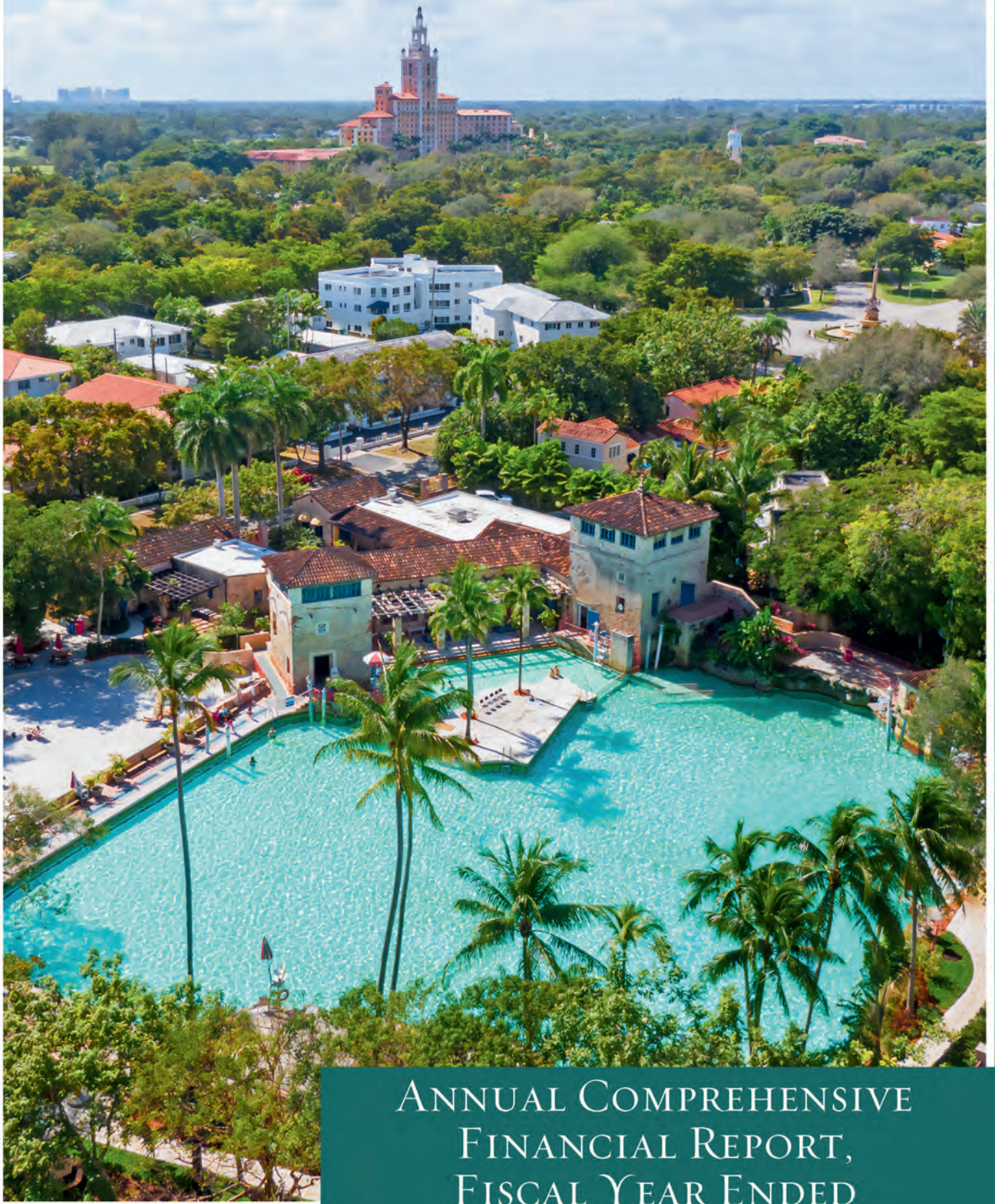


CORAL GABLES

THE CITY BEAUTIFUL



ANNUAL COMPREHENSIVE
FINANCIAL REPORT,
FISCAL YEAR ENDED
SEPTEMBER 30, 2023

ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF CORAL GABLES, FLORIDA

For the
FISCAL YEAR ENDED
September 30, 2023



"The City Beautiful"

Prepared by
FINANCE DEPARTMENT

CITY OF CORAL GABLES, FLORIDA

COMMISSION - MANAGER FORM OF GOVERNMENT

CITY COMMISSION

VINCE C. LAGO, *MAYOR*

RHONDA ANDERSON, *Vice Mayor*
MELISSA CASTRO, *Commissioner*

KIRK R. MENENDEZ, *Commissioner*
ARIEL FERNANDEZ, *Commissioner*

CITY MANAGER

AMOS ROJAS, Jr.

FINANCE DIRECTOR

DIANA M. GOMEZ, C.P.A.

ASSISTANT FINANCE DIRECTOR FOR REPORTING AND OPERATIONS

SALLY OLA OLA, C.P.A.

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The City of Coral Gables

Finance Department

405 BILTMORE WAY
CORAL GABLES, FLORIDA 33134

May 31, 2024

Honorable Mayor
Members of the City Commission
City Manager
Citizens of the City of Coral Gables

We are pleased to present the Annual Comprehensive Financial Report of the City of Coral Gables, Florida (the "City") for the fiscal year ended September 30, 2023, pursuant to Florida state law. The financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB") and audited by independent certified public accountants, RSM US LLP, retained by the City and paid from its public funds. The independent auditor has issued an unmodified opinion that the financial statements fairly present the financial position of the City and comply with applicable reporting standards.

Responsibility for the accuracy and fairness of the presentation, including disclosures, rests with management of the City. We believe the data, as presented, is accurate in all material respects, and is in a format designed to fairly set forth the financial position and results of operations of the City, and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included. The City of Coral Gables has established comprehensive internal controls designed to ensure that the City's assets are protected from loss, theft or misuse and adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"). Since the cost of internal controls should not exceed the benefits likely to be derived, the City's internal controls are designed to provide reasonable assurance that these objectives are met.

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

PROFILE OF THE CITY

The City has a residential population of approximately 49,851 and encompasses 12.92 square miles southwest of Miami in Miami-Dade County, Florida. Since its incorporation in 1925, it has been considered one of South Florida's premier residential communities. The City has approximately 11 million square feet of office space and has developed into an international center of commerce serving as divisional headquarters for more than 150 multinational companies and 19 consulates and trade offices. The downtown area of Coral Gables is a vibrant business environment due to its central location, proximity to international travel hubs, quality dining, and exceptional hotels. The University of Miami, the largest private employer in Coral Gables, instructs approximately 19,000 students and employs approximately 19,334 full-time faculty and staff.

The City supports both the residential and business sectors with excellent City services, having attained the highest possible standards in every field. The Coral Gables Police Department and Fire Department are both fully accredited, an honor matched by very few cities in the U.S. The Coral Gables Fire Department is one of only a handful of fire departments in the nation to hold both the distinction of being both a recognized ISO Class 1 as well as accredited through the Commission on Fire Accreditation International. The Coral Gables Police Department embodies this standard with their most recent CALEA reaccreditation, receiving the Gold Standard Accreditation with Excellence. Only one percent of all national law enforcement agencies have been distinguished with this accreditation.

The City is one of only three cities in Florida and the only one in Miami-Dade County with three “AAA” bond ratings. Fitch Ratings has joined Standard & Poor’s and S&P Global Ratings in assigning the City with a “AAA” bond rating. According to Fitch Ratings, Coral Gables' 'AAA' *"reflects the strength of its financial reserves, broad budgetary flexibility and prudent management that support an expectation for stable financial performance through economic cycles. Coral Gables' economic resource base is robust and underpins its credit strengths, particularly the affordability of long-term liabilities and favorable revenue growth prospects."*

According to opendoor.com., the City of Coral Gables ranks as the 11th best family-friendly cities in 2023. The factors taken into consideration include families’ desire for community, simpler living, and an opportunity to build a network of like-minded families in green spaces. Also, the City of Coral Gables is home to over 60 developed parks, and 92% of residents live within a 10-minute walk of an outdoor recreation space.

The City is named among Top 100 Best Places to Live by Livability.com, an online resource that defines the best places to live in America. It released its 2018 Top 100 Best Places to Live and the City of Coral Gables has rightfully earned a spot in this year's ranking. More than 2,100 cities with populations between 20,000 and 350,000 were evaluated in this landmark study. The site uses the best data and research available to determine what makes a Best Place to Live and identifies the cities that embody these qualities. In addition to being one of the Best Places to Live, Coral Gables is also among the Top 10 Cities for Book Lovers. Moreover, the City was voted “Favorite Area in the 305” by YELP, an international online guide; and Wall Street named the City as “sixth most walkable suburbs in the US”. The Venetian Pool, Coral Gable’s historic natural freshwater pool was voted one of the world’s coolest pool by Travel and Leisure Magazine and earned the Jeff Ellis Platinum Safety Award (the highest level awarded for open water).

The City of Coral Gables was named an “Overall Global Winner of the 2023 Smart 50 Awards”. The City’s Innovation and Technology Team was awarded as one of the three global winners from the overall awardee pool consisting of over 1,000 applications worldwide; 50 awardees from eight countries; and 3 overall global winners.

The City of Coral Gables won first place in the Government Experience Award in 2023 at the GovX Summit which showcases the latest trends in the evolving experience of government and honors jurisdictions that have elevated technology standards to establish an intuitive, customer-centric approach in delivering essential resident services. According to GovX, *“The City of Coral Gables has successfully orchestrated the centralization of its customer-centric technology services; that has since blossomed into an all-encompassing ‘mastery hub’ catering to the diverse needs of the City’s residents”*.

Coral Gables has been named a "Tree City USA" for 38 consecutive years. To live up to this title, the City joined the Fairchild Tropical Botanic Garden in launching the “Million Orchid Project” with the goal of reintroducing a total of one million orchids across Miami-Dade County; of which 250,000 will be planted throughout the City. In addition, to preserve the City’s lush tree canopy, a \$4.5 million Tree Succession Plan has been adopted and implemented with the ongoing goal of replacing diseased trees as well as adding over 3,000 new trees and palms citywide. The City is also in the process of replacing the 1,000 city trees lost in Hurricane Irma.

The City is proud to own one of only three National Landmarks in Miami-Dade County: The Biltmore Hotel, designated in 1996. There are also eleven properties listed on the National Register of Historic Places, including

The Biltmore Hotel, Coral Gables Merrick House, Venetian Pool and Coral Gables City Hall, as well as over 1,450 locally designated properties.

For fourteen consecutive years, Coral Gables has been designated as a Playful City USA community. Playful City USA is a national recognition program that honors cities and towns across the country for taking bold steps that make it easy for all kids to get the balanced and active play they need to thrive. Coral Gables has been recognized for its efforts to create a more playable, family-friendly community.

Coral Gables was recognized as a city where entrepreneurs can thrive and was ranked the third best city in the nation for small businesses by Verizon’s partner company, Go.Verizon.com in its *2019 Best Small Cities to Start a Small Business* report for the National Small Business Week and Economic Development Week. According to Go.Verizon.com, more than 300 small cities were evaluated on their financial climate, demographics, education level of the workforce, in-city commute times, income per capita, broadband access, availability of SBA loans and overall tax friendliness for small businesses.

ECONOMIC CONDITION AND OUTLOOK

For fiscal year 2023, taxable values are the highest in the history of the City at \$22.0 billion (based on January 2022 taxable values) which represents a 15% increase over the previous tax year of \$19.1 billion (based on January 2021 taxable values) generating an increase in property tax revenue of approximately \$12.7 million. For fiscal year 2023, the property tax rate was 5.559 which is the eighth consecutive year the City maintained the same millage rate.

The City Commission adopted an annual budget for fiscal year 2023 and a 3-year city-wide strategic plan that captured the programmatic and budgetary priorities of the City with supporting action plans and performance measurements destined to make Coral Gables “a world-class City with a hometown feel”. The annual budget together with the 3-year strategic plan and 5-year capital plan charted a deliberate and measurable path to world class excellence that supports the steadfast implementation of the City’s sound financial policies. The fiscal year 2023 budget provided for additional funds towards the capital improvement program totaling \$43.9 million. Highlights include replacement of capital equipment of \$2.9 million, facility repairs and improvements of \$1.8 million, historic facility repairs and restorations of \$8.1 million, motor pool equipment replacement of \$3.6 million, parking system repairs and improvements of \$1.3 million, parks and recreation amenity improvements of \$3.9 million, public safety improvements of \$9.6 million, transportation and roadway improvements of \$3.8 million and utility repairs and improvements of \$9.0 million.

The City remains steadfast in its commitment to maintain the gold standard in services and infrastructure its residents and businesses expect.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

The City has a formal policy to keep in reserve 25% of the City’s operating budget plus debt service requirement for fiscal year 2023. The City has met the reserve requirement of \$54.80 million as of September 30, 2023. The fund balance reserve requirement was established as the City’s “rainy day” fund.

Under the oversight of the City Manager’s Office, the City combined the Human Resources and Risk Management departments to ‘enhance operational management.’ In fiscal year 2023, the City purchased ‘new security cameras, public Wi-Fi, GPS, and passenger count system for use within Coral Gables Trolleys.’

The City completed the design for the Mobility Hub project. In the future, it will replace the outdated Garage 1 facility. Furthermore, the City procured forty new pay stations bringing the total inventory to 255 pay stations citywide. Also, the City completed the rehabilitation of several parking lots which included new lighting, landscaping and pavement, installation of eight EV charging ports and new ADA parking spaces.

The City implemented a piloted drone technology which enhances the Police Department’s ability to protect and respond during emergencies and/or large-scale events. Plans were also put in place to add a new Police unit dedicated to patrolling Downtown Coral Gables. This in turn will expand the City’s presence in the Central Business District.

Aira was launched in the City’s central business district. “Aira is a free service that connects blind and low vision people to highly trained, remotely located Visual Interpreters through the cameras of their smartphones. At the touch of a button, Aira connects customers who need immediate visual assistance with anything from reading in-store signage to product labels.”

The City received LEED for Cities Gold certification, the world’s most widely used green building rating system and was recognized for implementing practical and measurable strategies and solutions to improve sustainability. Earned the Keep Florida Beautiful 2022 Outstanding Project Award for a mangrove cultivation project, in partnership with the Coral Gables Garden Club. The City installed the first reverse vending machine at the War Memorial Youth Center to encourage recycling of plastic bottles and aluminum cans.

The City passed a resolution in 2015 authorizing the implementation of the unfunded pension liability accelerated pay down policy. The policy was adopted to reduce the amount of time to fully fund the current unfunded liability amount and where funds are available, eliminate any future pension unfunded liabilities as they may arise. This resolution allows for budgeting additional payments above the annual required contribution in order to more quickly fund the unfunded liability. As part of the implementation of the policy, the City contributed an additional \$7.63 million to the Coral Gables Retirement System in October 2022 which was applied towards the unfunded liability. The City has contributed a total of \$36.49 million in additional funds towards the unfunded liability since fiscal year 2016.

The City is maintaining financial stability with fiscal management controls by constantly reviewing and monitoring staff levels, and by comparing budget appropriations to actual expenditures, and estimated revenues to actual revenues. The City maintains a level of revenue sufficient to meet operating expenditures. User fees are monitored and adjusted to match increased costs while at the same time being competitive in the market place. By strictly adhering to these controls, the City was able to maintain the fund balance reserve to a responsible level of at least 25% of the operating budget plus debt service payment requirements of the following year.

The City Commission adopted an annual budget for fiscal year 2023-2024 and a new 3-year strategic Management Plan that captures the programmatic and budgetary priorities of the City Commission while continuing its path to world class excellence that support the steadfast implementation of the City’s sound financial policies.

The fiscal year 2024 budget provides for additional funds towards the capital improvement program totaling \$46.3 million. Highlights include replacement of capital equipment of \$2.8 million, facility repairs and improvements of \$4.7 million, historic facility repairs and restorations of \$8.0 million, motor pool equipment replacement of \$4.8 million, parking system repairs and improvements of \$1.4 million, parks and recreation amenity improvements of \$7.3 million, public safety improvements of \$2.2 million, transportation and roadway improvements of \$6.4 million and utility repairs and improvements of \$8.7 million.

The 2023-2025 Strategic Plan was implemented at the start of fiscal year 2023. The new three-year strategic plan is a city-wide work program that positions the City for consistent success moving forward. This plan includes improved processes, ongoing community satisfaction survey to further guide improvements and validate successes, well-trained employees, financial sustainability, and greener business practices. The annual budget adopted by the City represents the comprehensive financial plan on resource allocation, timeliness and deliverables for each action plan tied to the new strategic plan.

The City's first Sustainability Master Plan is underway, which is part of the City's overall commitment to strategic and comprehensive sustainability planning throughout all City departments. Focus areas include six sustainable elements such as energy efficiency, resource conservation, land use and transportation, waste minimization, education and outreach, and climate resiliency. As part of the Sustainability Master Plan, the City has developed an eight-year vehicle replacement program budget that utilizes a mixture of funds from the motor pool reserves and increments from recurring revenues to plan and finance the fleet replacement in a manner consistent with standard vehicle replacement cycles. This plan will improve the fuel efficiency and reduce operating costs of the City's fleet system.

The City is taking actions to reduce the carbon footprint through improved infrastructure, with the addition of the Grand Avenue Loop to the free trolley service. This new loop is intended to reduce car use by encouraging public transportation, as the new loop will provide service from the Douglas Metro Station. The City passed a Green Building Ordinance in April 2016 that requires buildings in Coral Gables to be built according to the latest applicable version of the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) Silver certification or equivalent. This applies to all new City buildings, buildings being constructed on City of Coral Gables property, and all buildings to be built over 20,000 square feet which are not owned by the City of Coral Gables. With this new law, the City is encouraging new development which utilizes sustainable design and construction best practices. The City's Green Building Ordinance recognizes the positive environmental impacts of energy and water-efficient building designs, as well as construction, operation and maintenance methods and materials. This Ordinance is aligned with a number of other environmentally friendly initiatives that have been implemented in Coral Gables, all aimed at creating a more sustainable and resilient community.

The City is proud to have the largest municipal fleet of electric vehicles (EV) in the State of Florida, and currently has 70 electric vehicles.

The City received a Bronze designation from the national SolSmart program for making it faster, easier, and more affordable for homes and businesses to go solar. This designation recognizes the City for taking bold steps to encourage solar energy growth and remove obstacles to solar development. For companies looking to expand, a SolSmart Bronze designation is a signal that the City is "open for solar business."

Climate change is an issue that Coral Gables takes very seriously with particular weight placed on rising sea level. The City has dedicated \$250,000 in partnership with Florida International University to analyze mitigation and adaptation strategies for the community. City of Coral Gables is planning for the future by undergoing a community vulnerability assessment. The assessment will identify the City's at-risk infrastructure and will propose adaptation and mitigation strategies to deal with the projected effects of rising sea level. In addition, the City implemented a Sea Level Rise Funding Program where the goal is to accumulate \$100 million by the year 2040 to support future sea level mitigation/infrastructure improvements. As a funding strategy to provide and accumulate funds for capital infrastructure improvements, the City increased the user rates and set aside this fund for this purpose.

FINANCIAL INFORMATION

Budgetary Controls. The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the general fund and debt service funds are included in the annual appropriated budget. Project-length financial plans are adopted for the capital projects funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the total appropriated for expenditures in all funds. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Open encumbrances generally are reappropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

OTHER INFORMATION

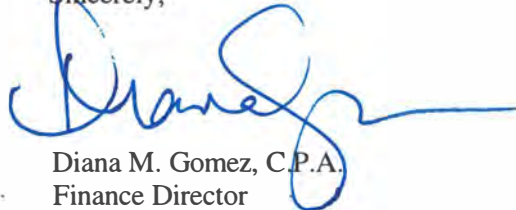
Independent Audit. The City Charter and State Statutes require an annual audit. The accounting firm of RSM US LLP was appointed by the City Commission. The Audit engagement requires the independent auditor to report on the fair presentation of the financial statements and on the City's internal controls and compliance with applicable requirements.

Awards. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report for the fiscal year ended September 30, 2022. This was the thirty ninth consecutive year that the City has received this award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments. The preparation of the annual comprehensive financial report was made possible by the dedicated service of the entire staff of the Finance Department. Sincere appreciation is extended to each member of the Finance Department for their contributions made in the preparation of this report. This report would not have been possible without the continued leadership and support of the Mayor, City Commission and City Manager.

Sincerely,

A handwritten signature in blue ink, appearing to read "Diana Gomez", with a long horizontal flourish extending to the right.

Diana M. Gomez, C.P.A.
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

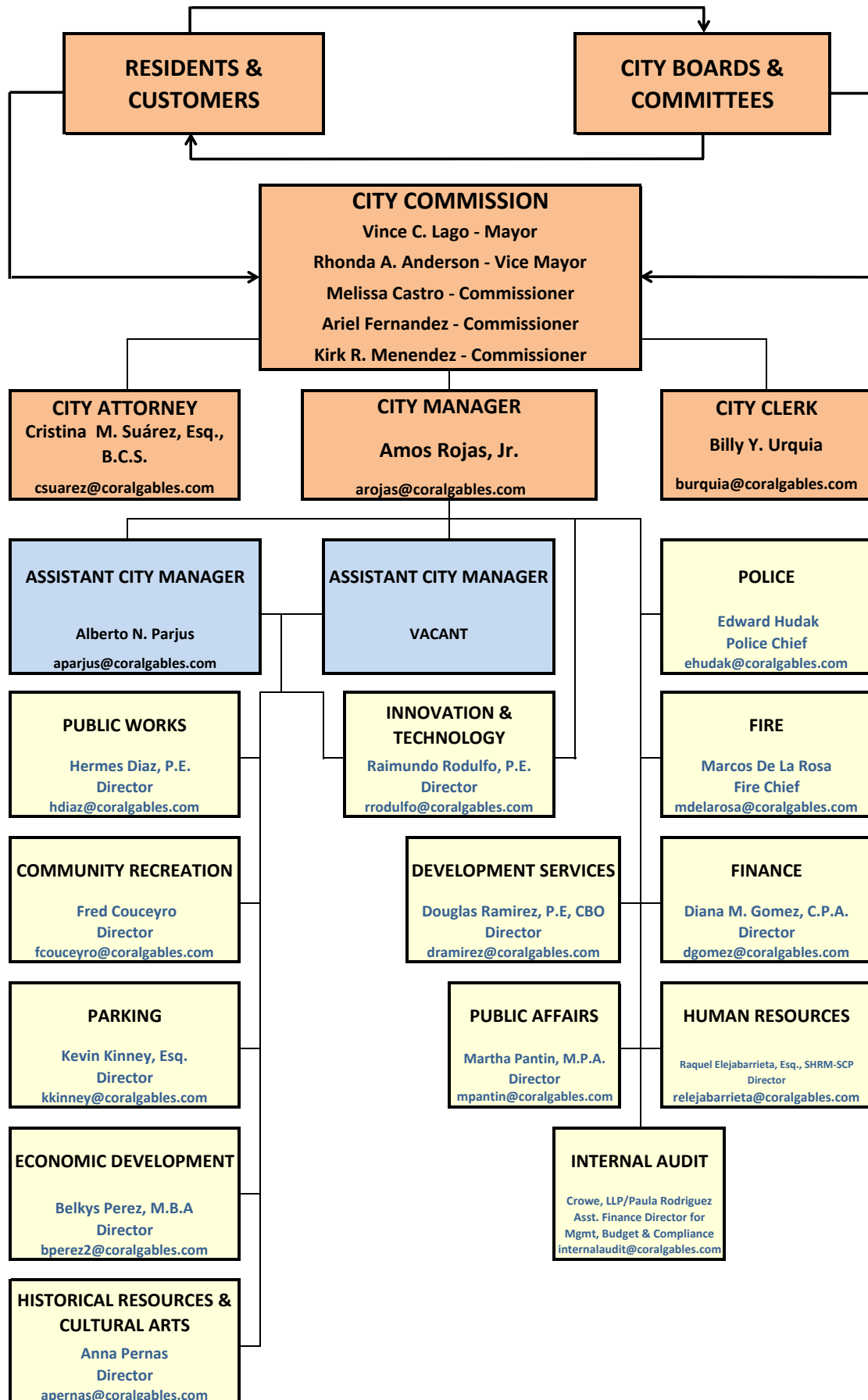
Presented to

**City of Coral Gables
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Executive Director/CEO



CITY OF CORAL GABLES LIST OF PRINCIPAL OFFICIALS



VINCE C. LAGO
MAYOR



RHONDA ANDERSON
VICE MAYOR



KIRK R. MENENDEZ
COMMISSIONER



MELISSA CASTRO
COMMISSIONER



ARIEL FERNANDEZ
COMMISSIONER



BILLY Y. URQUIA
CITY CLERK



AMOS ROJAS, Jr.
CITY MANAGER



CRISTINA SUAREZ
CITY ATTORNEY

ALBERTO N. PARJUS
ASSISTANT CITY MANAGER

DEPARTMENT DIRECTORS

Community Recreation	Fred Couceyro
Development Services	Douglas Ramirez
Economic Development	Belkys Perez
Finance	Diana M. Gomez
Fire Chief	Marcos De La Rosa
Historical Resources	Ana Pernas
Human Res. & Risk Mgmt.	Raquel Elejabarrieta
Information Technology	Raimundo Rodulfo
Parking	Kevin J. Kinney
Police Chief	Edward Hudak
Public Affairs	Martha Pantin
Public Works	Hermes Diaz



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Financial Section

REPORT OF INDEPENDENT CERTIFIED
PUBLIC ACCOUNTANTS

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

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NOTES TO FINANCIAL STATEMENTS

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(Unaudited)

NOTES TO REQUIRED SUPPLEMENTARY
INFORMATION (Unaudited)



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Independent Auditor's Report

Honorable Mayor and Members of the City Commission
City of Coral Gables, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Coral Gables, Florida (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the City of Coral Gables Retirement Fund, Police Officers' Pension Fund and Firefighters' Pension Fund (the Plans), which represent 89%, 92% and 66%, respectively, of the assets, net position and revenues/additions of the aggregate remaining fund information as of September 30, 2023. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Plans, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA), as of October 1, 2022. As a result, beginning right-to-use SBITA asset and SBITA liability balances were restated. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 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 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, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining individual fund financial statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections 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.

