchase of the headquarter facility of the Miami City Ballet ($ 5.2 million in acquisition costs funded by the RDA);
  - the expansion and renovation of the Bass Museum of Art, which provided a 47% increase in programmable space;
  - restoration of Collins Park, including new landscaping, refurbishment of the historic Rotunda building, and extensive streetscape improvements throughout the area; and
  - funding for development of the Collins Park Parking Garage.
- Completion of the acclaimed New World Center Campus, including a state-of-the-art Frank Gehry-designed headquarter performance hall facility for the New World Symphony and School, and publicly funded components that included a $15 million Frank Gehry-designed municipal parking garage and retail space and the 2.5-acre, $21 million mixed-use urban oasis, Soundscape Park.
- Community policing initiatives, including enhanced staffing levels and services, enabling the addition of ten (10) police officers, two (2) sergeants, two (2) public safety aides, a crime analyst and a part-time lieutenant, providing patrol, crime prevention, and investigation exclusively within the City Center District.
- Wayfinding directory signage-including the installation of monument directory signs within District rights of way, to direct residents and visitors to City offices and services.
- Miami Beach Botanical Garden renovation, including renovations of the building, greenspace and site improvements, lighting, planting, irrigation, and acoustic improvements.
- Collins Canal Enhancement Project, including development of a bicycle path connecting the Venetian Causeway on Biscayne Bay with the Beachwalk on the Atlantic Ocean.

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- A $20 million overhaul of the Lincoln Road Pedestrian Mall, partially funded by Lincoln Road businesses. Project scope consisted of new lighting, refurbishing pedestrian surfaces, street furnishings, healthy tree fertilization systems, milling and resurfacing pavement surfaces and cross walk enhancements, as well as developing a Lincoln Road Master Plan Study and funding improvements at the Euclid Avenue Plaza on Lincoln Road.
- Washington Avenue streetscape work around the City Center District, including sanitation and sewer improvements.
- Convention Center / Lincoln Road Streetway Connectors Improvement Project enhancements of the pedestrian experience from the Convention Center Campus to Lincoln Road along Drexel Avenue, Pennsylvania Avenue, and Meridian Avenue. Work consisted of the refurbishing, resurfacing, reconstruction and general improvement of lighting, sidewalks, street furnishings, landscaping, tree fertilization systems, roads, and crosswalks. Improvements along 17 Street, from Pennsylvania Avenue to Washington Avenue, consisted of landscaping, irrigation, pedestrian lighting, and sidewalk replacement.
- Funding of capital and operational costs for the Pennsylvania Avenue Parking Garage and retail space, enabling the leasing of the commercial retail space rent-free to a cultural arts nonprofit institution, Moonlighter Makerspace. Following completion of buildout of the Learning Center and Fabrication Lab, the nonprofit will provide free STEAM programming and instruction to students at Miami Beach schools and empower workers with shared workshop space for technological innovation.

The RDA has had several accomplishments in furtherance of achieving the goals of the Redevelopment Plan. During Fiscal Year 2022, the RDA continued to invest resources in the following programs and projects:

Convention Center Campus

- In 2015, the Miami Beach Convention Center (MBCC) received a $620 million renovation. The transformation included 1.4 million sq. ft., up from 1.2 million before the 2015 renovation; 4 exhibitions halls (491,654 sq. ft); a grand lobby (98,495 sq.ft.); grand ballroom (60,979 sq ft) with 17,950 sq. ft. of pre-function space; 4 junior ballrooms include 19,714 sq. ft. Sunset Vista; 84 meeting rooms; approximately 9 acres of public green space in Collins Canal Park to the north and Pride park to the west; 800 rooftop parking spaces; $7.1 million dollar of curated public art – the largest collection of single curated public art in the United States. Upgrades to the Convention Center, together with its LEED Silver certification, allow the venue to meaningfully compete for high-impact domestic and international meetings, conference, conventions, and exhibitions. The re-imaging of the convention center is augmenting the County's $26 billion tourism industry, reputation and share of the U.S. meetings industry.