RSM US LLP

Coral Gables, Florida
May 31, 2024



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MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

This section of the City of Coral Gables, Florida (the City) financial statements presents management’s analysis of the City’s financial performance during the fiscal year that ended on September 30, 2023. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our Letter of Transmittal and the City’s financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2023 by \$359.32 million (net position). Of this amount, the unrestricted net position is \$35.60 million which increased by \$34.89 million when compared to prior year mainly due to the positive change in net position of \$55.08 million. Further analysis of the positive change in net position is discussed in the following pages of this document.
- As of the close of the current fiscal year, the City’s governmental funds reported combined fund balances of \$186.75 million, an increase of \$29.38 million in comparison with the prior year. The General Fund’s unassigned fund balance of \$54.78 million met the City’s formal policy which sets the unassigned fund balance at 25% of the City’s operating budget plus debt service requirement of fiscal year 2024.
- At the end of the current fiscal year, the total of the committed, assigned, and unassigned components of fund balances for the general fund which includes the aforementioned 25% reserve, was \$72.98 million or 41.80% of the total general fund expenditures and is available for future spending.
- The City has no general obligation debt outstanding.
- The 2022-2023 annual principal and semi-annual interest payments on special revenue bonds are 100% funded from the non-ad valorem revenues of the General Fund; and operating revenues of the Parking System Fund, Sanitary Sewer System Fund; and the Stormwater Utility Fund.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. The basic financial statements consist of three parts: government-wide financial statements, fund financial statements and notes to the financial statements.

This report also includes required supplementary information that provides more detail to some of the information in the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad overview of the City's finances and reports information using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the City's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. It provides information about the nature and amounts of investments in resources (assets and deferred outflows of resources) and the obligations to City creditors (liabilities and deferred inflows of resources). Net position, the difference between assets, plus deferred outflows of resources, less liabilities and deferred inflows of resources, provides the basis for computing the City's rate of return, evaluating its capital structure, and assessing its liquidity and financial flexibility. Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial position is improving or deteriorating.

The Statement of Activities measures the City's operating activity performance over the past year and can be used to determine whether the City has successfully recovered all its costs through its services provided, as well as its credit worthiness. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods.

The government-wide statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include general government, public safety, physical environment, transportation, economic environment and culture and recreation. Business-type activities include a stormwater utility, a sanitary sewer collection system and a parking system.

The government-wide financial statements can be found on pages 18-19 of this report.

Fund Financial Statements

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, these funds focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains nine individual governmental funds. Information is presented separately for the general fund, debt service fund and capital project general improvement fund, as they are considered major funds. Data for the other governmental funds are aggregated into a single presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 22-25 of this report.

Proprietary Funds - The City maintains two different types of proprietary funds, i.e., Enterprise Funds and Internal Service Funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its stormwater utility, sanitary sewer collection system and parking system. Internal service funds are an accounting device used to accumulate and allocate costs between the City's various functions. The City uses internal service funds to account for its motor pool and facility maintenance and operations divisions, as well as for its workers' compensation, general liability, and health insurance programs. Since these services primarily support governmental rather than business-type functions, they have been included within governmental activities in the government-wide statements.

Proprietary funds provide the same type of information as the government-wide statements. Separate information is provided for each of the City's enterprise funds, however, the City's internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data are presented in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 28-30 of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside of the government and, consequently, are not reflected in the government-wide statements because the resources are not available to support the City's own programs. The accounting for fiduciary funds is much like that of proprietary funds.

The basic fiduciary fund financial statements can be found on pages 31-32 of this report.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found beginning on page 33 of this report.

Other information - In addition to the basic financial statements and notes, this report also presents certain required supplementary information concerning the City's net pension liability and total OPEB liability. Additionally, the City adopts an annual appropriated budget for its general fund and debt service fund. A budgetary comparison schedule has been provided as required supplementary information for the general fund to demonstrate compliance with this budget. Required supplementary information can be found beginning on page 92 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds and fiduciary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found beginning on page 102 of this report.

Government-Wide Financial Analysis

Our analysis of the government-wide financial statements of the City begins below. One of the most important questions asked about the City's finances is "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City's activities in a way that will help answer this question. These two statements report the net position of the City and changes in them. You can think of the City's net position as one way to measure financial health or financial position.

Over time, increases or decreases in the City’s net position are one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors such as changes in economic conditions, regulations and new or changes to government legislation. As of September 30, 2023, the City’s total net position increased by \$55.08 million when compared to the prior year which indicates that the City’s overall financial position has continued to improve.

To begin our analysis, a summary of the City’s government-wide Statement of Net Position is presented in Table A-1.

Table A-1

Condensed Statement of Net Position (in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 285.32	\$ 257.71	\$ 72.09	\$ 72.65	\$ 357.41	\$ 330.36
Capital assets	302.71	297.40	69.21	60.15	371.92	357.55
Total Assets	588.03	555.11	141.30	132.80	729.33	687.91
Total Deferred Outflows of Resource	89.18	33.50	3.98	1.23	93.16	34.73
Current liabilities	35.66	31.13	4.28	5.83	39.94	36.96
Noncurrent liabilities	348.73	257.32	33.16	30.04	381.89	287.36
Total Liabilities	384.39	288.45	37.44	35.87	421.83	324.32
Total Deferred Inflows of Resource	37.80	89.45	3.54	8.12	41.34	97.57
Net Position:						
Net Investment in capital assets	199.56	193.52	57.33	45.49	256.89	239.01
Restricted	47.98	46.57	18.85	14.46	66.83	61.03
Unrestricted (Deficit)	7.48	(29.38)	28.12	30.09	35.60	0.71
Total Net Position	\$ 255.02	\$ 210.71	\$ 104.30	\$ 90.04	\$ 359.32	\$ 300.75

The major component of the City’s net position is “net investment in capital assets”, which represents the City’s investment in its capital assets, net of the amounts borrowed to purchase these assets. An additional portion of the City’s net position of \$66.83 million, or 18.60% of the net position, is restricted due to external restrictions on how they may be used. The City’s unrestricted net position is \$35.60 million.

For the governmental activities, capital assets represent 51.48% of total assets, while noncurrent liabilities represent 90.10% of the total liabilities. For the business-type activities, these capital assets represent 48.98% of total assets, while noncurrent liabilities represent 88.57% of the total liabilities.

Current and other assets showed a net increase of \$27.61 million for governmental activities mainly due to positive results of operations of \$40.82 million as shown in the statement of activities on page 19 of this report which resulted to (a) increase of \$28.25 million in cash and investment; and (b) decrease in lease receivables of \$2.40 million which represents the annual receipts from long-term leasing activities of the City as a lessor. Current and other assets decreased by \$562 thousand for business-type activities mainly due to (a) positive results of operations of \$14.26 million which was offset by the decrease in cash and investment due to disbursements of \$10.95 million to the ongoing construction of a new parking garage and improvements to sewer system infrastructure; and (b) decrease in lease receivables of \$2.65 million which represents the annual receipts from long-term leasing activities of the City as a lessor. A more detailed analysis of this change is included in the analysis of the Proprietary Funds that follows.

Current liabilities showed a net increase of \$4.53 million for governmental activities due to (a) increase of \$3.59 million in outstanding contractor invoices related to various improvement projects; and (b) increase in unearned revenue of \$1.43 million which represents advance payments of fees and other charges from customers of various facilities of the city. Current liabilities decreased \$1.55 million for business-type activities mainly due to decrease in outstanding contractor invoices related to various improvement projects, i.e., construction of a new parking garage, sanitary sewer system inflow and infiltration maintenance projects and stormwater infrastructure maintenance and upgrades.

Total Non-current liabilities had a net increase of \$94.53 million mainly due to (a) increase in net pension liability of \$105.14 million; (b) payment of scheduled annual principal payments of \$6.53 million, and amortization of bond premium of \$1.22 million; and (c) decrease in total OPEB liability of \$5.18 million.

The deferred outflows of resources consist of deferred outflows related to pension and OPEB, and deferred charge on bond refunding. Deferred outflows related to pension and OPEB of \$92.85 million consists of difference between expected and actual experience and pension and OPEB contributions to be expensed in the subsequent period.

The deferred inflows of resources consist of deferred inflows related to pension and OPEB of \$12.93 million represents the difference between actual and expected experience and changes in assumptions; and deferred inflows related to leases of \$28.42 million represents the present value of lease payments expected to be received during the lease terms.

While the Statement of Net Position shows the change in financial position of the City's net position, the Statement of Activities provides answers as to the nature and source of these changes.

Table A-2

Condensed Statement of Activities (In millions of dollars)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
General Revenues:						
Taxes	\$ 134.37	\$ 121.04	\$ -	\$ -	\$ 134.37	\$ 121.04
Intergovernmental	7.66	7.18	-	-	7.66	7.18
Investment Earnings (Losses)	8.35	(1.03)	1.87	(1.38)	10.22	(2.41)
Gain on Sale of Capital Assets	-	-	3.47	3.49	3.47	3.49
Insurance Recoveries	-	0.50	-	-	-	0.50
Miscellaneous	0.51	0.20	-	-	0.51	0.20
Program Revenues:						
Charges for Services	63.47	58.64	38.79	37.75	102.26	96.39
Operating	2.28	10.78	-	-	2.28	10.78
Capital	0.05	0.23	0.65	0.05	0.70	0.28
Total Revenues	216.69	197.54	44.78	39.91	261.47	237.45
Expenses:						
General Government	32.04	26.64	-	-	32.04	26.64
Public Safety	94.15	79.79	-	-	94.15	79.79
Physical Environment	28.30	22.63	-	-	28.30	22.63
Transportation	8.00	7.62	-	-	8.00	7.62
Economic Environment	1.11	1.04	-	-	1.11	1.04
Culture and Recreation	18.34	14.30	-	-	18.34	14.30
Interest Expense	2.95	2.75	-	-	2.95	2.75
Sanitary Sewer System	-	-	10.04	8.34	10.04	8.34
Parking System	-	-	8.74	7.28	8.74	7.28
Stormwater Utility	-	-	2.72	2.53	2.72	2.53
Total Expenses	184.89	154.77	21.50	18.15	206.39	172.92
Increase (decrease) in net position before transfers	31.80	42.77	23.28	21.76	55.08	64.53
Transfers, net	9.02	5.30	(9.02)	(5.30)	-	-
Change in Net Position	40.82	48.07	14.26	16.46	55.08	64.53
Net Position - Beg. Restated	214.20	162.64	90.04	73.58	304.24	236.22
Net Position - Ending	\$ 255.02	\$ 210.71	\$ 104.30	\$ 90.04	\$ 359.32	\$ 300.75

*The City implemented GASB Statement No. 96 as of October 1, 2022.

*The information was not available to implement the statement for the prior periods presented in the MD&A.

Governmental Activities:

The most significant increase of revenue in governmental activities for the fiscal year 2022-2023 was taxes with an increase of \$13.33 million or 11% mainly due to (a) increase of \$10.91 million in ad valorem taxes collected during the year attributable to the increase in property values in 2022; (b) increase of \$747 thousand in franchise tax; and (c) increase of \$1.36 million in utilities service taxes.

Charges for services showed an increase of \$4.83 million with certain revenue streams showed significant increases such as (a) permit revenue of \$3.31 million which was a direct effect of timing and size of new construction projects within the City; (b) recreation fee revenue increased by \$474 thousand mainly from revenues from country club which the city assumed full operations in late 2022; (c) increase in rental income of \$546 million as collection increased on rent based on percentage of tenant's revenue; and (d) increase of \$1.35 million of fees collected from ambulance transport service, removal of excess trash and board of architect review fees.

Operating grants and contributions showed a decrease of \$8.50 million mainly due to ARPA grant funding of \$8.5 million which was fully expended and recognized as grant revenue in fiscal year 2022.

Investment earnings increase significantly by \$9.38 million mainly due to favorable market conditions.

The largest outflow of resources for the City is represented in the public safety function which represents the City's costs related to providing police and fire services, as well as various ancillary services for the protection of the City's residents and businesses. Further analysis of change in the expenditures of the governmental funds is included in the analysis of the City's major funds that follows.

Business-Type Activities:

The City's business-type activities showed an increase of approximately \$14.26 million in net position. Further analysis of this change is included in the analysis of the Proprietary Funds that follows.

Financial Analysis of the City's Major Funds

Governmental Funds

General Fund - This fund recognized \$205.55 million of revenue during the fiscal year, offset by \$168.50 million of expenditures. Taxes represent the largest portion of revenues and public safety represents the largest portion of expenditures. Overall, expenditures of General Fund increased by \$10.99 million with (a) public safety function increased \$5.5 million due to increase in personnel costs and operating expenses such as cost of property insurance and maintenance and upkeep of equipment and vehicles; (b) culture and recreation increased by \$2.5 million as a direct result of the City assuming the management and operation of its own country club which was formerly managed by a private company. The City created new divisions such as administration, banquet hall, fitness and pool, and tennis facility to operate the country club;

(c) capital outlay decreased by \$1.2 million mainly due to the purchase of a mobile incident command center in 2022.

Debt Service Fund – In fiscal year 2023, the City paid \$5.11 million in scheduled principal payments and \$3.50 million of interest payments. During the current year, the General Fund transferred \$8.05 million to Debt Service Fund to fund the principal and interest payment requirements.

Capital Project General Improvement Fund - This fund recognized revenue of \$1.44 million and \$10.30 million in capital expenditures. Significant capital project expenditures include the renovation of city hall, sidewalk extensions and additions, improvements to various parks and recreation facilities, and purchase of new enterprise resource planning system, as well as other construction and improvements to City facilities.

Proprietary Funds

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

Sanitary Sewer - Operating revenues increased by approximately \$657 thousand and operating expenses increased by approximately \$1.8 million from the prior year. For fiscal year 2023, the fee was increased by approximately 4% which generated an increase in total fees charged to customers by \$474 thousand. The increase in the operating expenses is attributable to increase in pension expense and other post-employment benefit of \$750 thousand and increase in waste disposal fee of \$663 thousand. During the current year, the Sanitary Sewer Fund spent approximately \$500 thousand on improvements to sewer system infrastructure which was funded by a capital grant from the Florida Department of Environmental Protection.

Parking System - Operating revenues in the current year were consistent with the prior year's level which indicates that the parking revenue was continuing its track to post-pandemic recovery of revenue. The operating expense showed an increase of \$1.59 million mainly related to the increase in pension expense of \$1.33 million. During the year, the Parking Fund transferred to the General Fund approximately \$11.75 million to subsidize the cost of General Fund operations, as well as a reimbursement for use of the City's administrative departments. The Parking Fund also received \$2.71 million from the Capital Project Impact Fee Fund to fund the construction of the new parking garage.

Stormwater Utility Fund - Operating revenues increased by approximately \$370 thousand from the prior year. In fiscal year 2023, the City increased the system user rates by approximately 7.7% as a funding strategy to provide and accumulate funds for sea level rise mitigation and capital infrastructure improvements. With this City Commission approved funding strategy in place, the goal is to accumulate \$100 million by fiscal year 2040. For fiscal year 2023, \$3.98 million of operating revenue related to this rate increase was recognized as addition to restricted net position and presented as Net Position - Restricted for Capital Improvements in Statement of Net Position. During the current year, the Stormwater Utility Fund spent approximately \$154 thousand on improvements to canals and waterway systems infrastructure which was funded by a capital grant from the Florida Department of Environmental Protection.

General Fund Budgetary Highlights

Budget and actual comparison schedules for the General Fund are presented in the required supplementary information. The budget and actual comparison schedules show the original adopted budgets, the final revised budget, actual results, and variances between the final budget and actual results.

After the original budget is approved, it may be amended for a variety of reasons such as unforeseen circumstances, loan proceeds, new grant awards, or other unanticipated revenues and expenditures.

Differences between the original budget and the final amended budget for the General Fund are summarized as follows:

The City's budgeted revenues increased from \$178.32 million to \$180.71 million from the original to the final budget. For the fiscal year, the budget amendments related to revenue pertain to (a) increase in intergovernmental revenues for additional grant funding from federal agency of \$1.52 million, (b) increase in recreation activity fee of \$170 thousand as direct result of the City assuming the management and operation of its own country club which was formerly managed by a private company, and (c) increase in rental income of \$489 thousand from rent income based on percentage of tenant's revenue post pandemic.

The City's budgeted expenditures increased from \$171.12 million to \$182.80 million from the original to the final budget. For the fiscal year, the budget amendments are mainly due to (a) funding of capital improvements for country club of \$1.78 million; (b) special events for \$500 thousand; (c) public safety grant activity of \$2.89 million; and (d) reappropriation of expenditures for purchase orders commitments which are funded from available fund balance.

The City budgeted \$180.71 million in revenue and recognized \$205.55 million. The City budgeted \$182.80 million in expenditures and incurred \$168.50 million.

The budget to actual positive variances in revenue were mainly due to improved trend as operations recover from the impact of the pandemic. Revenue sources that showed significant positive variance are property taxes, building permit and fees due to timing and level of activity in the construction industry, franchise, and utility service taxes; recreation fee revenue, intergovernmental revenues; and investment earnings.

The budget to actual variances in expenditures were mainly due to management initiatives towards more prudent control on spending, and timing on the spending and progress of long-term projects and initiatives of the City.

Capital Assets and Debt Administration

Capital Assets

The City's capital assets for its governmental and business type activities as of September 30, 2023 amounted to \$362.30 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, parks, roads, highways, bridges and long-term subscription of information technology systems and

applications. The City’s investment in net capital assets increased by \$4.75 million from the prior year.

During the current fiscal year, significant additions in governmental activities included \$5.54 million for the improvements and renovations of City facilities, parks and other recreation facilities; purchase of various vehicles and equipment for \$3.44 million; and subscription assets due to implementation of GASB 96 related to subscription-based information technology systems and applications.

Significant additions for business-type activities included \$9.17 million in construction in progress for the new parking garage; and \$1.83 million relating to improvements to various pump stations and drainage systems.

Table A-3

Capital Assets (In millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 61.79	\$ 61.77	\$ 3.63	\$ 3.67	\$ 65.42	\$ 65.44
Construction in Progress	10.03	12.76	26.14	16.97	36.17	29.73
Infrastructure	113.07	113.07	37.83	36.00	150.90	149.07
Building	134.05	134.05	30.22	30.22	164.27	164.27
Improvements Other Than Buildings	109.01	100.74	1.90	1.90	110.91	102.64
Machinery and Equipment	66.49	63.05	5.26	5.20	71.75	68.25
Right-to-Use Leased Asset	0.57	0.57	0.81	0.77	1.38	1.34
Subscription Asset	9.62	-	-	-	9.62	-
Total Capital Assets	504.63	486.01	105.79	94.73	600.80	580.74
Accumulated Depreciation	201.92	188.61	36.58	34.58	238.50	223.19
Net Capital Assets*	\$ 302.71	\$ 297.40	\$ 69.21	\$ 60.15	\$ 362.30	\$ 357.55

*Beginning balance was restated with the implementation of GASB 96, SBITA at October 1, 2022.

Additional information on the City’s capital assets can be found in Note 5 of this report.

Debt Administration

The City has maintained its “AAA” issuer credit rating from Standard & Poor's Corporation, Moody’s Investors Service and Fitch Ratings. The City has no general obligation bonds outstanding as of September 30, 2023.

The City’s total outstanding principal debt outstanding as of September 30, 2023 was \$118.05 million. Financing is provided by a general pledge of resources other than property taxes and the amount needed is transferred from other funds.

Additional long-term liabilities include compensated absences payable, pollution remediation obligation, total OPEB liability, estimated claims liabilities related to the City’s self-insurance programs, advances from insurance company, lease and subscription liabilities, and net pension liability. The City’s General Fund is primarily utilized for the payment of these liabilities for governmental activities.

Overall, long-term liabilities increased by \$94.53 million mainly due to (a) increase in net pension liability of \$105.14 million; (b) payment of scheduled annual principal payments of \$6.53 million, and amortization of bond premium of \$1.22 million; (c) decrease in total OPEB liability of \$5.18 million; (d) decrease in claims payable of \$2.57 million; (e) recognition of subscription liability of \$4.35 million related to implementation of GASB 96 related to subscription-based information technology systems and applications.

Table A-4

Long-Term Liabilities (In millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Special Obligation Debt	\$ 95.55	\$ 101.46	\$ 22.50	\$ 24.34	\$ 118.05	\$ 125.80
Estimated Insurance Claims	11.10	13.67	-	-	11.10	13.67
Accrued Compensated Absences	12.18	11.68	0.46	0.41	12.64	12.09
Finance Purchase	0.18	-	-	-	0.18	-
Lease Liabilities	0.32	0.50	0.28	0.50	0.60	1.00
Subscription Liabilities	4.35	-	-	-	4.35	-
Pollution Remediation Obligation	2.91	2.70	-	-	2.91	2.70
Advances from Insurance Company	0.06	0.06	-	-	0.06	0.06
Total OPEB Liability	19.00	23.97	0.79	1.00	19.79	24.97
Net Pension Liability	203.08	103.28	9.13	3.79	212.21	107.07
Total *	\$ 348.73	\$ 257.32	\$ 33.16	\$ 30.04	\$ 381.89	\$ 287.36

*Beginning balance was restated with the implementation of GASB 96, SBITA at October 1, 2022.

Additional information on the City's long-term debt can be found in Note 7 of this report; net pension liability and total OPEB liability are discussed in Notes 8 and 9, respectively, of this report.

Economic Factors and Next Year's Budget and Rates

Local, national, and international economic factors influence the City's revenue. The pandemic had a major effect on the local and global economies, both at current and future state. For fiscal year 2022-2023, City's revenues have surpassed prior years by a healthy margin. The boom in the housing market has given the City a substantial boost in overall property values and generating a 12.6% increase in taxable values. Expenditures, on the other hand, increase due to the recent increase in inflation. The City carefully balanced the distribution of increased revenue to cover increased expenditures.

Economic growth in the local economy may be measured by a variety of indicators such as employment growth, unemployment rate, new construction and assessed property valuation. Net assessed value of real and personal property within the Miami-Dade County increased by 12.7%.

The City is considered one of the premium office markets in South Florida, with approximately 10 million square feet of existing prime office space. This submarket is desirable due to its proximity to Miami International Airport and downtown Miami area, while also being

convenient to executive housing, allowing residents to live and work in the City Beautiful. Access to client entertaining, world-class restaurants and first-class hotels, in addition to rich cultural offerings and a broad range of retail establishments, are also seen as important amenities to attract business and growth.

The City of Coral Gables offers a wide range of housing choices including rental units, condominiums, and single-family homes in a stable residential real estate market. Over the years, homes in the City have appreciated at a rate greater than many of the surrounding areas. The City's property tax millage rate will be 5.559 for FY 2023-2024 and it is the 12th lowest combined tax rate out of 35 taxing entities in Miami-Dade County, Florida. The estimated average taxable value of a homesteaded property in the City was \$870,321 in 2023, has increased by approximately 20% since 2018. Strict zoning laws, a favorable property tax rate, together with beautiful residential areas, make the City of Coral Gables a sought-after address.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City's Finance Director, 405 Biltmore Way, Coral Gables, Florida 33134.

Basic Financial Statements

Government-Wide Financial Statements

Fund Financial Statements

Notes to the Financial Statements

CITY OF CORAL GABLES, FLORIDA
STATEMENT OF NET POSITION
September 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 28,106,552	\$ 10,024,897	\$ 38,131,449
Restricted Cash and Cash Equivalents	3,978,882	9,103,559	13,082,441
Investments	148,135,781	17,634,245	165,770,026
Restricted Investments	51,725,125	22,352,637	74,077,762
Accounts Receivable, Net	13,622,704	5,598,792	19,221,496
Interest Receivable	1,720,199	218,466	1,938,665
Assessment Liens Receivable	6,420,713	69,696	6,490,409
Lease Receivable	26,070,830	3,320,228	29,391,058
Internal Balances	(2,950,021)	2,950,021	-
Due from Other Governments	5,545,006	814,233	6,359,239
Inventory	66,430	-	66,430
Prepaid and Deposits	2,879,889	-	2,879,889
Capital Assets Not Being Depreciated:			
Land	61,786,592	3,633,468	65,420,060
Construction in Progress	10,030,779	26,140,051	36,170,830
Capital Assets, Net of Accumulated Depreciation:			
Infrastructure	10,298,875	22,529,717	32,828,592
Buildings	100,736,933	14,092,892	114,829,825
Improvements Other Than Buildings	86,477,912	1,169,871	87,647,783
Machinery and Equipment	24,690,453	1,369,188	26,059,641
Right-To-Use Leased Assets and SBITA Assets	8,686,585	279,055	8,965,640
Total Assets	<u>588,030,219</u>	<u>141,301,016</u>	<u>729,331,235</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	311,672	-	311,672
Deferred Outflows Related to Pension	85,953,433	3,862,066	89,815,499
Deferred Outflows Related to OPEB	2,914,155	121,424	3,035,579
Total Deferred Outflows of Resources	<u>89,179,260</u>	<u>3,983,490</u>	<u>93,162,750</u>
LIABILITIES			
Accounts Payable	14,872,097	3,547,889	18,419,986
Accrued Payroll	1,826,532	66,282	1,892,814
Unearned Revenue	10,821,093	233,850	11,054,943
Due to Other Governments	212,160	-	212,160
Deposits Payable	7,923,854	433,477	8,357,331
Noncurrent Liabilities:			
Due Within One Year	39,945,646	3,039,162	42,984,808
Due In More Than One Year	308,783,340	30,118,693	338,902,033
Total Liabilities	<u>384,384,722</u>	<u>37,439,353</u>	<u>421,824,075</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Leases	25,393,143	3,023,273	28,416,416
Deferred Inflows Related to Pension	908,511	40,821	949,332
Deferred Inflows Related to OPEB	11,505,553	479,399	11,984,952
Total Deferred Inflows of Resources	<u>37,807,207</u>	<u>3,543,493</u>	<u>41,350,700</u>
NET POSITION			
Net Investment in Capital Assets	199,561,729	57,325,515	256,887,244
Restricted for:			
Debt Service	6,488,784	-	6,488,784
Public Safety	22,546,312	-	22,546,312
Mobility Improvements	1,851,988	-	1,851,988
Capital Improvements	5,751,726	18,854,029	24,605,755
Law Enforcement	1,537,519	-	1,537,519
Public and Historic Art	7,728,070	-	7,728,070
Records Management	2,078,591	-	2,078,591
Unrestricted	7,472,831	28,122,116	35,594,947
Total Net Position	<u>\$ 255,017,550</u>	<u>\$ 104,301,660</u>	<u>\$ 359,319,210</u>

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

CITY OF CORAL GABLES, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2023

FUNCTION/PROGRAM	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General Government	\$ 32,037,145	\$ 34,571,319	\$ -	\$ -	\$ 2,534,174	\$ -	\$ 2,534,174
Public Safety	94,152,458	10,413,421	1,788,936	-	(81,950,101)	-	(81,950,101)
Physical Environment	28,296,055	9,831,810	98,162	50,578	(18,315,505)	-	(18,315,505)
Transportation	8,000,690	535,703	391,198	-	(7,073,789)	-	(7,073,789)
Economic Environment	1,114,250	51,988	-	-	(1,062,262)	-	(1,062,262)
Culture and Recreation	18,337,059	8,069,149	-	-	(10,267,910)	-	(10,267,910)
Interest on Long-term Debt	2,949,982	-	-	-	(2,949,982)	-	(2,949,982)
Total Governmental Activities	184,887,639	63,473,390	2,278,296	50,578	(119,085,375)	-	(119,085,375)
Business-type Activities:							
Sanitary Sewer System	10,042,095	12,503,884	-	500,000	-	2,961,789	2,961,789
Parking System	8,743,346	18,510,060	-	-	-	9,766,714	9,766,714
Stormwater Utility	2,716,809	7,772,131	-	154,130	-	5,209,452	5,209,452
Total Business-type Activities	21,502,250	38,786,075	-	654,130	-	17,937,955	17,937,955
Total	\$ 206,389,889	\$ 102,259,465	\$ 2,278,296	\$ 704,708	(119,085,375)	17,937,955	(101,147,420)
General Revenues:							
Taxes:							
Property Taxes					107,249,183	-	107,249,183
Franchise Fees					9,417,230	-	9,417,230
Utilities Service Taxes					13,354,827	-	13,354,827
Other Taxes					4,348,585	-	4,348,585
Intergovernmental, not restricted for specific programs					7,661,089	-	7,661,089
Investment Earnings (Losses)					8,353,893	1,871,334	10,225,227
Miscellaneous					505,992	-	505,992
Gain on Sale of Capital Assets					-	3,466,800	3,466,800
Transfers					9,016,330	(9,016,330)	-
Total General Revenues and Transfers					159,907,129	(3,678,196)	156,228,933
Change in Net Position					40,821,754	14,259,759	55,081,513
Net Position - Beginning, as restated (Note I (bb))					214,195,796	90,041,901	304,237,697
Net Position - Ending					\$ 255,017,550	\$ 104,301,660	\$ 359,319,210

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



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Major Governmental Funds

General Fund - to account for all financial resources that relate to the general operations of the City, except for those required to be accounted for in another fund.

Debt Service Fund – to account for and report the financial resources that are restricted, committed, or assigned for the periodic payment of principal, interest, and expenditures on special obligation long-term debt of governmental funds, specifically, special revenue bonds issued by the City for various capital projects

Capital Project General Improvement Fund - to account for and report the financial resources that are restricted, committed, or assigned for the acquisition or construction of various major capital improvements except those financed by enterprise funds.

CITY OF CORAL GABLES, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2023

	Major Funds			Nonmajor Funds	
	General Fund	Debt Service Fund	Capital Project General Improvement Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Pooled Cash and Cash Equivalents	\$ 4,876,354	\$ -	\$ 18,372,134	\$ 2,276,565	\$ 25,525,053
Restricted Pooled Cash and Cash Equivalents	-	1,832,150	445,913	1,700,819	3,978,882
Pooled Investments	74,712,994	-	49,796,202	3,418,496	127,927,692
Restricted Pooled Investments	41,907,323	-	1,134,550	8,683,252	51,725,125
Accounts Receivable, Net	13,260,580	11,000	40,432	165,294	13,477,306
Interest Receivable	1,118,276	-	321,270	104,270	1,543,816
Streetscape Projects Assessment Liens Receivable	-	6,371,814	-	-	6,371,814
Other Liens Receivable	48,899	-	-	-	48,899
Lease Receivable	26,070,830	-	-	-	26,070,830
Due from Other Funds	495,754	-	-	-	495,754
Due from Other Governments	3,909,075	-	327,550	1,308,381	5,545,006
Prepaid and Deposits	17,996	-	-	-	17,996
Total Assets	166,418,081	8,214,964	70,438,051	17,657,077	262,728,173
LIABILITIES					
Accounts Payable	6,713,234	1,726,180	2,947,146	1,869,030	13,255,590
Accrued Payroll	1,757,676	-	-	7,520	1,765,196
Due to Other Funds	-	-	-	495,754	495,754
Unearned Revenue	10,794,293	-	26,800	-	10,821,093
Refundable Deposits	7,923,854	-	-	-	7,923,854
Due to Other Governments	212,160	-	-	-	212,160
Total Liabilities	27,401,217	1,726,180	2,973,946	2,372,304	34,473,647
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows from Leases	25,393,143	-	-	-	25,393,143
Unavailable Revenue	9,325,698	6,371,814	347,982	63,676	16,109,170
Total Deferred Inflow of Resources	34,718,841	6,371,814	347,982	63,676	41,502,313
FUND BALANCES					
Nonspendable:					
Prepaid Items	17,996	-	-	-	17,996
Restricted to:					
Law Enforcement	1,537,519	-	-	-	1,537,519
Public and Historic Art	7,653,070	-	75,000	-	7,728,070
Records Management	2,078,591	-	-	-	2,078,591
Public Safety Communication System	-	-	200,116	-	200,116
Florida Building Code Fund	19,881,001	-	-	-	19,881,001
Debt Service Reserve	-	116,970	-	-	116,970
Police and Fire System Improvements	-	-	50,000	2,405,850	2,455,850
Parks System Improvements	-	-	390,775	3,580,409	3,971,184
New Public Safety Complex	-	-	40,585	-	40,585
Mobility Improvement Projects	-	-	-	1,851,988	1,851,988
Fire Station/Trolley Garage	-	-	209,461	-	209,461
Other Physical Environment	149,321	-	614,526	368,063	1,131,910
Impact Fee Administration	-	-	-	816,549	816,549
Assigned to:					
Pension Stabilization	1,000,000	-	-	-	1,000,000
Historical Preservation	94,555	-	-	-	94,555
Other Transportation Projects	-	-	9,652,541	-	9,652,541
Other Public Safety Projects	79,698	-	11,896,309	-	11,976,007
Other Parks and Recreation Projects	-	-	20,448,032	-	20,448,032
Other Physical Environment	-	-	3,264,925	-	3,264,925
Other Capital Projects	-	-	13,639,261	6,224,647	19,863,908
Other Purposes	17,024,522	-	6,634,592	-	23,659,114
Unassigned	54,781,750	-	-	(26,409)	54,755,341
Total Fund Balances	104,298,023	116,970	67,116,123	15,221,097	186,752,213
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 166,418,081	\$ 8,214,964	\$ 70,438,051	\$ 17,657,077	\$ 262,728,173

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

CITY OF CORAL GABLES, FLORIDA
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 September 30, 2023

Total Fund Balances - Governmental Funds \$ 186,752,213

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. 289,549,600

Other long-term assets are not available to pay current period expenditures and, therefore are reported as unavailable revenue in the governmental funds. 16,109,170

Internal service funds are used by management to charge the costs of certain activities such as insurance and fleet management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 20,473,956

The Statement of Net Position includes an adjustment to reflect an allocation of the internal service funds income to business-type activities. This adjustment decreases the Internal Balances account of governmental activities. (2,950,021)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Compensated Absences	\$	(11,839,480)	
Special Obligations Debt Payable		(92,620,004)	
Premium on Special Obligation Debt Issued		(2,930,479)	
Deferred Charge on Bond Refunding		311,672	
Leases Liabilities		(320,574)	
Subscription Liabilities		(4,351,402)	
Finance Purchase		(181,626)	
Pollution Remediation Obligation		(2,902,000)	
Total OPEB Liability		(18,009,939)	
Net Pension Liability		<u>(196,015,285)</u>	(328,859,117)

Deferred inflows/outflows of resources in the Statement of Net Position will be recognized in future periods.

Deferred Outflows of Resources Related to Pension	82,962,578		
Deferred Inflows of Resources Related to Pension	(876,899)		
Deferred Outflows of Resources Related to OPEB	2,762,375		
Deferred Inflows of Resources Related to OPEB	<u>(10,906,305)</u>		73,941,749

Total Net Position - Governmental Activities \$ 255,017,550

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

CITY OF CORAL GABLES, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2023

	Major Funds		Nonmajor Funds		
	General Fund	Debt Service Fund	Capital Project General Improvement Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 130,021,240	\$ -	\$ -	\$ 4,348,585	\$ 134,369,825
Licenses	3,715,034	-	-	-	3,715,034
Permits	19,918,933	-	-	-	19,918,933
Fines and Forfeitures	1,255,386	-	-	-	1,255,386
Intergovernmental	9,223,271	-	-	391,198	9,614,469
Charges for Services	21,492,407	-	-	-	21,492,407
Recreation Activity Fees	7,210,222	-	-	-	7,210,222
Rental Income	5,872,368	-	-	3,223	5,875,591
Investment Earnings (Loss)	6,382,779	27,686	1,391,557	551,871	8,353,893
Special Assessments	-	680,342	4,156	5,035,433	5,719,931
Contributions and Donations	35,820	-	45,766	-	81,586
Miscellaneous	423,505	-	-	82,487	505,992
Total Revenues	205,550,965	708,028	1,441,479	10,412,797	218,113,269
EXPENDITURES					
Current:					
General Government	24,367,154	23,854	3,067,524	318,580	27,777,112
Public Safety	95,473,588	-	197,943	2,928,857	98,600,388
Physical Environment	23,467,419	-	366,513	5,226,894	29,060,826
Transportation	3,999,300	-	773,611	3,757,057	8,529,968
Economic Environment	1,172,018	-	34,304	-	1,206,322
Culture and Recreation	16,743,774	-	1,222,342	-	17,966,116
Debt Service:					
Retirement of Principal	1,989,475	5,110,628	-	-	7,100,103
Interest	196,351	3,510,329	-	-	3,706,680
Capital Outlay	1,089,818	-	4,634,580	1,240,906	6,965,304
Total Expenditures	168,498,897	8,644,811	10,296,817	13,472,294	200,912,819
Excess (deficiency) of Revenues Over (Under)					
Expenditures before Other Financing Sources (Uses)	37,052,068	(7,936,783)	(8,855,338)	(3,059,497)	17,200,450
OTHER FINANCING SOURCES (USES)					
Proceeds from Finance Purchase	216,507	-	-	-	216,507
Transfers In	11,078,795	8,050,573	30,210,215	214,074	49,553,657
Transfers Out	(34,814,074)	-	(54,232)	(2,717,780)	(37,586,086)
Total Other Financing Sources (Uses)	(23,518,772)	8,050,573	30,155,983	(2,503,706)	12,184,078
Net Change in Fund Balances	13,533,296	113,790	21,300,645	(5,563,203)	29,384,528
Fund Balances - Beginning	90,764,727	3,180	45,815,478	20,784,300	157,367,685
Fund Balances - Ending	\$ 104,298,023	\$ 116,970	\$ 67,116,123	\$ 15,221,097	\$ 186,752,213

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

CITY OF CORAL GABLES, FLORIDA
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 For the Fiscal Year Ended September 30, 2023

Net Change in Fund Balances - Total Governmental Funds **\$ 29,384,528**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay expense exceeded depreciation expense and net disposal of assets in the current period.

Depreciation and Amortization Expense	\$ (12,059,943)	
Capital Outlay	<u>6,965,304</u>	(5,094,639)

Revenues recognized in the statement of activities which are not available are not recognized in the governmental funds.

Change in unavailable revenues	<u>(1,420,206)</u>	(1,420,206)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but reduces long-term liabilities in the statement of net position. This is the amount by which repayment exceeded the amount issued in the current period.

Loan Repayments	5,110,628	
Lease Repayments	179,069	
Finance Purchase Repayments	34,881	
Subscription Liability Repayments	1,775,525	
Deferred Charge on Bond Refunding	(43,184)	
Finance Purchase Issued	<u>(216,507)</u>	6,840,412

Internal service funds are used by management to charge the cost of certain activities, such as insurance and fleet management, to individual funds. The net revenue of internal service funds is reported with governmental activities.

1,679,146

The amount of the internal service fund's income on transactions with business-type activities was eliminated from the governmental activities in the statement of activities.

(324,127)

Expenses in the statement of activities that do not require the use of current financial resources are not reported in the government funds.

Compensated Absences	(513,024)	
Pollution Remediation	(202,000)	
Amortization of Premium on Special Obligations		
Debt Issued	<u>799,882</u>	84,858

Other postemployment benefits (OPEB) and pension expenses were reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, the increase or decrease in OPEB and net pension liabilities were not reported as an expenditure or (credit) in the governmental funds.

Other postemployment benefit expenses	1,136,351	
Pension expense	<u>8,535,431</u>	9,671,782

Change in Net Position of Governmental Activities **\$ 40,821,754**

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



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Major Proprietary Funds

Sanitary Sewer System Fund - accounts for the operation and maintenance of a sanitary sewer collection system providing services to certain residents of the City, the University of Miami and certain non-resident sewer connections in areas adjacent to the City. All activities necessary to provide these services are accounted for in this fund.

Parking System Fund - accounts for the operation of on-street and off-street automobile parking facilities, including five parking garages, to the residents, merchants, and visitors of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, construction maintenance and financing.

Stormwater Utility Fund - accounts for the operation and maintenance of a storm water collection system providing services to all residents, and commercial properties of the City. All activities necessary to provide these services are accounted for in this fund.

CITY OF CORAL GABLES, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2023

	BUSINESS -TYPE ACTIVITIES-ENTERPRISE FUNDS					
	MAJOR FUNDS				GOVERNMENTAL	
	SANITARY SEWER SYSTEM FUND	PARKING SYSTEM FUND	STORMWATER UTILITY FUND	TOTALS	ACTIVITIES - INTERNAL SERVICE FUNDS	
ASSETS						
Current Assets:						
Pooled Cash and Cash Equivalents	\$ 1,616,513	\$ 4,906,884	\$ 3,501,500	\$ 10,024,897	\$ 2,581,499	
Pooled Investments	7,490,306	7,603,835	2,540,104	17,634,245	20,208,089	
Accounts Receivable, Net	3,127,645	505,289	1,965,858	5,598,792	145,398	
Interest Receivable	63,941	61,125	93,400	218,466	176,383	
Inventories	-	-	-	-	66,430	
Assessment Liens Receivable	69,696	-	-	69,696	-	
Lease Receivable	-	3,320,228	-	3,320,228	-	
Due from Other Governments	500,000	94,893	219,340	814,233	-	
Prepaid and Deposits	-	-	-	-	2,861,893	
Total Current Assets	12,868,101	16,492,254	8,320,202	37,680,557	26,039,692	
Noncurrent Assets:						
Restricted Pooled Cash and Cash Equivalents	6,461,860	364,190	2,277,509	9,103,559	-	
Restricted Pooled Investments	5,990,862	1,073,500	15,288,275	22,352,637	-	
Capital Assets:						
Land	97,980	3,535,488	-	3,633,468	-	
Buildings	-	30,223,473	-	30,223,473	-	
Construction in Progress	3,743,457	22,210,780	185,814	26,140,051	-	
Infrastructure	32,264,145	-	5,562,597	37,826,742	-	
Improvements Other Than Buildings	-	1,899,004	-	1,899,004	-	
Machinery and Equipment	689,584	4,469,455	98,655	5,257,694	38,497,195	
Right-To-Use Leased Assets	-	816,042	-	816,042	-	
Accumulated Depreciation	(13,585,221)	(21,049,759)	(1,947,252)	(36,582,232)	(25,338,666)	
Total Noncurrent Assets	35,662,667	43,542,173	21,465,598	100,670,438	13,158,529	
Total Assets	48,530,768	60,034,427	29,785,800	138,350,995	39,198,221	
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Outflows Related to Pensions	970,007	2,245,388	646,671	3,862,066	2,990,855	
Deferred Outflows Related to OPEB	30,356	60,712	30,356	121,424	151,780	
Total Deferred Outflows of Resources	1,000,363	2,306,100	677,027	3,983,490	3,142,635	
LIABILITIES						
Current Liabilities:						
Accounts Payable	1,604,218	1,688,985	254,686	3,547,889	1,616,507	
Accrued Payroll and Other Expenses	15,854	39,417	11,011	66,282	61,336	
Deposits Payable	69,287	364,190	-	433,477	-	
Unearned Revenue	-	233,850	-	233,850	-	
Accrued Compensated Absences	57,261	148,502	41,571	247,334	205,261	
Lease Liability	-	272,874	-	272,874	-	
Estimated Liability for Claims Payable	-	-	-	-	3,868,000	
Special Obligations Debt Payable	670,000	715,170	99,904	1,485,074	-	
Total OPEB Liability	9,319	18,638	9,319	37,276	46,594	
Net Pension Liability	250,310	579,421	166,873	996,604	771,789	
Total Current Liabilities	2,676,249	4,061,047	583,364	7,320,660	6,569,487	
Noncurrent Liabilities:						
Accrued Compensated Absences	43,194	109,923	62,334	215,451	135,138	
Estimated Liability for Claims Payable	-	-	-	-	7,231,000	
Advances from Insurance Company	-	-	-	-	62,760	
Lease Liability	-	8,211	-	8,211	-	
Special Obligations Debt Payable	14,025,000	4,675,142	857,780	19,557,922	-	
Premium on Special Obligations Debt Payable	783,910	630,473	40,075	1,454,458	-	
Total OPEB Liability	188,592	377,185	188,592	754,369	942,963	
Net Pension Liability	2,041,522	4,725,745	1,361,015	8,128,282	6,294,692	
Total Noncurrent Liabilities	17,082,218	10,526,679	2,509,796	30,118,693	14,666,553	
Total Liabilities	19,758,467	14,587,726	3,093,160	37,439,353	21,236,040	
DEFERRED INFLOWS OF RESOURCES						
Deferred Inflows Related to Leases	-	3,023,273	-	3,023,273	-	
Deferred Inflows Related to Pensions	10,253	23,733	6,835	40,821	31,612	
Deferred Inflows Related to OPEB	119,850	239,699	119,850	479,399	599,248	
Total Deferred Inflows of Resources	130,103	3,286,705	126,685	3,543,493	630,860	
NET POSITION						
Net Investment in Capital Assets	19,625,346	35,054,032	2,646,137	57,325,515	13,158,529	
Restricted for Capital Improvements	214,745	1,073,500	17,565,784	18,854,029	-	
Unrestricted	9,802,470	8,338,564	7,031,061	25,172,095	7,315,427	
Total Net Position	\$ 29,642,561	\$ 44,466,096	\$ 27,242,982	101,351,639	\$ 20,473,956	
Adjustment to reflect the allocation of internal service fund activities related to enterprise funds.				2,950,021		
Net position of business-type activities				\$ 104,301,660		