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- In 2018, Miami Beach voters approved a plan to build a convention center hotel after two previous efforts to get a hotel project approved failed. Voters authorized the lease of City land and the construction of an 800-room hotel that will connect to the Convention Center, which allows Miami Beach to execute a previously negotiated ground lease already approved by the City Commission. The terms of the lease agreement include the hotel developer paying Miami Beach either fixed rent totaling $16.6 million over the first ten (10) years or a percentage of hotel revenue, whichever is greater. Grand Hyatt has committed to the developers to oversee hotel operations. The City estimates collecting $96 million in new taxes from the hotel over thirty (30) years and construction to commence in FY 23.
- The Convention Center hotel, located at the corner of 17 Street and Convention Center Drive, will include amenities such as a resort-style pool deck, fitness center, and ballrooms. The completion of the Convention Center District, with a privately-financed hotel, will spur economic growth, attract world-class events, strengthen infrastructure with an eye toward resiliency, and improve quality of life by reducing traffic and funding education.
- To promote activation and enhance the offerings and amenities at the Miami Beach Convention Center Campus, the City issued an RFP for the food and beverage operations of the historic Carl Fisher Clubhouse with Annex, believed to be the oldest structures in Miami Beach. The introduction and utilization of the two properties will allow greater synergy between the Convention Center, Collins Canal Park, and other nearby public assets such as Pride Park and the Miami Beach Botanical Garden. The activation of the two properties in Collins Canal Park will allow event planners/organizers to expand their events outside of the convention center In addition, agreements with Art Basel Miami Beach, Centerplate, OVG360 (formerly Spectra Venue Management) and the Greater Miami Convention and Visitors Bureau (GMCVB) recognize the importance of conventions and conferences for the achievement of the RDA arts, culture, and economic goals, and serve to promote Miami Beach as a world-class meeting destination.

Collins Park Cultural Arts Campus

- The recently completed Collins Park Garage, located at 340 23 Street, spans an entire block of 23 Street, between Park Avenue and the vacated Liberty Avenue. The Collins Park Garage is located immediately adjacent to the Miami City Ballet headquarters, within the Collins Park Cultural Arts Campus, a signature achievement of the RDA.
- The City Commission approved a lease agreement of the ground floor of the Collins Park Garage with nonprofit cultural arts partner, Miami New Drama, Inc. The Collins Park Cultural Facility will activate the first floor space with a flexible black box theater, rehearsal space, and a neighborhood restaurant/café.
- The City Commission also approved a development agreement and ground lease

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for the adjacent Collins Park Artist Workforce Housing Project, featuring Miami City Ballet dormitory housing, and is to be the first of its kind in the City of Miami Beach.
- Community policing initiatives, including enhanced staffing levels and services allowed for patrols and specialized services within the City Center District, including the Lincoln Road corridor, Convention Center District and Collins Park neighborhood. These services also included crime prevention and investigation.
- Code Compliance services were provided via an enforcement officer detail assigned to the Redevelopment District which respond to complaints, and proactively patrolling the City Center District to ensure City Code compliance by businesses, sidewalk cafes, vendors, and other applicable entities.
- Parks Landscape Maintenance services were provided to provide beautiful public spaces that improved the quality of life and supported recreational opportunities.
- Park Ranger Program offers patrol of park facilities to maintain a safe environment, enforce City Code and ordinances, and serve as ambassadors providing information to resident, tourists and park guests.
- Greenspace services including daily landscape maintenance services for the City's rights-of-way (north and south rights-of-way, Lincoln Road Mall, parking lots and facilities, coastal areas) irrigation system services, and pest control.
- Sanitation services are provided to enhance the cleanliness of the District via daily litter control and pressure washing services to Lincoln Road, the Beachwalk and Collins Park Cultural Campus.

Planning for capital improvements, public programs, and the initiatives to further the goals of the Redevelopment Plan is an annual budgetary process, with adjustments made to priorities as needs change within the Redevelopment Area. The Redevelopment Plan provides public policy regarding long-range development within the district, which is implemented via the City’s five (5) year capital projects plan. Along with the participation of the County, including a County Commissioner serving as a voting member on the RDA, the City and RDA will continue to evaluate and implement a comprehensive approach to projects which address the many needs within the City Center District, including neighborhood enhancements and community programs, park renovations and upgrades, and construction of public facilities.

<u>Affordable Housing Programs</u>
In 2014, the Third Amendment of the Interlocal Agreement, as adopted by RDA Resolution No. 607-2014 and City Commission Resolution No. 2014-28835, provided for bond financing for the renovation and expansion of the Miami Beach Convention Center—a cultural facility and economic driver that was a focal point for original creation of the district in 1993. As a condition precedent to the Third Amendment, the County required that all available excess Trust Fund revenues be used for the prepayment of debt prior to maturity of the tax increment revenue bonds. In addition, the Third Amendment stipulated

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that the use of TIF revenue for operating expenses may not exceed more than three percent (3%) of the prior fiscal year expenses. The practical effect of limiting growth and requiring that excess revenues be used to satisfy existing debt is that the RDA is precluded from incurring or introducing any additional costs for new programs that were not existing before. The requirement that excess revenues be used to prepay existing bond debt was again restated in the Fourth Amendment to the Interlocal Agreement, as adopted by RDA Resolution No. 628-2017.

Miami Beach Redevelopment Agency
Report for the fiscal year ended
September 30, 2022

No funds were expended for affordable housing during fiscal year 2022.