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

CITY OF CORAL GABLES, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2023

BUSINESS -TYPE ACTIVITIES-ENTERPRISE FUNDS					
	MAJOR FUNDS			TOTALS	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	SANITARY SEWER SYSTEM FUND	PARKING SYSTEM FUND	STORMWATER UTILITY FUND		
OPERATING REVENUES					
Charges for Services:					
Sewer Use Charges	\$ 12,503,884	\$ -	\$ -	\$ 12,503,884	\$ -
Service Use Charges	-	-	7,772,131	7,772,131	-
Billings to Departments for Insurance Protection	-	-	-	-	14,176,885
Parking Fees:					
On Street Meters	-	10,066,916	-	10,066,916	-
Meter and Permit Lots	-	2,222,800	-	2,222,800	-
Parking Garages	-	4,065,080	-	4,065,080	-
Parking Leases	-	792,004	-	792,004	-
Fines and Forfeitures	-	1,363,260	-	1,363,260	-
Rental of Equipment and Facilities to Various Funds	-	-	-	-	18,507,502
Total Operating Revenues	12,503,884	18,510,060	7,772,131	38,786,075	32,684,387
OPERATING EXPENSES					
Administration	1,327,389	3,556,657	801,620	5,685,666	3,872,913
Cost of Sales and Services	8,007,839	3,988,180	1,798,401	13,794,420	10,434,220
Benefit Payments	-	-	-	-	3,144,690
Insurance	-	-	-	-	8,712,070
Depreciation and Amortization	599,422	1,267,764	131,522	1,998,708	2,846,810
Total Operating Expenses	9,934,650	8,812,601	2,731,543	21,478,794	29,010,703
Operating Income	2,569,234	9,697,459	5,040,588	17,307,281	3,673,684
NONOPERATING REVENUES (EXPENSES)					
Interest Income (Loss)	740,132	499,219	631,983	1,871,334	783,957
Interest Expense	(233,855)	(86,325)	(27,403)	(347,583)	-
Miscellaneous	-	-	-	-	10,000
Gain on Sale of Capital Assets	-	3,466,800	-	3,466,800	162,746
Total Nonoperating Revenues (Expenses)	506,277	3,879,694	604,580	4,990,551	956,703
Income Before Contributions	3,075,511	13,577,153	5,645,168	22,297,832	4,630,387
Capital Contributions from Federal, State and Local Grants	500,000	-	154,130	654,130	-
Income Before Transfers	3,575,511	13,577,153	5,799,298	22,951,962	4,630,387
Transfers In	17,277	2,717,780	-	2,735,057	112,932
Transfers Out	-	(11,751,387)	-	(11,751,387)	(3,064,173)
Change In Net Position	3,592,788	4,543,546	5,799,298	13,935,632	1,679,146
Net Position - Beginning	26,049,773	39,922,550	21,443,684		18,794,810
Net Position - Ending	\$ 29,642,561	\$ 44,466,096	\$ 27,242,982		\$ 20,473,956
Adjustment to reflect the allocation of internal service fund activities related to enterprise funds.				324,127	
Change in net position of business-type activities				\$ 14,259,759	

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

CITY OF CORAL GABLES, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2023

	BUSINESS -TYPE ACTIVITIES-ENTERPRISE FUNDS					
	MAJOR FUNDS					GOVERNMENTAL
	SANITARY SEWER SYSTEM FUND	PARKING SYSTEM FUND	STORMWATER UTILITY FUND	TOTALS		ACTIVITIES - INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers and Users	\$ 12,366,820	\$ 18,494,061	\$ 7,689,937	\$ 38,550,818	\$	32,627,805
Payments to Employees	(1,391,193)	(2,824,953)	(822,896)	(5,039,042)		(4,068,579)
Payments to Suppliers	(8,568,036)	(5,254,887)	(1,693,701)	(15,516,624)		(25,065,068)
Net Cash Provided by Operating Activities	2,407,591	10,414,221	5,173,340	17,995,152		3,494,158
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers in from Other Funds	17,277	2,717,780	-	2,735,057		112,932
Transfers out to Other Funds	-	(11,751,387)	-	(11,751,387)		(3,064,173)
Net Cash Provided By (Used In) Noncapital Financing Activities	17,277	(9,033,607)	-	(9,016,330)		(2,951,241)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and Construction of Capital Assets	(2,917,877)	(8,112,462)	(60,813)	(11,091,152)		(3,633,981)
Proceeds from Sale of Capital Assets	-	3,500,000	-	3,500,000		162,746
Contributions from Other Governments and Private Sources	600	-	-	600		10,000
Principal Paid on Debt	(640,000)	(683,490)	(95,882)	(1,419,372)		-
Interest Paid on Debt	(455,988)	(269,898)	(41,375)	(767,261)		-
Net Cash Used In Capital and Related Financing Activities	(4,013,265)	(5,565,850)	(198,070)	(9,777,185)		(3,461,235)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of Investments	(34,803,839)	(16,419,233)	(43,683,703)	(94,906,775)		(76,551,872)
Proceeds from Sale of Investments	40,990,120	24,499,913	39,894,687	105,384,720		74,280,343
Interest and Dividends Received	682,835	443,725	541,096	1,667,656		613,043
Net Cash Provided By (Used In) Investing Activities	6,869,116	8,524,405	(3,247,920)	12,145,601		(1,658,486)
Net Increase (Decrease) in Cash and Cash Equivalents	5,280,719	4,339,169	1,727,350	11,347,238		(4,576,804)
Cash and Cash Equivalents - Beginning	2,797,654	931,905	4,051,659	7,781,218		7,158,303
Cash and Cash Equivalents - Ending	\$ 8,078,373	\$ 5,271,074	\$ 5,779,009	\$ 19,128,456	\$	2,581,499
Reconciliation to the statement of net position						
Cash and Cash Equivalents	\$ 1,616,513	\$ 4,906,884	\$ 3,501,500	\$ 10,024,897	\$	2,581,499
Restricted Cash and Cash Equivalents	6,461,860	364,190	2,277,509	9,103,559		-
Total	\$ 8,078,373	\$ 5,271,074	\$ 5,779,009	\$ 19,128,456	\$	2,581,499
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating Income	\$ 2,569,234	\$ 9,697,459	\$ 5,040,588	\$ 17,307,281	\$	3,673,684
Adjustments to Reconcile Operating Income to Net Cash						
Provided by Operating Activities:						
Depreciation/Amortization Expense	599,422	1,267,764	131,522	1,998,708		2,846,810
Change in Assets and Liabilities and Deferred Inflows and Outflows:						
Accounts Receivable	(140,159)	6,365	(82,194)	(215,988)		(46,415)
Inventory	-	-	-	-		26,313
Net lease receivable and related deferred inflows	-	(149,804)	-	(149,804)		-
Due from Other Governments	-	177,475	-	177,475		(10,167)
Prepaid and Deposits	3,095	-	-	3,095		(399,088)
Net lease liability and related lease expense	-	(218,694)	-	(218,694)		-
Net pension liability and related deferred inflows/outflow	(47,034)	732,456	(31,355)	654,067		(122,036)
OPEB liability and related deferred inflows/outflow	(12,488)	(24,975)	(12,488)	(49,951)		(62,439)
Accounts Payable	(560,197)	(1,048,013)	104,700	(1,503,510)		172,687
Deposits Payable	-	13,574	-	13,574		-
Accrued Payroll and Other Expenses	(2,837)	(387)	1,421	(1,803)		(1,053)
Accrued Compensated Absences	(1,445)	24,610	21,146	44,311		(10,138)
Unearned Revenues	-	(63,609)	-	(63,609)		-
Claims Payable	-	-	-	-		(2,574,000)
Total Adjustments	(161,643)	716,762	132,752	687,871		(179,526)
Net Cash Provided by Operating Activities	\$ 2,407,591	\$ 10,414,221	\$ 5,173,340	\$ 17,995,152	\$	3,494,158
Noncash Capital and Related Financing Activities:						
Capital Assets Retirement, net	-	(33,201)	-	-		(1,459,700)
Accounts Payable/Retainage Payable Increase (Decrease) related to Capital Assets	(422,729)	(748,581)	(255,918)	(1,427,228)		-

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

CITY OF CORAL GABLES, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2023

	Pension Trust Funds	Custodial Funds
ASSETS		
Cash and Cash Equivalents	\$ 13,922,590	\$ 2,463,389
Receivables:		
Accrued Interest and Dividends	350,676	-
Buyback Receivable	26,483	-
Share Plan Contributions	1,761,309	-
Receivable for Securities Sold	538,983	-
Other Receivables	474,142	-
Total Receivables	<u>3,151,593</u>	<u>-</u>
Securities Lending Cash Collateral - Invested	<u>36,521,993</u>	<u>-</u>
Investments:		
U.S. Government and Agency	38,406,061	-
Corporate Bonds	10,063,582	-
Common Stocks	174,965,901	-
International Equity	64,421,358	-
Real Estate Investment Trust (REIT)	39,085,975	-
Alternative Investments	99,299,047	-
Guaranteed Investment Contract	8,596,783	-
Mutual Funds	11,129,950	-
Total Investments	<u>445,968,657</u>	<u>-</u>
Total Assets	<u>499,564,833</u>	<u>2,463,389</u>
LIABILITIES		
Accounts Payable	239,686	58,995
Payable for Securities Purchased	431,641	-
Due to Coral Gables Retirement Fund	520,066	-
Obligations under Securities Lending	36,521,993	-
Total Liabilities	<u>37,713,386</u>	<u>58,995</u>
NET POSITION		
Restricted for Pension Benefits	<u>\$ 461,851,447</u>	
Restricted for Individuals and Other Governments		<u>\$ 2,404,394</u>

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

CITY OF CORAL GABLES, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Fiscal Year Ended September 30, 2023

	Pension Trust Funds	Custodial Funds
Additions (Deductions):		
City Contributions	\$ 32,162,079	\$ -
Share Plan Contributions	145,830	-
Total Government Contributions	<u>32,307,909</u>	<u>-</u>
Employees:		
Employee contributions	4,856,197	98,032
Total Contributions	<u>37,164,106</u>	<u>98,032</u>
Investment Income:		
Net Appreciation (Depreciation) in the Fair Value of Investments	44,812,042	-
Interest and Dividends	7,507,594	-
Other Loss	(5,672)	-
Total Investment Income	<u>52,313,964</u>	<u>-</u>
Less Investment Expenses	<u>(2,450,291)</u>	<u>-</u>
Total Investment Income before Securities Lending Activity	<u>49,863,673</u>	<u>-</u>
Securities Lending Activities:		
Security Lending Income	95,840	-
Security Lending Fees and Rebates	(28,804)	-
Net Income from Security Lending Activities	<u>67,036</u>	<u>-</u>
Total Net Investment Income	<u>49,930,709</u>	<u>-</u>
Equitable Sharing Funds	<u>-</u>	<u>1,051,262</u>
Total Additions	<u>87,094,815</u>	<u>1,149,294</u>
Deductions:		
Pension Benefits Paid	44,427,936	-
Refund of Contributions	1,362,393	-
Administrative Expenses	645,607	-
Sick Leave Benefits Paid to Employees	-	60,955
Law Enforcement Operations and Administration	-	1,846,211
Total Deductions	<u>46,435,936</u>	<u>1,907,166</u>
Change in Net Position	40,658,879	(757,872)
Net Position		
Beginning of Year	421,192,568	3,162,266
End of Year	<u>\$ 461,851,447</u>	<u>\$ 2,404,394</u>

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

CITY OF CORAL GABLES, FLORIDA NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Coral Gables, Florida (the “City”) was incorporated by Special Act of the Florida Legislature, Chapter 10418 of the Laws of Florida, on April 29, 1925, which approved the original Charter for the City. In 1925, the Florida Legislature amended the original Charter by three separate acts (Chapters 10419, 11439, and 11440, Laws of Florida). In 1927, the Florida Legislature amended the Charter through the adoption of three additional Special Acts (Chapters 12631, 12632, and 12633, Laws of Florida). The original Charter, as well as the six amendments, were repealed on May 8, 1929 when, by Special Act (Chapter 13972, Laws of Florida), the Florida Legislature granted limited home rule powers to the City of Coral Gables. The 1929 Special Act created a new City Charter, which empowered the City to govern itself on certain limited matters through a City Commission and Mayor as opposed to being wholly reliant upon Special Acts of the Florida Legislature for governance. Thereafter, the City Charter was amended by referendums as well as by Special Acts of the Florida Legislature.

The financial statements of the City have been prepared in conformity with Accounting Principles Generally Accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies are described below.

(a) Reporting Entity

The accompanying financial statements present the financial position, changes in financial position, and cash flows of the government and its component unit entity for which the government is financially accountable. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

Blended component unit - Special Taxing Districts created in designated areas within the City to provide special services that are funded through the levy of non-ad valorem assessment. The City is responsible for the management of ten (10) special taxing districts located wholly within the City as a result of a special election held on January 23, 2018. The City Commission is the governing body of the special taxing district and has full responsibility for the operation and maintenance of the special taxing district such as budget development, financial management, security guard service management, contract management, guardhouse and general property and landscape maintenance around the guardhouse. The Special Taxing District is reported as special revenue fund of the City and does not issue separate stand-alone financial statements.

The City also reports Coral Gables Retirement Plan, Police Officers’ Plan, and the Firefighters’ Plan as fiduciary component units. See Note 8 Employee Pension Plans for further information.

(b) Government -Wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. As a basic rule, the government-wide financial statements are consolidated. However, an exception must be made for interfund services

provided and used between functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions, including special assessments, that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to reconcile the governmental fund-based financial statements to the governmental activities column of the government-wide presentation.

Internal Service Funds of a government (which traditionally provide services primarily to other funds of the government) are presented in summary form as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are included in the governmental activities column when presented at the governmental-wide level. To the extent possible, the costs of these services are reflected in the appropriate governmental activities.

The City's fiduciary funds are presented in the fund financial statements by type. Since by definition, these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the City, these funds are excluded from the government-wide statements.

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The financial statements of the Fiduciary Funds are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within three

months of the end of the fiscal year, to be used to pay liabilities of the current period with the exception of property tax revenue, which is deferred unless received within sixty days after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension, other post-employment benefits, leases, subscription liability, and claims and judgments, are recorded only when payment is due/liability matured.

Revenues considered measurable are recognized, if available, these include the following: Property Taxes when levied for, Special Assessments, Garbage and Trash Fees, Franchise Taxes, Utility Service Taxes, Intergovernmental when eligibility requirements are met, Charges for Services, Recreation Activity, Rental and Lease Income, Occupational License, Interest Income, and Ambulance Transport Fees of the current period. All other revenue items are considered to be measurable only when cash is received by the City.

1) Governmental Fund Types

Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets/deferred outflow of resources and liabilities/deferred inflow of resources, is referred to as “fund balance”. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following comprise the City’s major governmental funds:

General Fund - The General Fund is the City’s primary operating fund. It accounts for all financial resources that relate to the general operations of the City, except for those required to be accounted for in another fund.

Debt Service Fund – This fund is used to account for and report the financial resources that are restricted, committed, or assigned for the periodic payment of principal, interest, and expenditures on special obligation long-term debt of governmental funds, specifically, Sunshine State Notes issued by the City for various capital projects.

Capital Project General Improvement Fund – This fund is used to account for and report the financial resources that are restricted, committed, or assigned for the acquisition or construction of various major capital improvements except those financed by enterprise funds. This fund is reported as a major fund for public interest and consistency purposes.

Additionally, the City reports the following nonmajor governmental funds:

Special Revenue Fund – This fund is used to account for and report the financial resources that are restricted, or committed, for specific services such as multipurpose maintenance, security services, street lighting which are provided within the designated areas.

Capital Projects Funds – This fund is used to account for and report the financial resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities such as general and roadway improvement projects; and public parks and plazas.

2) Proprietary Fund Types

Proprietary fund types are used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position, and cash flows.

The City reports the following major proprietary funds:

Sanitary Sewer System Fund - This fund is used to account for the operation and maintenance of a sanitary sewer collection system providing services to certain residents of the City, the University of Miami and certain non-resident sewer connections in areas adjacent to the City.

Parking System Fund - This fund is used to account for the operation of on-street and off-street automobile parking facilities, including five parking garages, to the residents, merchants, and visitors of the City.

Stormwater Utility Fund - This fund is used to account for the operation and maintenance of a stormwater collection system providing services to all residents of the City and all commercial properties.

Additionally, the City also reports the following fund types:

Internal Service Funds - Internal Service Funds are used to account for fleet maintenance, general maintenance (building maintenance, utilities and general housekeeping services) and insurance services provided to other departments of the City on a cost reimbursement basis.

Pension Trust Funds - Pension Trust Funds are used to account for the accumulation of resources to be used for retirement benefits of all employees at appropriate amounts and times in the future and for supplemental retirement benefits for police officers and firefighters, and, consequently, are not reflected in the government-wide statements because the resources are not available to support the City's own programs.

Custodial Funds - Custodial Funds are used to report fiduciary activities not required to be reported in other fiduciary funds.

Employee Benefits Fund - Accounts for the value of the employees' excess sick leave balance which is paid to the employees each year through deposits in this fund, which the City handles as a custodian in accordance with the agreement between the City and its employees. The fund does not provide benefit to the City and are to be disbursed to employees upon retirement or to the employee's named beneficiary upon death.

Law Enforcement Fund - Accounts for confiscated assets of the South Florida Money Laundering Strike Force (Strike Force) which have been released by the judicial courts to be placed in the fund, which the City handles as a custodian.

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

(d) Cash and Cash Equivalents

The City maintains a cash and investment pool that is available for use by most funds. Each fund's portion of this pool is included in the financial statements as "Pooled Cash and Cash Equivalents". Cash and Cash Equivalents is defined to include cash on hand, demand deposits, cash with a state agency and investments with private agencies with original maturities of three months or less. Interest earned on pooled cash and investments is allocated monthly based on cash and investment balances of the respective funds.

(e) Fair Value Investments and Net Asset Value Per ShareFair Value Investments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are categorized within the fair value hierarchy as established by generally accepted accounting principles. The fair value hierarchy categorizes inputs to valuation techniques used to measure fair value into three levels based on the extent to which input used in measuring fair value are observable in the market. Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 – Inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2 – Inputs are other than quoted prices included within Level 1 that are observable for an assets or liability, either directly or indirectly, including quoted market prices for similar assets or liabilities in active markets.

Level 3 – Inputs are significant unobservable inputs used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations where there is little, if any, market activity for the asset or liability at the measurement date.

Net Asset Value Per Share Measurements

Net asset value per share is defined as the amount of net assets attributable to each share of capital stock (other than senior equity securities; that is, preferred stock) outstanding at the close of the period. It excludes the effects of assuming conversion of outstanding convertible securities, whether or not their conversion would have a diluting effect.

(f) Investments

The City's investments are reported at fair value as defined by GASB Statement 72 except for the position in the Local Government Surplus Funds Trust Fund. The investments held by Local Government Surplus Fund Trust Fund are allocated among two funds, LGIP (formerly known as LGIP-A) and Fund B (formerly known as LGIP-B). The value of the City's investments in LGIP funds is the same as the value of the pool shares and is recorded at amortized cost. At September 30, 2023, the City's investment in LGIP-A is \$1,144 and there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's daily access to 100 percent of the account value.

Investments for the pension plans are discussed in Notes 4 and 8.

(g) Receivables/Special Assessment/Lease Receivable

All receivables are reported net of an allowance for uncollectible amount. Receivables are analyzed for their collectability based on the terms of the agreement and the financial assessment of the creditor.

Following are the significant components of the receivables due to the City at September 30, 2023:

1. Taxes, Franchise Fees, False Alarms and Rent – This amount represents communications and utility taxes, franchise fees, false alarms and rent payments due by September 30, 2023, but not collected as of that date.
2. Waste Fees and Ambulance Transport Fees – This amount represents the unpaid, billed charges for various fines and municipal services.
3. University of Miami Development Agreement Fee – This amount represents the remaining balance of the development agreement fee assessed to the University of Miami and is to be collected over the remaining term of eight (7) years.

Special assessments primarily consist of amounts imposed by the City in accordance with City ordinance to fund certain project costs of local improvements or the service cost of related services that provide a special benefit to property based on logical relationship to the value, use, or characteristics of property identified.

Lease receivable pertains to the amount equal to the present value of lease payments expected to be received during lease terms, on noncancellable lease contracts.

(h) Due From Other Governments

Due from other governments primarily consists of amounts due to the City such as ad valorem tax, grant revenues, fines and other fees.

(i) Inventories and Prepaid Items

Inventories are stated at cost using the weighted average method. Inventory is accounted for using the consumption method, whereby inventories are recorded as expenditures/expenses when they are used.

Prepaid items are accounted for using the consumption method and recorded as expenditures/expenses in the fund level and government-wide financial statements in the period benefited.

(j) Capital Assets

Capital asset acquisitions are recorded as expenditures in the governmental fund financial statements and include right-to-use leased asset, property, plant, equipment and infrastructure assets (i.e., streets, alleys, sidewalks, drainage and lighting systems). Capital assets are recorded at historical cost in the government-wide and proprietary fund financial statements. In the case of gifts or contributions, such assets are recorded at acquisition value at the date of receipt. Capital assets are defined as assets with an initial, individual cost of more than \$1,000 plus a useful life of more than one year. See Note 1(s) for leases.

The cost 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. Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives are as follows:

<u>Asset</u>	<u>Years</u>
Buildings	50
Improvements other than Buildings	15-45
Machinery and Equipment	4-10
Infrastructure	15-80
Right-of-Use Assets and SBITA Assets	4-10

Works of arts, historical treasures and similar assets acquired, donated or constructed by the City are not capitalized. These collections of assets are held for public exhibition at the Coral Gables Museum, and or installed at outdoor civic monuments, traffic circles and fountains.

(k) Accounts Payable and Accrued Payroll

Accounts payable consists primarily of amounts due to vendors and contractors for various operational and capital purchases. Accrued payroll includes salaries and wages as well as related fringe benefits.

(l) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, the fiduciary net position of the Coral Gables Retirement Fund (the “Plan”) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

(m) Long-Term Obligations

In the government-wide and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental-wide and proprietary fund type Statements of Net Position. Bonds payable are reported net of the applicable bond premiums or discounts. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Deferred amounts (the difference between the reacquisition price and the net carrying amount) on refunding are amortized over the shorter of the remaining life of the old debt or the life of the new debt using the straight-line method, which does not result in a material difference from the effective interest method. Debt issuance costs, except for the portion which relates to prepaid insurance costs, are recognized as an expense in the period incurred. Prepaid insurance costs are reported as an asset and are recognized as expense on a straight-line basis over the duration of the related debt.

In the fund financial statements, governmental fund types recognize as applicable, bond premiums and discounts, as well as bond issuance costs. 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. Payment of debt principal and interest is reported as an expenditure.

(n) Deferred Outflows/Inflows of Resources and Unearned Revenues

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position, and deferred amounts related to pension and other postemployment benefits (OPEB) which are reported in the government-wide Statement of Net Position and Statement of Net Position of the proprietary funds. The deferred charge on refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to pension and OPEB relate to differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and OPEB related changes.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category. It is the revenues that are measurable but unavailable, which is reported in the governmental funds balance sheet; deferred amounts related to leases which is reported in the governmental funds balance sheet, and government-wide and proprietary fund statement of net position; and deferred amounts related to pension and OPEB which are reported in the government-wide financial statement and statement of net position of the proprietary funds. The governmental funds report unavailable revenue from various sources which primarily include grants and contributions, charges for services and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Resources that do not meet revenue recognition requirements (not earned) are recorded as unearned revenue in the government-wide and the fund financial statements.

(o) Interfund Transactions and Due To/From Other Funds

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

Transactions among City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved.

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective funds’ operating statements.

(p) Capital Contributions

Capital contributions are recorded in certain enterprise and internal service funds and consist primarily of donations from private sources or other governmental entities.

(q) Restricted Assets

Restricted assets of the government-wide and proprietary funds represent the balance of cash and cash equivalents and investments with imposed constraints on the use of certain revenues, unspent proceeds from the issuance of special obligation bonds for capital improvements, and funds set aside for repayment of customer deposits and debt service payment.

The Capital Project General Improvement Fund and Neighborhood Renaissance Program Fund report restricted assets representing unspent proceeds from the issuance of special obligation bonds for capital improvements. The Capital Project Impact Fees Fund reports restricted assets representing fees imposed on new developments within the City with certain constraints on their use.

The Debt Service Fund reports restricted assets set aside for debt service. The Parking Fund has restricted assets which are set aside for customer deposits.

(r) Fund Balance and Net Position

1) Fund Balance

In the fund financial statements, governmental funds report fund balance in categories as nonspendable, restricted, committed, assigned and unassigned. These categories are based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in fund balances can be spent.

The City's fund balance classification policies and procedures are as follows:

Nonspendable funds are funds that cannot be spent because they are either not in spendable form (e.g. inventories and prepaids) or are legally or contractually required to be maintained intact.

Restricted funds are funds that have constraints placed on their use either externally by creditors, grantors, contributors, laws or regulations or other governments or by law through constitutional provisions or enabling legislation.

Committed funds are funds that have constraints placed on their use through the passage of a formal action by the City Commission's highest level of decision-making authority. The City Commission has the authority to set aside funds for a specific purpose and requires the passage of a resolution or ordinance. Resolutions and ordinances are considered an equally binding form of City's highest level of formal action. The passage of a resolution or ordinance must take place prior to September 30th of the applicable fiscal year but the amount can be determined at a later date. A resolution or ordinance would also be required to modify or rescind the specific use or amount.

Assigned funds are funds that have constraints placed on their use by the City Manager. The City Manager has the authority to set aside funds for the intended use of a specific purpose. This act would be as part of the annual budget process or in the form of a written notification to the Finance Director. Any modifications or rescissions would be in a written notification to the Finance Director. Upon passage of a

budget ordinance where fund balance is used as a source to balance the budget, that amount shall be recorded as Assigned Fund Balance.

Unassigned fund balance is the residual amount of fund balance in the General Fund and deficit unassigned fund balance of other governmental funds. It represents the resources available for future spending when amount is not a deficit.

2) Net Position

Net position of the government-wide and proprietary funds are categorized as net investment in capital assets, restricted or unrestricted. The first category represents net position related to property, plant, equipment and infrastructure reduced by depreciation and outstanding debt, net of unspent debt proceeds, used to construct or purchase capital assets, and deferred inflow/outflow of resources that are attributed to the acquisition of those assets or related debt are included in this component of net position. The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by enabling legislation in excess of the related liabilities payable from restricted assets. All remaining amounts are considered to be unrestricted.

(s) Leases and Subscription Obligations

The City has both leases under which it is obligated as a lessee and leases for which it is a lessor. In addition, the City entered into several subscription-based information technology arrangements (SBITAs) for its enterprise resource planning system (ERP), cloud-based storage and software licenses.

An intangible right-to-use asset represents the City's right to use an underlying asset for the lease or SBITA term. Obligations represent the City's liability to make lease payments arising from lease agreements or SBITA agreements. Intangible right-to-use assets and lease and SBITA obligations are recognized based on the present value of lease and SBITA payments over the lease and SBITA term, where the initial term exceeds twelve months. Residual value guarantees and the value of an option to extend or terminate a lease are reflected to the extent it is reasonably certain to be paid or exercised. Variable payments, if any, based on future performance or usage are not included in the measurement of the lease obligations. Intangible right-to-use assets are amortized using a straight-line basis over the shorter of the lease or SBITA term or useful life of the underlying asset.

Lessee - The City is a lessee in noncancellable lease contracts for equipment, office space and a parking lot. The City recognizes a lease liability and an intangible right-to-use lease assets in the government-wide statement and statement of net position of the proprietary funds. At the commencement of the lease, the City 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 shorter of its useful life or lease term.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its 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 is composed of fixed payments, and purchase option price that the City is reasonably certain to exercise, if applicable.

The City 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.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt in the statements of net position.

Lessor - The City leases under noncancellable lease contracts, nonfinancial assets such as land, buildings, retail space, and parking lots. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide statement, governmental fund financial statements, and statement of net position of the proprietary funds. At the commencement of the lease, the City 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 on a straight-line basis over the lease term.

The City uses its 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.

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

Subscription-based information technology arrangements (SBITAs) – The City entered into several agreements that convey control of the right to use third-party software applications and systems by the City. The City recognized a subscription liability and an intangible right-to-use subscription assets at the commencement of the contract. The subscription liability is measured at the present value of subscription payments expected to be made during the subscription term using the City's incremental borrowing rates. A subscription asset is initially recorded at the initial measurement of the subscription liability, plus subscription payments made at the commencement of the subscription term and certain capitalizable initial implementation costs, less any vendor incentives received from the SBITA vendor at the commencement of the subscription term. The subscription term begins when the City has obtained control of the right to use the underlying subscription assets and the subscription asset is placed into service. A subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying subscription asset. Remeasurement of the subscription liability occurs when there is a change in the subscription term and/or other changes that are likely to impact the subscription liability significantly.

(t) Operating versus Non-operating Income

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to customers for sales and services. Operating revenues for the enterprise funds include sewer and stormwater service fees as well as user fees at the various City parking facilities. For the internal service funds, operating revenues include charges to other departments or various maintenance and insurance services. Operating expenses for the enterprise and internal service

funds include costs of sales and services, administrative fees, insurance payments and depreciation. All revenues and expenses not meeting this definition are considered non-operating items.

(u) Use of Resources

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

(v) Compensated Absences

City employees earn both vacation and sick leave. Vacation leave may be taken, converted into cash with certain restrictions, or accumulated up to certain limits and paid upon retirement or termination.

Sick leave may be taken or accumulated and paid up to certain limits upon retirement or death. The current liability for vacation and sick leave (up to a specified amount) is reflected in the accrued compensated absences amounts in the government-wide, proprietary, and fiduciary fund financial statements. According to City Commission Resolution No. 15199, unused sick leave in excess of the maximum amount is deferred in the Employee Benefit Fund until payable to the employee. The excess sick leave is fully funded. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Accrued compensated absences of the governmental activities is not reported in the balance sheet of the governmental funds and, accordingly, represents a reconciling item between the fund financial statements and government-wide financial statements. Payments are generally paid out of the General Fund for governmental funds.

(w) Pollution Remediation Obligation

The City accrues future pollution remediation costs that meet the measurement criteria as outlined in GASB 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. These liabilities are shown as part of the non-current liabilities in the Statement of Net Position. The City measures pollution remediation costs using the expected cash flow technique. The estimated cost of all pollution remediation is measured annually and adjusted when benchmarks are met or when new information indicates changes in estimated outlays due to changes in remediation plan or operating conditions.

(x) Pension Plans

The City provides a defined benefit pension plan covering substantially all regular full-time general, police and fire department employees. The City also provides two defined contribution plans - Police Officers' Pension Fund and Firefighters' Pension Fund, as a supplement to the benefits provided under the defined benefit pension plan.

(y) Post-Employment Benefits Other Than Pensions (OPEB)

Pursuant to Section 112.0801, Florida Statutes, the City is mandated to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retirees are required to pay 100% of the premium rates where premiums are determined based upon a blended rates used for active employees and retirees. These premium rates were adjusted to reflect differing utilization rates by age and gender and the impact of the Medicare program on claim costs. The blended rates provide an implicit subsidy for

retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

The City currently provides these benefits in accordance with the vesting and retirement requirement of the City of Coral Gables Retirement System covering substantially all regular full time general, police, and fire department employees of the City.

The City is financing the post employee benefits on a pay-as-you go basis. As determined by an actuarial valuation, the City records the total OPEB obligation in its government-wide and proprietary financial statements related to the implicit subsidy based on employee distribution. The OPEB plan does not issue separate financial statements.

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense have been determined on the same basis as they are reported by the Plan. The Plan is being funded under a "Pay-As-You-Go" basis.

Gains and losses related to changes in total OPEB liability are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of gain or loss.

(z) Risk Management

The City has a self-insurance program, for General Liability, Automobile Liability and Workers' Compensation pursuant to Florida Statute Section 768.28 (*Waiver of Statute of Limitations: Exclusions: Indemnifications; Risk Management Programs*). The City is protected by Florida Statute 768.28 which limits losses to, except for certain federal causes of action, (a) \$100,000 per person / \$200,000 per occurrence for claims arising between October 1, 1981 and October 1, 2011; and (b) \$200,000 per person / \$300,000 per occurrence for claims arising after October 1, 2011.

The discounted accrued liability for estimated insurance claims represents an estimate of the ultimate cost of settling claims arising prior to year end including claims incurred but not yet reported.

The City has fully insured individual health care plans for each employee group.

(aa) 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, liabilities and deferred inflows/outflows of resources and disclosures of contingent assets, liabilities and deferred inflows/outflows at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

(bb) New Accounting Pronouncements Adopted

In fiscal year 2023, the City adopted new statements of financial accounting standards issued by the Government Accounting Standards Board (GASB):

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The adoption of Statement No. 94 did not have a significant impact on the City's financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. The Statement is based on the principles that SBITAs are financing of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). It establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability. Additionally, the Statement provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The new SBITA standard also requires enhanced disclosures which include a general description of a SBITA arrangement, the total amount of subscription assets and the related accumulated amortization, the amount of outflow of resources recognized from SBITA contracts that are not included in the measurement of the liability, and the disclosure of the long-term effect of SBITA arrangement on a government's resources.

The City implemented Statement No. 96 in the fiscal year ended September 30, 2023. The implementation impacted the beginning subscription asset, subscription liability, and unrestricted net position balances as follows, and resulted in a restatement of the financial statements.

Statement of Net Position	Governmental Activities		
	Subscription Asset	Subscription Liability	Net Position
Balances September 30, 2022, as previously reported	\$ -	\$ -	\$ 210,707,441
Change to implement GASB No. 96:			
Initial implementation costs	3,488,355	-	3,488,355
Initial subscription asset/liability	6,126,927	6,127,927	-
Balances October 1, 2022, as restated	<u>\$ 9,615,282</u>	<u>\$ 6,127,927</u>	<u>\$ 214,195,796</u>

NOTE 2 - REAL AND PERSONAL PROPERTY TAXES

The City's property tax is levied, becomes a lien on real and personal property located on the City, and is recorded as a receivable on November 1 of each year based on the taxable value assessed as of the prior January 1. Taxable values are established by the Miami-Dade County Property Appraiser at market value, less statutory exemptions. The taxable value of property at January 1, 2022, upon which the 2022-2023 levy was based, was approximately \$19.78 billion. A tax levy of 5.5590 mills (\$5.5590 per \$1,000 of taxable value) was required to finance general operations for the fiscal year ended September 30, 2023.

NOTE 3 - RECEIVABLE

(a) Accounts receivable and allowance for doubtful accounts are summarized as follows:

	Governmental Activities	Business-Type Activities
<u>General Fund</u>		
Franchise Taxes	\$ 1,340,146	\$ -
False Alarms	125,127	-
Utility Taxes	1,141,308	-
Delinquent Waste Fees	991,795	-
Ambulance Transport Fees	1,026,538	-
Biltmore Hotel and Golf Course	249,716	-
Billable Off-Duty Salaries	415,752	-
Leased Properties - Rent Receivable	816,846	-
University of Miami Development Agreement Fee	6,113,592	-
Other	1,103,872	-
	<u>13,324,692</u>	<u>-</u>
Less: Allowance	(64,112)	-
Total	<u>13,260,580</u>	<u>-</u>
<u>Debt Service Fund</u>		
Miscellaneous	11,000	-
Total	<u>11,000</u>	<u>-</u>
<u>General Improvement Fund</u>		
Due from Cocoplum Community Property Owners	40,432	-
Total	<u>40,432</u>	<u>-</u>
<u>Other Governmental Funds</u>		
BID Accounts Receivable	165,294	-
Total	<u>165,294</u>	<u>-</u>
<u>Parking Fund</u>		
Parking Leased Space	-	490,772
Parking – General	-	402,736
		<u>893,508</u>
Less: Allowance	-	(388,219)
Total	<u>-</u>	<u>505,289</u>
<u>Sanitary Sewer Fund</u>		
Customer Receivable	-	2,964,000
Miscellaneous	-	164,060
		<u>3,128,060</u>
Less Allowance	-	(415)
Total	<u>-</u>	<u>3,127,645</u>
<u>Stormwater Fund</u>		
Service Use Charges	-	1,965,858
Total	<u>-</u>	<u>1,965,858</u>
Total Governmental Funds	<u>13,477,306</u>	
Total Business-Type Activities/Proprietary Funds		<u>\$ 5,598,792</u>
<u>Internal Service Fund</u>		
Miscellaneous	145,398	
Total Internal Service Funds	<u>145,398</u>	
Total	<u>\$ 13,622,704</u>	

(b) University of Miami Development Agreement

On September 28, 2010, the City and University of Miami (“UM”) entered into a development agreement to establish a new relationship for promoting the health, safety, welfare and cultural advancement of the City and its residents while providing for the coordinated, comprehensive, and orderly development of the UM campus. Terms and conditions of the agreement includes: annual state of the City/UM meeting, Gables Fellow Program, UM’s Coral Gables Lecture and Performances/Concert Series, Ponce De Leon beautification and improvements, “Meet the Doc” Health Care Program, consulting services, Hurricane Athletics Ticket Program, student enrollment/on-campus housing credit, City’s approval of UM’s comprehensive plan and zoning code amendments and increase in seating capacity of Watsco Center (formerly known as Bank United Center), internal road and access within the UM campuses, and conveyance of certain property between UM and the City. In consideration for the terms and conditions of the agreement and City’s satisfaction of its required approval obligations, UM agreed to pay the City a total fee of \$22 million, payable in annual payments which commenced on December 1, 2010 through December 1, 2029. The development agreement fee payment schedule and the present value of the remaining balance are as follows:

Fiscal Year	Amount
2024	\$ 1,025,000
2025	1,025,000
2026	1,025,000
2027	1,025,000
2028	1,025,000
2029-2030	2,050,000
Total payments due to the City	7,175,000
Less: Amount representing imputed interest	(1,061,408)
Present value of total remaining payments due to the City	<u>\$ 6,113,592</u>

(c) Deferred Inflows and Unearned Revenue

The components of deferred inflow of resources - unavailable revenues and unearned revenues as of September 30, 2023 are as follows:

	Unavailable Revenues	Unearned Revenues
<u>General Fund</u>		
False Alarms	\$ 111,090	\$ -
Delinquent Waste Fees	671,087	-
Ambulance Transport Fees	595,154	-
University of Miami		
Development Agreement Fee	6,113,592	-
Liens and Other Receivables	64,722	-
Prepaid Business Tax Receipts	-	3,075,459
Prepaid Waste Fees	-	6,416,871
Other fees	-	1,154,402
Grants and Contributions	1,770,053	147,561
Total	<u>9,325,698</u>	<u>10,794,293</u>
<u>Debt Service Fund</u>		
Miracle Mile/Giralda Streetscape		
Improvement Assessment	6,371,814	-
Total	<u>6,371,814</u>	<u>-</u>
<u>General Improvement Fund</u>		
Grants and Contributions	30,000	26,800
Liens and Other Receivables	317,982	-
Total	<u>347,982</u>	<u>26,800</u>
<u>Other Governmental Funds</u>		
Grants and Contributions	63,676	-
Total	<u>63,676</u>	<u>-</u>
Total Governmental Funds	<u>\$ 16,109,170</u>	
Total Governmental Activities/Funds		<u>\$ 10,821,093</u>
<u>Parking Fund</u>		
Prepaid Parking Fees	-	233,850
Total Proprietary Funds		
Business-Type Activities	<u>\$ -</u>	<u>\$ 233,850</u>

(d) Capital Project and Related Services Assessment Program

In January 2011, the City through Resolution No. 2011-25 (As Amended) approved a strategic downtown initiative for Miracle Mile and Restaurant Row or Giralda Avenue, aimed to position the City's downtown for economic growth and livability by transforming them into a beautiful, functional public space that will attract new residents and businesses and will increase the quality of life and property values.

In April 2014, the City adopted the Capital Project and Related Services Ordinance No. 2014-07 (the "Ordinance"). The Ordinance establishes the City's procedures for the imposition of capital special assessment programs for the provision of improvements and related services providing a special benefit to local areas within the City; provides for the creation of assessment areas within the City; authorizes the imposition and collection of special assessments to fund the cost of capital improvements and services providing a special benefit to local areas within the City; outlines the procedures for the establishment of an assessment area and the initial and annual implementation steps for imposing special assessments by subsequent resolution. The Ordinance also replaces the City's existing Local Improvement Act, and it provides for the adoption of Florida Statutes section 197.3632 and 197.3635, "Uniform Assessment Collection Act" authorizing the collection of non-ad valorem assessments on the same bill as ad valorem taxes.

The City adopted several resolutions required by Ordinance No. 2014-07 for the following improvement projects:

- a) Resolution No. 2014-169 - Final Assessment Resolution for Miracle Mile Improvement Project, adopted on August 26, 2014 for the provision of the improvement project, providing authority and definitions, approving the final assessment rolls, providing for the imposition of the assessment to fund the Miracle Mile improvement project, and providing for collection of the assessments pursuant to the uniform assessment collection act.

The properties located in the assessment area that specially benefit from the improvement project were allocated with total special assessment of \$7.46 million. The maximum annual assessments, which includes interest costs and other annual costs, is payable in annual installment for a period of twenty (20) years, and collection of the assessments commenced with the ad valorem tax bill in November 2017. The total maximum assessment to all property tax parcels is approximately \$11.61 million over the twenty-year period. Additionally, property owners may pay-off their assessment at any time during the 20-year repayment period. Prior to the November 2017 ad valorem tax bill, a total of \$907,596 was received from property owners who prepaid their assessment.

Total annual assessment of \$567,164, of which \$293,639 represents interest cost and other annual cost, was included in the November 2022 tax bill as non-ad valorem special assessment. As of September 30, 2023, a total amount of \$546,345 was collected from the November 2021 tax bill. In addition, \$5,619 was received from property owner as prepayment.

The estimated annual assessment including interest and other costs and the present value of the remaining assessments are as follows:

Fiscal Year	Amount
2024	\$ 566,558
2025	566,558
2026	566,558
2027	566,558
2028	566,558
2029-2033	2,832,790
2034-2037	2,266,232
Total assessments due to the City	7,931,812
Less: Amount representing interest and other costs	(2,764,579)
Present value of total remaining assessments due to the City	<u>\$ 5,167,233</u>

The total remaining special assessment of \$5.17 million is recognized as an assessment receivable and deferred inflow of resources – unavailable revenue in the Debt Service Fund financial statement.

- b) Resolution No. 2014-171 - Final Assessment Resolution for Giralda Avenue Improvement Project, adopted on August 26, 2014 for the provision of the improvement project, providing authority and definitions, approving the final assessment rolls, providing for the imposition of the assessment to fund the Giralda Avenue improvement project, and providing for collection of the assessments pursuant to the uniform assessment collection act.

The properties located in the assessment area that specially benefit from the improvement project were allocated with total special assessment of \$1.61 million. The maximum annual assessments, which includes interest costs and other annual costs, is payable in annual installment for a period of twenty (20) years, and collection of the assessments commenced with the ad valorem tax bill in November 2017. The total maximum assessment to all property tax parcels is approximately \$2.58 million over the twenty-year period. Additionally, property owners may pay-off their assessment at any time during the 20-year repayment period. Prior to the November 2017 ad valorem tax bill, a total of \$5,853 was received from property owners who prepaid their assessment.

Total annual assessment of \$125,160 of which \$49,896 represents interest cost and other annual cost, was included in November 2022 tax bill as non-ad valorem special assessment. As of September 30, 2023, a total amount of \$128,378 was collected from the November 2022 tax bill.

The estimated annual assessment including interest and other costs and the present value of the remaining assessments are as follows:

Fiscal Year	Amount
2024	\$ 125,160
2025	125,160
2026	125,160
2027	125,160
2028	125,160
2029-2033	625,800
2034-2037	500,640
Total payments due to the City	1,752,240
Less: Amount representing interest and other costs	(547,659)
Present value of total remaining assessments due to the City	<u>\$ 1,204,581</u>

The total remaining special assessment of \$1.20 million is recognized as an assessment receivable and deferred inflow of resources – unavailable revenue in the Debt Service Fund financial statement.

(e) Service Assessments for Solid Waste and Recyclable Materials

The City adopted Ordinance No. 2016-02 which established the imposition of service assessments for solid waste and recyclable materials collection and disposal service, facilities and programs against residential property within the City, established the initial and annual implementation steps for special assessments by subsequent resolution, and authorized the collection of the special assessments on the same tax bill as ad valorem taxes. Effective September 29, 2015, the City may utilize the uniform method of collection of special assessments pursuant to Florida Statutes Chapter 197, whereby residential unit owners shall pay for residential solid waste collection services and delinquent amount on the tax bill. The Ordinance also provided for the advance payment of the annual assessment at a discounted rate if paid on or before August 15 of each year.

During fiscal year 2023, the City issued the solid waste assessment bill for the annual assessment for fiscal year 2024 to allow resident owners the option of a discounted rate if paid by August 15, 2023. As of September 30, 2023, the City collected \$6.40 million of advance payments related to the annual assessment for fiscal year 2024 and the amount is reported as part of unearned revenue in the governmental fund financial statements and governmental activities – statement of net position.

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS**Deposits**

As of September 30, 2023, the City's cash, cash equivalents and investments were as follows:

	Cash and Cash Equivalents	Investments	Total
Governmental activities	\$ 32,085,434	\$ 199,860,906	\$ 231,946,340
Business-type activities	19,128,456	39,986,882	59,115,338
Pension Trust Funds	13,922,590	445,968,657	459,891,247
Custodial Funds	2,463,389	-	2,463,389
Total Cash, Cash Equivalents and Investments	<u>\$ 67,599,869</u>	<u>\$ 685,816,445</u>	<u>\$ 753,416,314</u>
Deposits			\$ 67,599,869
Investments			685,816,445
Total Deposits and Investments			<u>\$ 753,416,314</u>

The City maintains cash, cash equivalents and an investment pool that is available for use by all funds except for those which the cash and investments must be segregated due to bond indenture or other legal restrictions. The interest-bearing and non-interest-bearing bank deposits are entirely insured by the Federal Depositary Insurance Corporation or collateral held by the State Treasurer. Under provision of the Florida Security for Public Deposits Act, Chapter 280, all qualified public depositories are required to pledge collateral having a fair value equal to or greater than the depository's collateral pledging level.

Interest earned on pooled cash, cash equivalents and investments is allocated monthly based on cash and investment balances of the respective funds.

The City of Coral Gables Retirement Fund considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Included in cash and cash equivalents is cash-in-transit of \$4,906,328 held by a third party who processes payments on behalf of the Plan.

Authorized Investments

The City does not have a formal investment policy and follows the State Statutes. The State Statutes authorize the City to invest any surplus funds in notes, bonds and other obligations of agencies of the United States which are unconditionally guaranteed by the U.S. Government, commercial paper, certificates of deposit issued by domestic and foreign financial institutions in the US; and pools of investments administered by the State of Florida known as the Local Government Surplus Funds Trust Fund. These investments held by Local Government Surplus Fund Trust Fund are allocated among two funds, LGIP (formerly known as LGIP-A) and Fund B (formerly known as LGIP-B). The value of the City's investments in LGIP funds is the same as the value of the pool shares and is recorded at amortized cost. The SBA is not a registrant with the Securities and Exchange Commission. SBA accounts are not subject to custodial credit risk categorization as these investments are not evidenced by securities that exist in physical or book entry form and they do not have a credit rating.

City of Coral Gables Retirement Fund

The City of Coral Gables Retirement Fund (the “Plan”) investment policy is determined by the Plan’s Board of Trustees (the “Board”). The policy has been identified by the Board to conduct the operations of the Plan in a manner so that the assets will provide for the pension and other benefits provided under applicable laws, including City ordinances, preserving principal while maximizing the rate of return.

The Board is authorized to acquire and retain every kind of property, real, personal or mixed, and every kind of investment specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common.

Investments in all equity securities shall be limited to fully and easily negotiable equity securities and shall not exceed 70% of the market value of the total fund assets. No more than 10% (at market value) of the portfolio may be invested in the shares of a single corporate issuer. Investments in securities (equity or fixed income) issued by foreign corporations are limited to no more than 25% of fund assets. Investments in shares of public companies that have been publicly traded for less than a year are limited to no more than 15% of the market value of the total Plan assets. Convertible securities are not to exceed 10% of the market value of the total Plan assets. Equity funds may be managed through the purchase of open-ended, no-load mutual funds or commingled funds. The Board implicitly accepts the policy of a mutual fund or commingled fund when it makes a direct investment.

The fixed income portfolio shall comply with the following: the average credit quality of the bond Plan assets portfolio shall be "A" or higher. The duration of the total Plan assets should be less than 135% of the duration of the market index. Investments in all corporate fixed income securities shall be limited to securities issued by a corporation organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia. Yankee bonds and non U.S. dollar denominated bonds may not exceed 10% of the entire fixed income portfolio. No more than 10% at market of total Plan asset shall be invested in the securities of any single corporate issuer. Securities rated below "BBB" shall not exceed 15% of the market value of the Plan assets.

Investments in Collateralized Mortgage Obligations (CMOS) shall be limited to 25% of the market value of total Plan assets and shall be restricted to issues backed by the full faith of the U.S. Government, an agency thereof, or are rated AAA by a major rating service and PAC (Planned amortization class), NAC (non-accelerated securities) or VADM (very accurately defined maturity) securities.

There is no limit imposed on investments in fixed income securities issued directly by the United States Government or any agency or instrumentality thereof. Fixed income funds may be managed through the purchase of open-ended, no-load mutual funds or commingled funds. Fixed income funds purchased by investment advisors are expected to adhere to the guidelines herein. The Board implicitly accepts the policy of a mutual fund or commingled fund when it makes a direct investment.

Investments in real estate shall not exceed 15% at market valuation of the total Plan assets. All real estate investments shall be made through participation in diversified commingled funds of real properties. These funds shall be broadly diversified as to property type and location. Experienced and professional real property investment managers shall manage all real estate investments.

The Plan may invest up to 15% of the total market value of the portfolio in limited partnerships and/or private equity structures in order to diversify the Plan’s portfolio and/or to enhance the Plan’s return opportunities. It is understood that these types of investments may have limited liquidity and/or “lock-up” periods with no liquidity. It is also recognized that these types of investments may have higher fees and demonstrate highly variable returns over short periods of time. The Board shall consider special

criteria including, but not limited to, the following in evaluation of any investments in this category: tenure, expertise, and track record of management team; diversification potential of the alternative investment relative to other Plan investments; risk control provisions of the alternative investments; liquidity provisions of the alternative investment; use of leverage or other means of return enhancement by the alternative investment, fees and potential conflicts of interest associated with the alternative investment.

Police Officers' Pension Fund

The Police Officers' Pension Fund (the "Plan") investment policy is determined by the Board of Trustees (the "Board"). The policy was designed by the Board to maximize the Fund's asset value, while assuming a risk that is consistent with the Board's risk tolerance. As is prudent, the Board has adopted policy to diversify investment risk among several institutionally acceptable asset classes including equity securities, bonds debentures, and other corporate obligations. The Board is prohibited to invest in bonds issued by a corporation, state or municipality, futures, obligations issued by a foreign government (excluding the State of Israel), hedge funds, internally managed assets, limited partnerships, margin accounts, options, private equity, private mortgages, securities lending, illiquid investments and scrutinized companies published by the Florida State Board of Administration.

The Plan limits investment in the securities of any one issuer, other than the U.S. Government and its agencies, to no more than 5% of fiduciary net position. At September 30, 2023, investments more than 5% of the fiduciary net position consisted of Vanguard Short Term Bond Fund (9.77%); Vanguard Inter-Term Investment Fund (13.47%); American Funds EuroPacific Growth Fund (11.69%), and Vanguard 500 Index Admiral Fund (27.04%)

Firefighters' Pension Fund

The Firefighters' Pension Fund (the "Plan") investment policy is determined by the Board of Trustees (the "Board"). The policy was designed by the Board to preserve the purchasing power of the Plan's assets and earn a reasonable real rate of return (after inflation) over the long-term while minimizing the short-term volatility of results. To achieve these objectives, the Board adopted policy to create a conservative, well diversified and balanced portfolio of high quality equity securities, fixed income and money market securities.

Investments in equity securities shall be limited to those actively traded on a major stock exchange or NASDAQ, and shall not exceed 40% at cost of the investment manager's total portfolio. No more than 10% at cost of the plan's total assets may be invested in foreign securities. No more than 5% at cost of the portfolio total value may be invested in the shares of a single corporate issuer. Investment in equity securities issued by corporations with a total market capitalization of \$3 billion or less shall not exceed 15% of the total portfolio equity value at cost.

Investments in corporate fixed income securities shall be limited to those that hold a rating in one of the three (3) highest classifications by a major rating service. No more than 10% at cost of the fixed income portfolio total value may be invested in the securities of any single corporate issuer. Investments in Collateral Mortgage Obligation (CMOs) shall be limited to 10% of the fair value of the total fixed income portfolio and shall be restricted to those issues backed by securities issued or guaranteed by the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Federal National Mortgage Association, or that are rated "Aaa" by Moody or AAA" by Standard & Poor rating agencies. There is no limit imposed on investments in fixed income securities issued directly by the US Government or agency or instrumentality thereof.

Short-term investment shall be limited to direct obligations of the US Government with a maturity of one year or less, commercial paper with a maturity of 270 days or less that is rated A-1 by S&P or P-1 by Moody's, and bankers acceptance issued by the largest fifty banks in the US.

Investments in tax-exempt bonds, interest-only or principal only CMOs, interest rate swaps, precious metals, limited partnerships of any kind, real estate, REIT, venture capital, future contracts or option contracts are prohibited. Trading on margin and short term selling are also prohibited.

Types of Investments

Florida Statutes and the Coral Gables Retirement Fund investment policy authorize the Board to invest funds in various investments. In accordance with the provisions of Florida Senate Bill 1462, no more than 25% of the Plan's total assets can be invested in foreign securities. In accordance with the Protecting Florida's Investment Act (Fla. Stat. 215.473), the Board is prohibited from directly investing in any companies, identified by the State Board of Administration (SBA) on its website each quarter, as a scrutinized company.

The Coral Gables Retirement Fund current target asset allocation range of these investments at market is as follows:

<u>Authorized Investments</u>	<u>Minimum</u>	<u>Maximum</u>
Domestic equities	35%	45%
International equities	15%	25%
Domestic fixed income	10%	30%
International fixed income	0%	10%
Real estate	5%	15%
Alternative	0%	15%

Florida Statutes and Police Officers' Pension Fund investment policy authorize the Board to invest funds in various investments. The target asset allocation range of these investments at market is as follows:

<u>Authorized Investments</u>	<u>Minimum</u>	<u>Maximum</u>
Domestic equity	35%	67%
Convertibles	2%	5%
International equities	3%	9%
Real estate	3%	7%
Fixed income	15%	35%
Cash and cash equivalents	0%	30%

Florida Statutes and Firefighters' Pension Fund investment policy authorize the Board to invest funds in various investments. The target asset allocation of these investments at market is as follows:

<u>Authorized Investments</u>	<u>Minimum</u>	<u>Maximum</u>
Equity securities	0%	40%
Fixed income	0%	60%

Fair Value Measurements

The following table presents the hierarchy for investments at fair value as of September 30, 2023:

	Total	Fair Value Measurement Using		
		Quoted Prices In Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments at fair value level:				
<u>City of Coral Gables</u>				
Debt securities:				
US Treasury Securities	\$ 175,742,280	\$ 175,742,280	\$ -	\$ -
US Agency Fixed Rate Debentures	64,104,364	-	64,104,364	-
Total Investment by fair value level	239,846,644	\$ 175,742,280	\$ 64,104,364	\$ -
LGIP - Investment measured at amortized cost*	1,144			
Total Investments	\$ 239,847,788			
<u>Firefighters' Pension Fund</u>				
Mutual Funds	\$ 4,618,943	\$ 4,618,943	\$ -	\$ -
Investment by fair value level	4,618,943	\$ 4,618,943	\$ -	\$ -
Guaranteed Investment Contract, at contract value	8,596,783			
Total Investments	\$ 13,215,726			
<u>Police Officers' Pension Fund</u>				
Equity securities:				
Mutual Funds	\$ 4,478,909	\$ 4,478,909	\$ -	\$ -
Debt securities:				
Fixed income mutual funds	2,032,098	2,032,098	-	-
Total Investment by fair value level	6,511,007	\$ 6,511,007	\$ -	\$ -
<u>City of Coral Gables Retirement Fund</u>				
Equity securities:				
Domestic equities	\$ 174,965,901	\$ 174,965,901	\$ -	\$ -
International equities	25,899,365	25,899,365	-	-
Total equity securities	200,865,266	200,865,266	-	-
Debt securities:				
Government and agency	35,349,620	-	35,349,620	-
Fixed income fund	3,056,441	-	-	3,056,441
Corporate bonds and fixed income	10,063,582	-	10,063,582	-
Total debt securities	48,469,643	-	45,413,202	3,056,441
Alternative investments:				
Real estate	39,085,975	-	-	39,085,975
Venture capital	20,304,913	-	-	20,304,913
Total alternative investments	59,390,888	-	-	59,390,888
Total investments by fair value level	308,725,797	\$ 200,865,266	\$ 45,413,202	\$ 62,447,329
Investment measured at the net asset value (NAV)				
Commingled international equity fund	38,521,993			
Hedge funds	78,994,134			
Total investment measured at the NAV	117,516,127			
Total investments	\$ 426,241,924			
Total Investments	\$ 685,816,445			

* These investments are not measured according to the hierarchy established by GASB Statement No. 72

City of Coral Gables Retirement Fund

The Plan has established a framework to consistently measure the fair value of the Plan's assets and liabilities in accordance with applicable accounting, legal, and regulatory guidance. This framework has been provided by establishing valuation policy and procedures that will provide reasonable assurance that assets and liabilities are carried at fair value. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Plan's assessment of the significance of a particular input to the fair value measurement requires judgment and considers factors specific to the investment.

The overall valuation processes and information sources by major investment classification are as follows:

- **Equity securities:** These include common stock, domestic and international equity funds. Domestic securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year. Securities traded in the over-the counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price. International equities are valued based upon quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at September 30, 2023. Securities which are not traded on a national security exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings.
- **Debt securities:** Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, corporations, and securitized residential and commercial mortgages. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that include market observable inputs. These inputs included recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.
- **Alternative investments:** These investments include real estate equity and venture capital investments where no readily ascertainable market value exists. To value these investments, management, in consultation with the general partner and investment advisors, determines the fair values for the individual investments based upon the partnership's or limited liability company's most recent available financial information adjusted for cash flow activities through September 30, 2023. The estimated fair value of these investments may differ from values that would have been used had a ready market existed.

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

	Investments Measured at the NAV		
	Fair Value	Redemption Frequency	Redemption Notice Period
Commingled international equity fund ⁽¹⁾	\$ 38,521,993	Daily	Same Day
Hedge funds ⁽²⁾	78,994,134	Daily	Quarterly
Total investments measured at the NAV	<u>\$ 117,516,127</u>		

- (1) Commingled international equity fund consists of two commingled investment vehicles which invest primarily in publicly traded global equity securities. The fund is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.
- (2) Hedge fund invests in three funds that are invested in both risk parity strategies and global macro hedge fund strategies. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments.

There are no unfunded commitments at year-end related to the above investments.

City of Coral Gables

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Firefighters' Pension Fund

Mutual Funds classified in Level 1 of the fair value hierarchy are valued at the daily closing price as reported by the Plan.

Guaranteed investment contracts are not measured at fair value and therefore are not reported in the fair value hierarchy. It uses liquidation value based on actuarial formula as defined under the terms of the contract.

Police Officers' Pension Fund

Mutual Funds are valued at the daily closing price as reported by the Plan. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Money market funds are valued at the floating net asset value of shares held by the Plan at year end.

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 interest rates. The City does not have a formal

investment policy that limits investment maturity as a means of managing exposure to fair value losses arising from increasing interest rates.

As a means of limiting its exposure to interest rate risk, the Coral Gables Retirement Fund and Firefighters' Pension Fund diversify their investments by security type and institution, and limits holdings in any one type of investment with various durations of maturities.

The Firefighters Pension Fund has investment in a guaranteed investment contract of \$8,596,783 with a guaranteed interest rate of return and principal. The issuer of the investment assumes the market, credit and interest rate risks related to the investment.

Information about the sensitivity of the fair value of the City's investments (including Custodial Funds) to market interest rate fluctuations is provided by the following table that shows the distribution by investment type and maturity.

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less than 1	1 - 5
U.S. Government Agencies & Treasuries	\$ 239,846,644	\$ 199,481,957	\$ 40,364,687
State Board of Administration	1,144	1,144	-
	<u>239,847,788</u>	<u>\$ 199,483,101</u>	<u>\$ 40,364,687</u>
Deposits	67,620,784		
Total Cash, Cash Equivalents and Investments	<u>\$ 307,468,572</u>		

Information about the sensitivity of the fair values of the Coral Gables Retirement Fund's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments by maturity at September 30, 2023:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
Money market fund	\$ 7,177,667	\$ -	\$ 7,177,667	\$ -	\$ -
U.S. government and agency	38,406,061	6,860,184	6,080,353	25,465,524	-
Corporate bonds	10,063,582	-	4,439,238	4,903,782	720,562
	<u>\$ 55,647,310</u>	<u>\$ 6,860,184</u>	<u>\$ 17,697,258</u>	<u>\$ 30,369,306</u>	<u>\$ 720,562</u>

The Police Officers' Pension Fund's investment policy does not use limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the distribution of the Plan's investments by maturity at September 30, 2023 is provided by the following table:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
Fixed income mutual funds	\$ 2,032,098	\$ 24,442	\$ 328,066	\$ 1,453,717	\$ 225,873

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSRO's). It is the City's and Firefighters' Pension Fund's policy to limit its investment to the top rating issued by NRSRO's. Information about the sensitivity of the fair value of

the City's and Firefighters' Pension Fund's investments to credit ratings is provided by the following table that shows the distribution of the investments by investment type:

Investment Type	Credit Rating Moody's	Fair Value	
		City	Firefighters' Pension Fund
US Treasury Securities	*	\$ 175,742,280	\$ -
US Agency Fixed Rate Debentures	*	64,104,364	-
Mutual Funds	Not Rated	-	4,618,943
		<u>\$ 239,846,644</u>	<u>\$ 4,618,943</u>

The Coral Gables Retirement Fund and Police Officers' Pension Fund investment policy utilizes portfolio diversification in order to control credit risk.

The following table discloses Coral Gables Retirement Fund's credit ratings by investment type, at September 30, 2023 as applicable:

	Fair Value	Percentage of Portfolio
U.S. government guaranteed*	\$ 35,348,018	63.52%
Rating of credit risk debt securities by S&P:		
AAA	158,469	0.28%
AA+	-	0.00%
AA	-	0.00%
AA-	134,486	0.24%
A+	8,901	0.02%
A	1,152,493	2.07%
A-	3,757,832	6.75%
BBB+	2,897,991	5.21%
BBB	1,387,719	2.49%
BBB-	116,989	0.21%
Not rated	10,684,412	19.20%
Total credit risk debt securities	20,299,292	36.48%
Total fixed income securities	\$ 55,647,310	100%

*Credit risk disclosures are not required for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government and such investments do not have purchase limitations.

The following table discloses Police Officers' Pension Fund's credit ratings by investment type, at September 30, 2023 as applicable:

	Fair Value	Percentage of Portfolio
Rating of credit risk debt securities by Moody's :		
Aaa	\$ 32,842	1.62%
Aa	32,453	1.60%
A	464,972	22.88%
A1	1,046	0.05%
A3	3,172	0.16%
Baa1	10,933	0.54%
Baa2	18,019	0.89%
Baa3	11,574	0.57%
BA1	12,823	0.63%
BA3	1,012	0.05%
B1	1,991	0.10%
Bbb	579,774	28.53%
Caa3	1,417	0.07%
Not rated	860,070	42.32%
Total credit risk fixed income investments	\$ 2,032,098	100%

Concentration of Credit Risk: The Coral Gables Retirement Fund policy limits investments in equities and fixed income securities to no more than 10% and 10% of an investment manager's portfolio, respectively, in any one issue. There were no individual investments that represent more than 10% of an investment manager's portfolio as of September 30, 2023. The investment policy of the Police Officers' Pension Fund and Firefighters' Pension Fund contain limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more of net position at September 30, 2023 for the City and pension trust fund portfolios.

Custodial Credit Risk: The City does not have a formal policy, but its practice is to ensure that all investments are held by the City or its counterparty in the City's name. These investments are uninsured and unregistered. In accordance with the Coral Gables Retirement Fund investment policy, investments are held by the Plan's custodial banks and registered in the Plan's name. All of the Plan's investments are insured and or collateralized by a financial institution separate from the Fund's depository financial institution. In accordance with the Police Officers' Pension Fund's and Firefighters' Pension Fund's investment policy, investments are held by the Plan's custodial bank and registered in the Plan's name. All of the Plan's deposits are insured and/or collateralized by a financial institution separate from the Plan's depository financial institution.

Foreign Currency Risk: Foreign currency risk is the risk that fluctuations in currency exchange rate may affect transactions conducted in currencies other than US Dollars and the carrying value of foreign investments. The Police Officers' Pension Fund's exposure to foreign currency risk derives mainly from its investment in international equity funds. The Plan owns participation in international equity funds as well as individual securities. The investment policy of the Plan limits the foreign investments to no more than 9% of the Plan's investment balance. As of year-end, the foreign investments were 12.27% of total investments.

The City, Coral Gables Retirement Fund and the Firefighters' Pension Fund do not have investments in foreign currency and therefore not subject to foreign currency risk.

Coral Gables Retirement Fund – Securities Lending Transactions

The Plan is authorized by state statutes and the Board's policies to lend its investment securities. The lending is managed by the Plan's custodial bank. The Plan lends equity and fixed income securities for varying terms and receives a fee based on the loaned securities' value. During a loan, the Plan continues to receive dividends and interest as the owner of the loaned securities. All loans can be terminated on demand by either the Plan or the borrowers, although the average term of loans is approximately forty days. The custodial bank and its affiliates are prohibited from borrowing the system's securities.

The agent lends the Plan's U.S. government and agency securities and domestic corporate fixed-income and equity securities for securities or cash collateral of at least 102 percent and international securities of at least 105 percent of the securities plus any accrued interest. The securities lending contracts do not allow the Plan to pledge or sell any collateral securities unless the borrower defaults. Cash collateral is invested in the agent's collateral investment pool, whose share values are based on the amortized cost of the pool's investments. At September 30, 2023, the pool had weighted average terms to maturity of forty-five days.

The relationship between the maturities of the investment pool and the Plan's loans is affected by the maturities of the securities loans made by other entities that use the agent's pool, which the Plan cannot determine. There are policy restrictions by the custodial bank that limits the amount of securities that can be lent at one time or to one borrower.

The following represents the balances relating to securities lending transactions at September 30, 2023:

Securities Lent:	Market Value of Securities on Loan for Cash	Fair Value of Cash Collateral Invested
U.S. government and agency obligations	\$ 3,905,801	\$ 8,157,515
Domestic corporate stocks	23,677,711	24,370,394
Domestic corporate bonds	8,008,594	3,994,084
Total Securities Lent	\$ 35,592,106	\$ 36,521,993

The contract with the Plan's custodian requires the custodian to indemnify the Plan if the borrower fails to return the securities, due to the insolvency of a borrower, and the custodian has failed to live up to its contractual responsibilities relating to the lending of those securities. At year end, the Plan has no credit risk exposure to borrowers because the amounts of collateral held by the Plan exceed the amounts the borrowers owe the Plan. There are no significant violations of legal or contractual provisions, no borrowers or lending agent default losses, and no recoveries of prior period losses during the year. There are no income distributions owing on securities lent.

NOTE 5 - CAPITAL ASSETS**(a) The following summarizes capital asset activity for the fiscal year ended September 30, 2023:**

	Beginning Balance	Additions/ Transfers	Retirements/ Transfers	Ending Balance
Governmental Activities:				
Nondepreciable Assets:				
Land	\$ 61,773,807	\$ 12,785	\$ -	\$ 61,786,592
Construction in Progress	12,762,849	5,489,028	(8,221,098)	10,030,779
Total Non-depreciable Assets	74,536,656	5,501,813	(8,221,098)	71,817,371
Depreciable Assets:				
Infrastructure	113,068,020	-	-	113,068,020
Buildings	134,054,336	-	-	134,054,336
Improvements Other Than Buildings	100,741,092	8,272,737	-	109,013,829
Machinery and Equipment	63,047,230	5,045,833	(1,603,290)	66,489,773
Right-to-Use Leased Asset	565,217	-	-	565,217
Subscription Asset *	9,615,282	-	-	9,615,282
Total Depreciable Assets	421,091,177	13,318,570	(1,603,290)	432,806,457
Less Accumulated Depreciation/Amortization for:				
Infrastructure	99,747,891	3,021,254	-	102,769,145
Buildings	30,659,828	2,657,575	-	33,317,403
Improvements Other Than Buildings	19,799,812	2,736,105	-	22,535,917
Machinery and Equipment	38,350,817	5,051,793	(1,603,290)	41,799,320
Right-to-Use Leased Asset	53,888	183,299	-	237,187
Subscription Asset	-	1,256,727	-	1,256,727
Total Accumulated Depreciation	188,612,236	14,906,753	(1,603,290)	201,915,699
Total Depreciable Assets, net	232,478,941	(1,588,183)	-	230,890,758
Governmental Activities Capital Assets, net	\$ 307,015,597	\$ 3,913,630	\$ (8,221,098)	\$ 302,708,129
Business-Type Activities:				
Nondepreciable Assets:				
Land	\$ 3,666,668	\$ -	\$ (33,200)	\$ 3,633,468
Construction in Progress	16,969,269	10,947,728	(1,776,946)	26,140,051
Total Non-depreciable Assets	20,635,937	10,947,728	(1,810,146)	29,773,519
Depreciable Assets:				
Infrastructure	36,009,627	1,776,946	40,169	37,826,742
Buildings	30,223,473	-	-	30,223,473
Improvements Other Than Buildings	1,899,005	-	-	1,899,005
Machinery and Equipment	5,203,854	53,840	-	5,257,694
Right-to-Use Leased Asset	766,626	49,416	-	816,042
Total Depreciable Assets	74,102,585	1,880,202	40,169	76,022,956
Less Accumulated Depreciation/Amortization for:				
Infrastructure	14,633,550	663,475	-	15,297,025
Buildings	15,577,543	553,038	-	16,130,581
Improvements Other Than Buildings	639,015	90,119	-	729,134
Machinery and Equipment	3,465,197	423,309	-	3,888,506
Right-to-Use Leased Asset	268,220	268,767	-	536,987
Total Accumulated Depreciation	34,583,525	1,998,708	-	36,582,233
Total Depreciable Assets, net	39,519,060	(118,506)	40,169	39,440,723
Business-Type Activities Capital Assets, net	\$ 60,154,997	\$ 10,829,222	\$ (1,769,977)	\$ 69,214,242

* Beginning balance was restated with the implementation of GASB 96, SBITA at October 1, 2022.

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

Governmental Activities:	
General Government	\$ 6,549,765
Public Safety	4,486,915
Transportation	397,775
Culture and Recreation	1,786,593
Physical Environment	1,685,705
Total depreciation/amortization expense – Governmental Activities	\$ 14,906,753
Business-Type Activities:	
Sanitary Sewer System Fund	\$ 599,422
Parking System Fund	1,267,764
Stormwater Utility Fund	131,522
Total depreciation/amortization expense – Business-Type Activities	\$ 1,998,708

NOTE 6 - INTERFUND TRANSACTIONS

The interfund balance between General Fund: (a) BBC GOB Program Fund represents short-term loans to fund grant expenditures pending reimbursement from the Miami-Dade County Building Better Community (BBC) grant program; (b) Special Taxing District represents start-up costs paid by the General Fund for certain areas where the District is planning to provide special services. The District will reimburse the General Fund for such cost incurred.

Due from/to other funds:

	Due From <u>Other</u> <u>Funds</u>	Due to <u>Other Funds</u>
Major governmental fund:		
General Fund	\$ 495,754	\$ -
Nonmajor governmental fund:		
Special Taxing District	-	380,754
BBC GOB Program	-	115,000
	<u>\$ 495,754</u>	<u>\$ 495,754</u>

Interfund transfers for the fiscal year ended September 30, 2023 are as follows:

	Transfer In							Total
	Major Governmental Funds			Non-Major Governmental Fund	Major Proprietary Fund		Internal Service Fund	
	General	Debt Service	General Improvement	Impact Fee	Sanitary Sewer	Parking	Motor Pool	
Transfer out:								
Major governmental fund:								
General	\$ -	\$ 8,050,573	\$ 26,483,450	\$ 214,074	\$ 17,277	\$ -	\$ 48,700	\$ 34,814,074
General Improvement	-	-	-	-	-	-	54,232	54,232
Non-Major governmental fund:								
Impact Fee	-	-	-	-	-	2,717,780	-	2,717,780
Major proprietary fund:								
Parking System	8,024,622	-	3,726,765	-	-	-	-	11,751,387
Internal Service fund:								
Public Facilities	262,346	-	-	-	-	-	-	262,346
Insurance	2,791,827	-	-	-	-	-	10,000	2,801,827
	<u>\$ 11,078,795</u>	<u>\$ 8,050,573</u>	<u>\$ 30,210,215</u>	<u>\$ 214,074</u>	<u>\$ 17,277</u>	<u>\$ 2,717,780</u>	<u>\$ 112,932</u>	<u>\$ 52,401,646</u>

Transfers out from General Fund to: (a) General Improvement Fund, Sanitary Sewer, and Motor Pool were primarily to provide additional funding for capital project expenditures; (b) Debt Service Fund is required to provide funds to pay debt service requirements. Transfers out from Parking Systems Fund, Public Facilities Fund, and Insurance Fund to the General Fund were primarily to provide funding as a subsidy for the cost of operations of the General Fund and in accordance with City resolutions. The transfer from Parking Fund to General Improvement Fund was primarily from proceeds from sale of land to provide additional funding for capital project expenditures. Transfers out from General Fund and General Improvement Fund to Motor Pool Fund were primarily for the maintenance of police cars. Transfer from General Fund to Impact Fee Fund was primarily for restricted revenues received from developers and are to be used for specific improvement projects. Transfer from Impact Fee to Parking Fund was mainly for the construction of a new parking garage.

NOTE 7 - LONG-TERM DEBT**(a) Following is a summary of the City's Special Obligation Bonds at September 30, 2023:**

Issue Date	Maturity Date	Interest Rate	Amount Authorized	Amount Issued	Amount Retired	Balance Outstanding 09/30/23	Current Portion
Governmental Activities:							
05-31-2018*	04-01-2048	3.640%	\$ 48,015,000	\$ 48,015,000	\$ 2,700,000	\$ 45,315,000	\$ 1,055,000
05-31-2018*	10-01-2031	2.840%	28,486,030	28,486,030	9,732,926	18,753,104	1,951,826
03-30-2021	10-01-2032	1.900%	5,258,000	5,258,000	810,000	4,448,000	530,000
06-10-2021	04-01-2051	2.00%-5.00%	7,155,600	7,155,600	1,141,700	6,013,900	808,100
03-18-2022	04-01-2037	2.590%	15,370,000	15,370,000	835,000	14,535,000	850,000
03-18-2022	04-01-2037	2.590%	3,755,000	3,755,000	200,000	3,555,000	210,000
			129,474,630	129,474,630	36,854,626	92,620,004	5,404,926
Business-Type Activities:							
05-31-2018*	10-01-2031	2.840%	4,133,970	4,133,970	1,412,074	2,721,896	283,174
06-10-2021	04-01-2051	2.00%-5.00%	19,899,400	19,899,400	1,578,300	18,321,100	1,201,900
			24,033,370	24,033,370	2,990,374	21,042,996	1,485,074
			\$ 153,508,000	\$ 153,508,000	\$ 39,845,000	\$ 113,663,000	\$ 6,890,000

The City's special obligation bonds consist of direct borrowings from private sources to provide funds for the acquisition, construction, and improvements of capital facilities. Prior to 2021, the City utilized the Sunshine State Governmental Financing Commission (the "Commission") as its source to finance the acquisition and construction of City facilities. Starting in fiscal year 2021, the City has directly issued special obligation bonds to refund bonds which were direct borrowings from the Commission.

***Series 2018A and Series 2018B**

In June 2022, the board of directors of the Commission adopted a Plan of Dissolution to dissolve the Commission effective April 5, 2023. On March 7, 2023, the Commission filed with the Municipal Security Regulatory Board the Notice of Mandatory Tender/Exchange effective April 5, 2023 for the mandatory tender of the Commission's Capital Improvement Revenue Bonds, Series 2018A and Series 2018B which remain outstanding as of dissolution date, in exchange for City of Coral Gables Capital Improvement Revenue Bonds, Series 2018A for \$48,015,000 and City of Coral Gables Capital Improvement Revenue Refunding Bonds, Series 2018B for \$32,620,000, with the same maturities, interest rates, principal amounts and redemption provision of the tendered bonds. As of April 5, 2023, the Series 2018A and Series 2018B have outstanding principal balance of \$45,315,000 and \$21,475,000, respectively.

All of the City's outstanding bonds are tax exempt except for \$5,258,000 loan issued on March 30, 2021; and \$19,125,000 issued on March 18, 2022, which are taxable.

The City has refunded certain special obligation bonds in prior years that resulted in a deferred loss on refunding in the total amount of \$354,856. This amount is reported as deferred charge on refunding in the statement of net position of governmental activities and amortized over the life of the refunding debt. As of September 30, 2023, the unamortized amount of deferred charge on refunding was \$311,672.

The City's special obligation bonds are secured by a covenant to budget and appropriate from available non-ad valorem revenues of the City. With respect to the governmental special obligation bonds, fiscal year 2023 debt service was \$8,620,957 while total non-ad valorem tax revenue totaled \$110,864,086. For the business-type special obligation bonds, fiscal year 2023, debt service totaled \$2,186,634 while total non-ad valorem revenue totaled \$38,786,075. All revenue pledges remain in effect for the life of the special obligation bonds through final maturity date of April 1, 2051. Borrowing agreements contain provisions that in an event of default by the City, the bondholders have the rights to act and exercise remedies as provided in the agreement to collect amounts due and thereafter to become due.

NOTE 7 - LONG-TERM DEBT (CONTINUED)

Total annual debt service requirements on long-term debt outstanding as of September 30, 2023, are as follows:

Fiscal Year	BUSINESS-TYPE ACTIVITIES		
	Direct Borrowings		
	Special Obligation Debt		
	Principal	Interest	Total Required
2024	\$ 1,485,074	\$ 731,493	\$ 2,216,567
2025	1,558,477	656,955	2,215,432
2026	1,223,548	578,713	1,802,261
2027	1,273,452	517,204	1,790,656
2028	1,291,176	454,465	1,745,641
2029-2033	3,986,269	1,523,390	5,509,659
2034-2038	2,445,000	1,033,490	3,478,490
2039-2043	2,735,000	746,690	3,481,690
2044-2048	3,050,000	433,238	3,483,238
2048-2052	1,995,000	90,440	2,085,440
Total	21,042,996	\$ 6,766,078	\$ 27,809,074
Less: Current portion	(1,485,074)		
Long-term portion	\$ 19,557,922		

GOVERNMENTAL ACTIVITIES							
Fiscal Year	Direct Borrowings Special Obligation Debt			Finance Purchase			Governmental Activities
	Principal	Interest	Total Required	Principal	Interest	Total Required	Total Requirements
2024	\$ 5,404,926	\$ 3,399,557	\$ 8,804,483	\$ 40,360	\$ 10,062	\$ 50,422	\$ 8,854,905
2025	5,631,523	3,169,134	8,800,657	42,918	7,504	50,422	8,851,079
2026	5,851,452	2,928,477	8,779,929	45,638	4,784	50,422	8,830,351
2027	6,166,548	2,677,580	8,844,128	48,530	1,892	50,422	8,894,550
2028	6,053,826	2,422,777	8,476,603				
2029-2033	25,631,729	8,849,915	34,481,644	4,180	22	4,202	34,485,846
2034-2038	14,555,000	5,840,282	20,395,282	-	-	-	20,395,282
2039-2043	10,540,000	3,705,550	14,245,550	-	-	-	14,245,550
2044-2048	12,785,000	1,452,488	14,237,488	-	-	-	14,237,488
Total	92,620,004	\$ 34,445,760	\$ 127,065,764	181,626	\$ 24,264	\$ 205,890	\$ 118,795,051
Less: Current portion	(5,404,926)			(40,360)			
Long-term portion	\$ 87,215,078			\$ 141,266			

During the year ended September 30, 2023, the following changes occurred in long-term liabilities of governmental activities:

	BEGINNING BALANCE	ADDITIONS	REDUCTIONS	ENDING BALANCE	AMOUNTS DUE WITHIN ONE YEAR
Accrued Compensated Absences	\$ 11,676,993	\$ 7,749,657	\$ 7,246,771	\$ 12,179,879	\$ 6,664,098
Claims Payable	13,673,000	893,068	3,467,068	11,099,000	3,868,000
Special Obligation Debt from direct borrowings	97,730,632	-	5,110,628	92,620,004	5,404,926
Premium on Special Obligation Debt from direct borrowings	3,730,361	-	799,882	2,930,479	-
Finance Purchase	-	216,507	34,881	181,626	40,360
Lease Liabilities	499,643	-	179,069	320,574	184,033
Subscription Liabilities*	6,126,927	-	1,775,525	4,351,402	646,638
Pollution Remediation Obligation	2,700,000	202,000	-	2,902,000	-
Advances from Insurance Company	62,760	-	-	62,760	62,760
Total OPEB Liability	23,964,663	-	4,965,167	18,999,496	894,596
Net Pension Liability	103,282,547	99,799,219	-	203,081,766	22,180,235
	\$ 263,447,526	\$ 108,860,451	\$ 23,578,991	\$ 348,728,986	\$ 39,945,646

The City's General Fund is primarily utilized for the payment of long-term liabilities of the governmental funds.

*Beginning balance was restated with the implementation of GASB 96, SBITA at October 1, 2022.

During the year ended September 30, 2023, the following changes occurred in long-term liabilities of business type activities:

	BEGINNING BALANCE	ADDITIONS	REDUCTIONS	ENDING BALANCE	AMOUNTS DUE WITHIN ONE YEAR
Accrued Compensated Absences	\$ 418,474	\$ 290,341	\$ 246,030	\$ 462,785	\$ 247,334
Lease Liabilities	499,779	49,416	268,110	281,085	272,874
Special Obligation Debt from direct borrowings	22,462,368	-	1,419,372	21,042,996	1,485,074
Premium on Special Obligation Debt from direct borrowings	1,874,136	-	419,678	1,454,458	-
Total OPEB Liability	998,528	-	206,883	791,645	37,276
Net Pension Liability	3,790,381	5,334,505	-	9,124,886	996,604
	<u>\$ 30,043,666</u>	<u>\$ 5,674,262</u>	<u>\$ 2,560,073</u>	<u>\$ 33,157,855</u>	<u>\$ 3,039,162</u>

NOTE 8 - EMPLOYEE PENSION PLANS

The City's employee retirement plans include one single employer defined benefit plan and six defined contribution plans.

(a) Defined Benefit Plan

Coral Gables Retirement Plan

(1) Plan Description

The City of Coral Gables Retirement System (the "Plan") is a single employer defined benefit pension plan, covering substantially all regular full time general, police, and fire department employees of the City of Coral Gables, Florida (the "City") that have met the conditions of eligibility.

The Plan's governing board consists of 13 members, as follows:

- One is elected by the participating police officers
- One is elected by the participating firefighters
- One is elected by the participating employees, other than police officers and firefighters
- One is elected by all current fulltime participating employees
- Five are legal residents of the City who are not participants and are appointed by the City Commission
- The City Finance Director
- The City Labor Relations and Risk Management Director
- Two are recommended by the City Manager and approved by the City Commission

The following is a brief description of the Plan provided for general information purposes only. Members should refer to the Plan document for more complete information.

Plan Membership - Plan membership consisted of the following as of October 1, 2022:

Retirees and beneficiaries currently receiving benefits, including DROP, and terminated employees entitled to benefits, but not yet receiving them	993
Current Employees:	
Vested	238
Non-vested	340
Total Current Employees	578

Pension Benefits

Normal Retirement Date

Participants, other than firefighters and police officers, with more than 10 years of credit service at September 30, 2010 may retire and receive normal retirement benefits upon reaching the earliest of (a) age 52 and 10 years of credited service, (b) age 65 or (c) when the participant's age plus years of credited service equals or exceeds 70 (Rule of 70). Participants, other than firefighters and police officers, with less than 10 years of credited service at September 30, 2010 may retire and receive normal benefits upon reaching the earliest of (a) age 62 and 10 years of credited service, (b) age 65 and 6 years of service or (c) when the participant's age plus years of credited service equals or exceeds 80 (Rule of 80).

Police officers with more than 10 years of credited service at September 30, 2012 may retire and receive normal retirement benefits upon reaching the earliest of (a) age 52 and 10 years of credited service, (b) age 65 or (c) when the participant's age plus years of credited service equals or exceeds 70 (Rule of 70). Police officers with less than 10 years of credited service at September 30, 2012, may retire and receive normal retirement benefits upon reaching the earliest of (a) age 55 and 10 years of credited service or (b) 25 years of credited service, regardless of age.

Firefighters with more than 10 years of credited service at September 30, 2013 may retire and receive normal retirement benefits upon reaching the earliest of (a) age 52 and 10 years of credited service, (b) age 65 or (c) when the participant's age plus years of credited service equals or exceeds 70 (Rule of 70). Effective October 1, 2019, firefighters with less than 10 years of credited service at September 30, 2013, may retire and receive normal retirement benefits upon (a) reaching 25 years of credited service regardless of age or (b) when age plus full years of credited service equal 76 (Rule of 76).

Benefit Payment

For credited service through and including September 30, 2013 and 2012, the monthly amount of normal retirement income payable to firefighters and police officers, respectively, shall equal 3% of the average final compensation multiplied by the total years of credited service as of such date, not to exceed 75% of the average financial compensation. For credited service after September 30, 2013 and 2012, the monthly amount of normal retirement income payable to firefighters and police officers, respectively, shall equal 3% of the average final compensation multiplied by the first 10 years of credited service, and 2.5% of average final compensation multiplied by the total years of credited service in excess of the first 10 years of credited service, with the combined normal retirement income not to exceed 75 percent of average final compensation.

Effective September 30, 2013, the term "average financial compensation" for firefighters means:

- For participants who retire between October 1, 2012 and September 30, 2013, the greater of (a) the highest three-year average total earnings as of the date of retirement or (b) the highest four-year average total earnings;
- For participants who retire between October 1, 2013 and September 30, 2014, the greater of (a) the highest four-year average total earnings as of the date of retirement or (b) the highest five-year average total earnings;
- For participants who retire on or after October 1, 2014, the highest five-year average earnings;

Effective September 30, 2012, the term "average financial compensation" for police officers means:

- For participants who retire before October 1, 2012, the highest three-year average total earnings.
- For participants who retire between October 1, 2012 and September 30, 2013, the greater of (a) the highest three-year average total earnings as of the date of retirement or (b) the highest four-year average total earnings;

- For participants who retire between October 1, 2013 and September 30, 2014, the greater of (a) the highest four-year average total earnings as of the date of retirement or (b) the highest five-year average total earnings;
- For participants who retire on or after October 1, 2014, the highest five-year average earnings;

Effective September 30, 2013 and 2012, retirement benefits for firefighters and police officers, respectively, shall be based on pensionable earnings and not total earnings. For both firefighters and police officers, pensionable earnings exclude certain compensation, such as unused annual leave, unused sick leave, special assignment pay, all overtime payments, and tuition reimbursement, amongst others.

Effective February 28, 2017, the monthly normal retirement benefit was changed to provide police officers an enhanced benefit for the 25th year of credited service. 10%, as opposed to 2.5% of average financial compensation, may be applied to the 25th year of credited service, such that the total normal retirement income does not exceed 75% of average final compensation.

Effective September 30, 2010, the monthly amount of normal retirement income payable for general and excluded employees who retire after that date shall equal the greater of the participant's five-year or three-year average earnings as of the date of retirement (or separation from employment) as of September 29, 2010, multiplied by total years of credited service and by a percentage, as applicable below:

General:

- (a) elected: 3% multiplier
- (b) other general: 2.25% multiplier

Excludable:

- (a) managerial employees: 3% multiplier for first 10 years; 2.25% thereafter;
- (b) professional/supervisory employees: 2.5% multiplier for first 10 years; 2.25% thereafter;
- (c) confidential employees: 2.25% multiplier
- (d) appointed officials: 3% multiplier

Effective March 13, 2018, the maximum retirement benefit in the normal annuity form for general and excluded employees with less than 10 years of credited service on March 13, 2018 shall not exceed the lesser of \$50,000 annually or 75% of final average compensation. For participants with 10 or more years of service on March 13, 2018, the maximum retirement benefit in the normal annuity form shall not exceed \$67,500 annually or 75% of final average compensation. In no event, shall a participant's benefit be less than the accrued benefit on March 13, 2018.

Notwithstanding the foregoing, the normal retirement income payable to participants, other than police officers and firefighters, who as of September 30, 2010 attained the normal retirement date in effect on September 29, 2010, shall be based on the highest three-year average.

As to all participants, with the exception of members of the bargaining units represented by the Fraternal Order of Police, Lodge No.7, and the International Association of Firefighters, Local 1210, who retire after completing 40 years or more of service on or after December 31, 1993, the benefit will be calculated using 80% of the highest two-year average annual earnings.

For bargaining unit members who are not eligible for normal retirement as of February 28, 2017 and whose accrued annual pension benefit as of February 28, 2017 does not exceed \$95,000 per year, the total pension benefit will be the lesser of 75% of average financial compensation or \$95,000. Effective September 30, 2019, the cap changes to the lesser of 75% of average financial compensation or \$96,900.

Effective March 13, 2018, for participants in the bargaining unit represented by Teamsters Local Union 769, the maximum retirement benefit in the normal annuity form shall not exceed the lesser of: \$50,000 annually or 75% of final average compensation for participants with less than 10 years of credited service on March 13, 2018; and \$67,500 annually or 75% of the final average compensation for participants with 10 or more years of credited service on March 13, 2018; provided in no event shall a participant's benefit be less than the accrued benefit on March 13, 2018.

Early retirement, disability, death and other benefits are also provided. For police officers and firefighters not eligible for normal retirement at September 30, 2012 and September 30, 2013, respectively, early retirement is eliminated.

Deferred Retirement Option Plan

Members who continue employment with the City and meet the earliest Deferred Retirement Option Plan (the "DROP") eligibility date may freeze their accrued benefit and enter the DROP. Maximum participation in the DROP shall be 5 years for general and police members and 8 years for firefighter members for members entering the drop prior to February 28, 2017. Effective February 28, 2017, the maximum participation in the DROP shall be 7 years for police members entering the DROP on or after February 28, 2017. Effective September 30, 2020, the maximum participation in the DROP shall be 5 years for police members entering the DROP on or after September 30, 2020. Effective July 13, 2021, the maximum participation in the DROP shall be 8 years for police members participating and entering the DROP on or after July 13, 2021.

For members electing participation in the DROP, an individual DROP account shall be created. Payment shall be made by the Plan into the member's DROP account in an amount equal to the regular monthly retirement benefit, which the participant would have received had the participant separated from service and commenced receipt of pension benefits.

DROP payments contributed to a member's DROP account earn interest at a rate equal to actual rate of return on the Plan's portfolio from a minimum of 3% to a maximum of the assumption rate of return per year, compounded annually.

Upon termination of employment, the balance in the member's DROP account, including interest, is payable to them and they also begin to receive their monthly retirement benefit. The value of the DROP accounts at September 30, 2023 was \$23,886,749.

A participant, other than a firefighter or police officer, who enters the DROP on or after October 1, 2010, must submit a written election to participate in the DROP at least 30 days prior the DROP entry date. Such participant may delay entry into the DROP for up to 3 years past the earliest DROP eligibility date. If entry is delayed beyond 3 years, the participant must reduce the maximum DROP period by one month for each month of delayed DROP entry.

For firefighter and police officer participants, the election to enter the DROP must be made no later than six months after the later occurrence of events which constitute a DROP eligibility date. Police officers, however, can defer entry into the DROP for any length of time beyond their initial DROP eligibility date.

A summary of the changes in the DROP balance as of September 30, 2023 is as follows:

Beginning balance	\$ 19,925,083
Additions	5,363,341
Distributions	(2,270,472)
Interest earned	868,797
Ending balance	<u>\$ 23,886,749</u>

Cost of Living Adjustment (“COLA”)

Effective January 1 of each year, participants who were receiving benefits for the full preceding year will receive a cost of living increase based on a formula as defined in the ordinance, if the market value rate of return is greater than or equal to 10%. Effective February 10, 2015, cost of living adjustments may be granted only if the Plan remains in a net positive experience position, determined on a cumulative basis from July 1, 1994.

On June 12, 2013, the plaintiffs filed a putative class action lawsuit against the City of Coral Gables seeking a cost-of-living adjustment (“COLA”) to their retirement benefits effective January 1, 2013. On September 18, 2017, the two plaintiffs, on behalf of themselves and all Class Members, and the City of Coral Gables executed a Class Action Settlement Agreement. On February 26, 2018, final judgement in the lawsuit was approved by the court.

The terms of the settlement agreement entitled the Class Members to receive a permanent COLA of 2.975%, retroactive to January 1, 2013 and/ or a permanent COLA of 0.25%, retroactive to January 1, 2014, depending on the date on which the Class Member began receiving retirement benefits. Class members who began receiving retirement benefits on or before January 1, 2012 will be entitled to both the 2.975% COLA and the 0.25% COLA. Class members who begin receiving retirement benefits after January 1, 2012 but on or before January 1, 2013 will only be entitled to the 0.25% COLA.

Termination

If a member terminates employment before retirement, their contributions are returned to them. The Plan also provides a special provision for vested benefits for employees who terminate after 10 years of service.

Member Contribution

Effective December 8, 2015, it is not mandatory for any new employee other than a police officer or firefighter to participate in the Plan. Such employee shall have the option of participation in the Plan or a defined contribution plan. The employee must exercise the option within thirty days following their date of hire.

Prior to September 30, 2013, police officer and firefighter participants are required to contribute 5% of their total earnings to the Plan. Effective September 30, 2013, firefighters are required to contribute 8% of pensionable earnings to the Plan. Effective September 30, 2014, all police officer and firefighter participants are required to contribute 10% of their pensionable earnings to the Plan.

Effective September 30, 2010, all participants in the Teamsters Local Union 769 Bargaining Unit are required to contribute 10% of total earnings to the Plan. Effective October 1, 2017, it is not mandatory for a non-bargaining unit police officer or firefighter hired from outside the City on or after September 26, 2017 to participate in the Plan. Such employee shall have the option of participating in the Plan or in another retirement plan and must exercise that option within 30 days following their date of hire.

Effective October 1, 2011 general employees who were members of Local Union 769 and management employees shall have their contribution percentage increased based on increases in City contribution requirements since the October 1, 2009 actuarial provisions. For the fiscal year ended September 30, 2012, Union 769 employees' contribution was determined to be 14.27% and management employees 13.79%. Effective October 1, 2013, the contribution rate for management and union employees were 15.00% and 17.00%, respectively, of compensation. Effective October 1, 2014, Union 769 employees are required to contribute 15.00% of total earnings and excluded employees shall contribute in accordance with the cost-sharing provisions with the City.

For General excluded employees, effective October 1, 2014 through March 18, 2018, excluded employees shall contribute in accordance with the cost-sharing provisions of the City Ordinance. Effective March 19, 2018, excluded employees shall contribute at a rate equal to 0.5% less than the percent of compensation determined in accordance with the cost-sharing provisions of the City Ordinance, but in no event less than 10% of compensation. Effective the first pay period after October 1, 2018, excluded employees shall contribute at a rate equal to 1.0% less than the percent of compensation determined in accordance with the cost-sharing provisions of the City Ordinance, but in no event less than 10% of compensation. Effective the first pay period after October 1, 2019, excluded employees shall contribute at a rate equal to 1.5% less than the percent of compensation determined in accordance with the cost-sharing provisions of the City Ordinance, but in no event less than 10% of compensation.

Effective October 1, 2016, participants in the bargaining unit represented by Teamsters Local Union 769 shall contribute in accordance with the cost-sharing provisions of the City Ordinance, subject to a maximum cap of 15% of compensation through March 18, 2018; 14.5% of compensation from March 19, 2018, through the last full pay period before October 1, 2018; 14% of compensation from the first pay period after October 1, 2018 through the last full pay period before October 1, 2019; and 13.5% of compensation from the first pay period after October 1, 2019 through the last full pay period before September 30, 2022. Effective October 1, 2022, the maximum cap is 13% of compensation through the last full pay period before September 30, 2024.

Funding Requirements

The City is required to pay into the Plan such amount as 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 employees. The City's contribution is reduced by the following:

- (a) For police officers and firefighters:
 - Pursuant to Florida Statutes, Chapters 175 and 185, contributions from the State of Florida Department of Insurance consist of an excise tax imposed by the City upon certain casualty insurance companies on the gross amount of receipts of premiums from policy holders on all premiums collected on casualty insurance policies covering property within the City. The allowable portion of the State (Share Plan) contribution is used to reduce the City's contribution when received.
- (b) For general employees who are members of Local Union 769 and excluded employees (effective October 1, 2011):
 - Employee contribution percentages for each fiscal year beginning October 1, 2011 and subsequent fiscal years shall be increased based on the increases in City contribution requirements since the October 1, 2009 Actuarial Valuation.
 - City contribution percentages shall be decreased by the amount of the employees' contribution increases.
 - The City's October 1, 2009 contribution requirements, as adjusted for the September 27, 2010 Actuarial Impact Statement, will be further adjusted for the impacts of any changes in Actuarial Assumptions and/or methods subsequent to October 1, 2009.

Effective October 1, 2017, it is not mandatory for a non-bargaining unit police officer or firefighter hired from outside the City on or after September 26, 2017 to participate in the Plan. Such employee shall have the option of participating in the Plan or in another retirement plan and must exercise that option within 30 days following their date of hire.

Investments

The Plan has contracts with investment managers who supervise and direct the investment of equity and fixed income securities. In addition, the Plan utilizes an investment consultant who monitors the investing

activity. The investments owned are held by a custodian in the name of the Plan. The Plan provides for investment in U.S. Government securities, money market funds, bonds, notes, common stock, international equity securities, real estate and alternative investments.

(2) Basis of Accounting for Coral Gables Retirement System

The Plan's financial statements are prepared using the accrual basis of accounting. Employee contributions are recognized as revenues in the period in which the contributions are due. City contributions are recognized as revenue when due pursuant to the actuarial valuation and the City has made a commitment to pay. Share Plan contributions are recognized as revenue in the period in which they are approved by the State. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Interest and other income are recorded as earned and dividend income is recorded as of the ex-dividend date.

Cash and Cash Equivalents - See Note 4 for disclosures

Investments - See Note 4 for disclosures

Risks and Uncertainties

Contributions to the Plan and the actuarial information included in the required supplementary information (RSI) are reported based on certain assumptions pertaining to the interest rates, inflation rates and employee compensation and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions may occur in the near term and, due to the uncertainties inherent in settling assumptions, that the effect of such changes could be material to the financial statements.

The Coral Gables Retirement Plan issues a publicly available financial report that includes the applicable financial statements and required supplementary information. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Retirement Administrative Manager, 147 Alhambra Circle, Suite 215, Coral Gables, Florida 33134.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2022 and rolled-forward to September 30, 2023, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2022.

The components of the net pension liability of the City at September 30, 2023 were as follows:

	Amount
Total pension liability	\$ 613,880,329
Plan fiduciary net position	(401,673,677)
Total net pension liability	\$ 212,206,652
Plan fiduciary net position as a percentage of the total pension liability	65.43%

Actuarial Assumptions

The total pension liability was determined using the following actuarial assumptions:

Actuarial cost method	Entry Age Normal, Level Percent of Pay
Inflation	2.15%
Salary increases	2.60% - 9.90%, depending on age or service group, including inflation.
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The same version of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) in their July 1, 2020 actuarial valuation (with mortality improvements projected to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

The most recent experience study was completed on April 5, 2021. This experience study examined experience during the five-year period ending September 30, 2019. Based on the results, of this experience study, certain assumptions were revised effective with the October 1, 2020 actuarial valuation.

The following changes in actuarial assumptions occurred during the current year:

- The assumed investment rate of return was lowered from 7.40% to 7.25%. The effect of these assumption change caused an \$8,203,136 increase in the Total Pension Liability as of year end.
- Effective as of October 1, 2022, the assumed investment rate of return was lowered from 7.25% to 7.20%. This assumption change occurred after the September 30, 2022 measurement date and is therefore not required to be recognized in this report. If this assumption change had been recognized as of the September 30, 2022 measurement date, the Total Pension Liability would have increased by \$2,806,104, as shown in the October 1, 2022 actuarial valuation report dated April 12, 2023.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class, as well as historical investment data and plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target allocation are summarized in the following table:

Asset Class	Target Allocation		Long-Term Expected Rate of Return*
	Minimum	Maximum	
Domestic equities	35%	45%	7.5%
International equities	15%	25%	8.5%
Domestic bonds	10%	20%	2.5%
International bonds	0%	10%	3.5%
Real estate	5%	15%	4.5%
Alternative	0%	15%	6.24%

*Real rate of return adjusted for annual inflation rate of 2.15%.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, which was a decrease from the prior year discount rate of 7.40%. This single discount rate was based on the expected rate of return on pension plan investment of 7.25%. 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 (7.25%) was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Coral Gables Retirement Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A)-(B)
Beginning Net Pension Liability 10/1/2022	\$ 606,340,628	\$ 499,267,700	107,072,928
Changes for the year:			
Service cost	7,893,821	-	7,893,821
Interest on the total pension liability	43,466,615	-	43,466,615
Changes of benefit terms	-	-	-
Difference between expected and actual experience	1,671,660	-	1,671,660
Changes of assumptions	8,203,138	-	8,203,138
Contributions - employer	-	29,657,355	(29,657,355)
Contributions - nonemployer	-	145,830	(145,830)
Contributions - member	-	5,164,756	(5,164,756)
Net investment income (loss)	-	(78,323,083)	78,323,083
Benefit payments	(52,535,459)	(52,535,459)	-
Refunds	(1,160,074)	(1,160,074)	-
Administrative expense	-	(543,348)	543,348
Net changes	7,539,701	(97,594,023)	105,133,724
Ending Net Pension Liability 09/30/2023	\$ 613,880,329	\$ 401,673,677	\$ 212,206,652

Sensitivity of the Net Pension Liability to Change in the Discount Rate

The following presents the net pension liability of the City calculated using the discount rate of 7.25%, as well as what the employer net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 273,145,207	\$ 212,206,652	\$ 160,671,715

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

For the fiscal year ended September 30, 2023, the City recognized pension expense of \$22,170,502.

As of September 30, 2023, the City reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,489,689	\$ -
Changes in assumptions	6,721,376	949,332
Employer contributions made subsequent to the measurement date	30,173,902	-
Net difference between projected and actual earnings on pension plan investments	51,430,532	-
Total	<u>\$ 89,815,499</u>	<u>\$ 949,332</u>

The deferred outflow of resources of \$30,173,902 resulting from City contributions to the Plan subsequent to the measurement date will be recognized in pension expense for the fiscal year ending September 30, 2024.

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

Year Ending September 30:	Net Deferred Outflow of Resources
2024	\$ (13,545,218)
2025	(9,673,296)
2026	(12,494,449)
2027	(22,979,302)
Total	<u>\$ (58,692,265)</u>

The Schedule of Changes in the Net Pension Liability and Related Ratios and the Schedule of Contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provides additional information about the City's defined benefit pension plan.

Defined Contribution Plans for Police Officers and Firefighters

The City provides pension benefits for its Police Officers and Firefighters, as a supplement to the benefits provided under the Coral Gables Retirement defined benefit pension plan, through two defined contribution plans, the Police Officers' Pension Fund and Firefighters' Pension Fund. Benefits from these plans depend solely on amounts contributed to the plans, plus investment earnings. Employer contributions to both plans are the proceeds of a tax on certain insurance companies collected by the State of Florida and distributed to qualified municipalities according to Florida Statutes, Chapter 185 for Police Officers and Chapter 175 for Firefighters. The plan is administered by the Police and Firefighters Pension Board. The Pension Board with approval of the City Commission has authority for amending the plan.

Police Officers

(1) Plan Description

The Police Officers' Retirement Trust Fund (the "Plan") is a defined contribution pension plan covering all police officers employed by the City. The Plan was created and is operated under the Code of the City of Coral Gables, Chapter 50, "Pension", Article III - "Retirement System for Police Officers" enacted in 1988.

Police Officers participate from the date of employment as a police officer. Contributions to the Plan are distributed to participants based on the years of service for the individual participant as it relates to the total years of service for all participants. Each participant is credited one share for each year in the Plan, up to a maximum of thirty (30) shares. Initial shares will be credited to eligible participants on April 1 of each year. At September 30, 2023, the Plan membership consisted of 258 active members.

Employees are fully vested after 10 years of credited service in the Plan; no partial vesting is provided. Amounts forfeited by employees for any reason are redistributed to the remaining participants based on the relative amounts of shares held.

The City contributions for the fiscal year were \$814,827 representing 4.71% of total covered payroll of police officers participating in the Plan of \$17,298,927.

The Plan issues a publicly available financial report that includes the applicable financial statements and required supplementary information. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Retirement System Administrator, 3810 Inverrary Blvd., Lauderhill, Florida 33319.

(2) Summary of Significant Accounting Policies

Basis of accounting - The financial statement of the Plan has been prepared on the accrual basis of accounting. State contributions are recognized as revenue pursuant to approval by the State of Florida. Distributions are recognized when due and payable pursuant to the terms of the Plan. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Firefighters

(1) Plan Description

The Firefighters' Pension Fund (the "Plan") is a defined contribution pension plan covering all firefighters employed by the City. The Plan was created and is operated under the Code of the City of Coral Gables, Chapter 50, "Pension", Article IV - "Firefighters' Pension Trust Fund" enacted in 1988. Firefighters participate from the date of employment as a firefighter. Contributions to the Plan are distributed to participants based on a formula of 5 shares for being a firefighter plus 1 additional share for every 5 years of service as a firefighter. Employees in service prior to August 25, 1987 are fully vested; the remaining employees become fully vested after 10 years of service; no partial vesting is provided. Amounts forfeited by non-vested employees who leave employment are redistributed to the remaining participants. As of September 30, 2023, there are 136 active and 28 inactive plan members.

The City contributions for the fiscal year were \$1,319,180 representing 9.22% of total covered payroll of firefighters participating in the plan of \$14,299,179.

The Plan issues a publicly available financial report that includes the applicable financial statements and required supplementary information. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Plan Administrator, 3939 Hollywood, Suite 2A, Hollywood, Florida 33319.

(2) Summary of Significant Accounting Policies

Basis of accounting - The financial statement of the Plan has been prepared on the accrual basis of accounting. State contributions are recognized as revenue pursuant to approval by the State of Florida. Distributions are recognized when due and payable pursuant to the Plan. Interest and dividend income are recorded as earned.

(c) Defined Contribution Plans for Appointed Officials, Excluded and General Employees

In September 2015, the City passed Ordinance No. 2015-21 amending the Code of the City of Coral Gables Section 50-26 pertaining to "Pension" ("Pension Code") providing that it shall not be mandatory for any appointed official of the City, or any assistant city manager or deputy city attorney, or department director hired on or after September 8, 2015, to participate in the Coral Gables Retirement System (the "System"), but have the option of participation in the System. In the event the appointed officials and employees elect to participate in any retirement plan other than the System, the City may contribute a sum not to exceed the maximum limit provided by law to the plan. The ordinance also provides that it is not mandatory for elected official of the City to participate in the System. Elected officials who take office on or after October 1, 2008 shall become members of the Florida Retirement System in accordance with applicable law and shall not participate in the City retirement system.

In September 2017, the City passed Ordinance No. 2017-38 to further amend the Pension Code Section 50-26 providing that it shall not be mandatory for a non-bargaining unit police officer or firefighter hired from outside the City on or after September 26, 2017 to participate in the System, but such employee shall have the option of participation in the System or in another retirement plan, and must exercise that option within 30 days following their date of hire. In the event such employee elects to participate in any retirement plan other than the system, the City may contribute a sum not to exceed the maximum limit provided by law to that plan.

The City has contracted Nationwide Retirement Solutions on behalf of its excluded and general employees for four defined contribution pension plans categorized as executives (for assistant city

manager/deputy city attorney), department heads, excluded/teamster employees; and a separate plan for the City Manager and City Attorney. All plans are established under the provisions of Section 401(a) of the Internal Revenue Code as Money Purchase Plans and Trusts. The City Commission has the authority for establishing or amending the plan's provisions. The assets of the plans are owned by the employee. In a defined contributions plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

The City Manager's and City Attorney's 401(a) Plan requires the City to contribute 25% of the City Manager's and City Attorney's salary for each plan year and are not required to contribute to the plan. The City's contribution and those of the City Manager and City Attorney (and interest allocated to their account) are fully vested at the time of the contribution.

The Executives 401(a) Plan provisions require the City to contribute 15% of each participant's salary and participants are not required to contribute to the plan. Employees are eligible to participate from the date of employment. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested at the time of the contribution.

The Department Heads 401(a) Plan provisions require the City to contribute 10% of each participant's salary and participants are not required to contribute to the plan. Employees are eligible to participate from the date of employment. The City's contributions for each employee (and interest allocated to the employee's account) are vested at 20% after first year of service and increases by 20% at every year of service and fully vested after five years of continuous service.

The Excluded/Teamster 401(a) Plan provisions require the City to contribute 7% of each participant's salary and participants are not required to contribute to the plan. Employees are eligible to participate from the date of employment. The City's contributions for each employee (and interest allocated to the employee's account) are vested at 20% after first year of service and increases by 20% at every year of service and fully vested after five years of continuous service.

For the year ended September 30, 2023, the City's total contribution to the 401(a) defined contribution plans was \$746,655.

The City does not have any fiduciary responsibility relating to the plans, consequently the plans activities are not recorded in the fiduciary funds of the City.

NOTE 9 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description – The City provides health insurance benefits to its retired employees through a single-employer plan administered by the City. Pursuant to the provisions of Section 112.0801, Florida Statutes, the City is mandated to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retirees are required to pay 100% of the premium where premiums are determined based upon a blend of active employees and retirees. The blended rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The benefits provided under this defined benefit plan are provided for a retiree's lifetime (or until such time at which retiree discontinues coverage under the City sponsored plan, if earlier).

Employees Covered by Benefit Terms – At September 30, 2021, the date of the latest actuarial valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	186
Active employees	794
Total	980

Funding Policy - Currently, the City's Retiree Health Care Plan is unfunded. The City is financing the other post-employment benefits (OPEB) on a pay-as-you-go basis. There are no separate trust funds or equivalent arrangement into which the City contributes to advance-fund the OPEB liability, as it does for its retiree pension plans.

Total OPEB Liability

The City's total OPEB liability was measured as of September 30, 2022, rolled forward to September 30, 2023, and was determined by an actuarial valuation as of September 30, 2021.

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions:

Inflation	2.15%
Discount rate*	4.40%
Projected salary increases	2.60% - 9.90%
Healthcare cost trend rates	Based on the Getzen Model starting at 6.50% gradually decreasing to an ultimate rate of 3.4% in 2041
Retirees' share of benefit-related costs	100% of blended health insurance premium rates except by law of 0% for certain conditions for Police Officers and Firefighters death and disability benefits.

*Discount rate is based on the Fidelity 20-Year Municipal GO AA Index.

Mortality rates – healthy members based on various PUB-2010 based tables, generational mortality using gender-specific MP-2018 mortality improvements projection scale. Disabled employees based on various PUB-2010 Disability mortality tables and no projected improvements.

Experience study - The actuarial assumptions other than the mortality used in the September 30, 2021 actuarial valuation reflect an experience study for the City of Coral Gables Retirement System. The mortality assumptions used in the valuation reflect an experience study conducted by the Florida Retirement System as of July 1, 2019.

In 2023, the assumed discount rate was changed from 2.19% to 4.40%. As required by GASB 75, this rate is equal to the tax-exempt municipal bond rate based on a index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

Discount Rate

A discount rate of 4.40% was used to measure the September 30, 2022 total OPEB Liability. The rate is based on the Fidelity 20-Year Municipal GO AA Index – daily rate closest or equal to but not later than the respective measurement date.

Changes in Total OPEB Liability

Beginning Total OPEB Liability	\$ 24,963,191
Changes for the year:	
Service cost	1,313,920
Interest	564,750
Changes of assumptions	(6,066,648)
Benefit payments	(984,072)
Net changes	(5,172,050)
Ending Total OPEB Liability	\$ 19,791,141

Sensitivity of the Total OPEB Liability to Change in the Discount Rate

The following presents the total OPEB liability of the City calculated using the discount rate of 4.40%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.40 percent) or 1-percentage-point higher (5.40 percent) than the current rate:

	1% Decrease (3.40%)	Current Discount Rate (4.40%)	1% Increase (5.40%)
Total OPEB Liability	\$ 22,208,033	\$ 19,791,141	\$ 17,784,321

Sensitivity of the Total OPEB Liability to the Healthcare Trend Rate Assumption

The following presents the total OPEB liability of the City calculated using a healthcare cost trend rate that is 1% point higher and 1% point lower than the assumed healthcare cost trend rate:

Sensitivity of the Total OPEB Liability to the Healthcare Trend Rate Assumption			
	1% Decrease	Current Trend Rate	1% Increase
Trend Rates	5.5% to 2.4%	6.5% to 3.4%	7.5% to 4.4%
Total OPEB Liability	\$ 17,437,634	\$ 19,791,141	\$ 22,693,621

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

For the year ended September 30, 2023, the City recognized OPEB expense of \$151,488 and reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	\$ -	\$ 3,792,611
Changes in assumptions	1,938,326	8,192,341
Employer contributions made subsequent to the measurement date	1,097,253	-
Total	<u>\$ 3,035,579</u>	<u>\$ 11,984,952</u>

The deferred outflow of resources of \$1,097,253 resulting from City contributions to OPEB Plan subsequent to the measurement date will be recognized in OPEB expense for the fiscal year ending September 30, 2024.

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

Year Ending September 30:	Net Deferred Inflow of Resources
2024	\$ (1,835,765)
2025	(1,702,764)
2026	(1,604,570)
2027	(1,537,511)
2028	(1,550,308)
Thereafter	(1,815,708)
Total	<u>\$ (10,046,626)</u>

The Schedule of Changes in the Total OPEB Liability and Related Ratios and the Schedule of Contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provides additional information about the City's OPEB plan.

NOTE 10 - POLLUTION REMEDIATION OBLIGATIONS

As of September 30, 2023, the City is involved in four (4) pollution remediation obligating events as follows:

- a) Biltmore Golf Course - In August 2003, the City received a Notice of Violation (NOV) from Miami-Dade County Regulatory and Economic Resources (RER) that documented contamination found in an onsite soakage pit and an adjacent monitoring well. The City through its consultant proposed a natural background study for arsenic, in addition to a supplemental site assessment report (SSAR) to address the contamination found in the identified areas. The City completed Phases 1 and 2 of this project which consisted of source removal of contaminated soil and placement of an engineering control in the vicinity of the maintenance building. The City submitted a Source Removal Report documenting the source removal in September 2015, followed by the filing of a Restrictive Covenant and Engineering Control Implementation Report in 2016. In RER's response letter dated September 8, 2016, it required removal of additional soil and groundwater monitoring wells as well as submission of certain control and implementation reports. As of September 30, 2023, the City is coordinating

with RER on the plans for the removal of an additional two feet of contaminated soil. The City estimates the remaining costs for this entire obligating event to be \$130,000.

- b) Granada Golf Course - In April 1988, City applied for entry into the State of Florida Department of Environmental Protection (FDEP) Early Detection Incentive Program. This program allowed for funding and cleanup assistance to be allocated for eligible sites. The City voluntarily removed a 6,000-gallon underground storage tank at the Granada Golf Course. The City is required to continue with soil and groundwater plume delineation, soil analysis and new monitoring well installation. RER also required the City to submit an engineering control plan. As of September 30, 2023, the City has estimated the cost of these requirements to be \$32,000.
- c) Former Coral Gables Incinerator Site Assessment - In December 2005, the City demolished the incinerator building, combustion chambers and the incinerator stack at the Public Works Facility located at 2800 SW 72nd Avenue. After the demolition activities were completed, the City's consultants conducted a limited site assessment of the existing soil and groundwater conditions in August and September 2007. Based upon the soil and groundwater analytical results, the levels of contamination detected are essentially equivalent and or above the cleanup target levels for residential and commercial/industrial use levels. Based on these results, RER required the City to submit a Site Assessment Report Addendum (SARA) to address the outstanding environmental assessment and remediation requirements of the former incinerator. In November 2023, the City submitted a Proposed Limited Soil and Groundwater Assessment Plan to RER. As of end of fiscal year 2023, the City has estimated the cost to remove and dispose the contaminated soil from the site to be \$2.74 million and estimated completion by 2026.
- d) Coral Gables Country Club - In May 2002, as part of the renovation of the Country Club, an underground storage tank was removed. The City received a NOV from RER and was required to complete a site assessment report due to release of unknown contamination into the ground as a result of the tank removal activities. As of August 2009, the City completed the remediation activities that included the excavation and removal of all soils surrounding the original tank removal footprint. In 2014, the City completed the required groundwater monitoring and received a notification from RER that there is no additional groundwater sampling requirement for this site. In November 2019, the City completed the source removal, engineering control plan and covenant package; and submitted all the required reports to RER. As of September 30, 2023, the City is in the process of reviewing the most recent plan for submission to RER but the cost of remediation cannot be reasonably estimated, therefore a liability for this site is not recorded in the financial statements.

As of September 30, 2023, the City's total liability related to the pollution remediation obligating events is \$2.9 million.

NOTE 11 - INSURANCE PROGRAM

The City has a self-insurance program for General Liability, Automobile Liability and Workers' Compensation. The City uses a professional servicing organization as third-party administrator for the program. The City has established a separate Internal Service Fund to record the activity related to the insurance program.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. The City is exposed to various risks of loss related to torts; theft of,

damage to, and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance.

The City purchases excess insurance over retention of \$500,000 per occurrence for Workers' Compensation. For General and Automobile Liability, the retention is \$350,000. The City is protected by Florida Statute 768.28 which limits losses to, except for certain federal causes of action: (a) \$100,000 per person / \$200,000 per occurrence for claims arising between October 1, 1981 and October 1, 2011; and (b) \$200,000 per person / \$300,000 per occurrence for claims arising after October 1, 2011.

The City is fully insured for its health programs for employees except for Police Officers and Firefighters. For Police Officers and Firefighters, the City participate in health trust fund and pay only the union negotiated premium amount.

The following schedule presents the changes in claim liabilities for the past two years in the Internal Service Funds:

	2023	2022
Unpaid claim payable, beginning	\$ 13,673,000	\$ 13,833,000
Incurring claims and claim adjustments	893,068	3,410,788
Claims payments	(3,467,068)	(3,570,788)
Unpaid claims payable, ending	<u>\$ 11,099,000</u>	<u>\$ 13,673,000</u>

Settled claims have not exceeded coverage in any of the past three years.

NOTE 12 - DEFICIT IN NET POSITION AND FUND BALANCE OF INDIVIDUAL FUNDS

The Capital Project BBC GOB Program Fund has a deficit fund balance of \$26,409. The deficit will be funded with reimbursements from the Miami-Dade County Building Better Communities grant program in the next fiscal year.

NOTE 13 – CONTINGENCIES AND COMMITMENTS

Litigations

There are several pending claims and lawsuits in which the City is involved. The estimated liability related to these claims has been accrued in the City's Internal Service Insurance Fund. In the opinion of City management, the ultimate resolution of these claims is not likely to have a material, adverse impact to the financial position of the City.

Government Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally, federal and state agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, however, the City expects such amounts, if any, to be immaterial.

Construction Commitments

The City is a party to several improvements and construction contracts. The amount remaining on these uncompleted contracts as of September 30, 2023 was approximately \$10.84 million.

NOTE 14 – LEASES

A lease is defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial assets, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

(a) Lease Receivable

The City leases (as lessor) City-owned properties such as land, buildings, retail space and parking lots. The related receivables and deferred inflows of resources are reported in the financial statements of the General Fund and Parking Fund, for the amount equal to the present value of lease payments expected to be received during the lease term.

General Fund:**Telecommunication Towers Lease**

The City has four existing ground lease arrangements with telecommunication service providers to construct, maintain and operate telecommunication towers. As of October 1, 2021, the date of GASB 87 adoption, the terms of leases range from 24-80 months and had an initial lease receivable balance of \$1,010,297. During the fiscal year 2023, there was a lease modification for one of the leases resulting in a decrease in lease receivable of \$111,319. As of September 30, 2023, the lease receivable balance was \$445,603.

These leases have an interest rate ranging from 0.49% to 3.97%. The total balance of deferred inflow of resources for these leases as of September 30, 2023 amounted to \$427,237 and the City recognized lease revenue of \$240,342.

Land and Building Lease

Biltmore Hotel - the agreement commenced on February 10, 1986 and will expire on August 5, 2042. The City is entitled to receive an annual base fee, and an additional amount at year end based on the difference between the base fee and percentage fee based on 3.5% of the annual net revenue from the operation of the property. The annual base fee is adjusted yearly for the effect of cumulative price index over the life of the agreement. As of October 1, 2021, the date of GASB 87 adoption, the annual base fee in effect was \$716,624 with an unexpired lease term of twenty (21) years and an initial lease receivable balance of \$11,738,050.

The lease has an interest rate of 2.03%. The total balance of deferred inflow of resources for the lease as of September 30, 2023 amounted to \$11,032,340 and the City recognized lease revenue of \$585,370 and additional revenue based on percentage rent of \$1,131,796. As of September 30, 2023, the lease receivable balance was \$11,252,783.

Biltmore Golf Course - the agreement commenced on October 1, 2003 and will expire on August 5, 2042. The City is entitled to receive an annual base fee which is adjusted for the effect of cumulative price index over the life of the agreement. As of October 1, 2021, the date of GASB 87 adoption, the annual base fee in effect was \$179,780 with an unexpired lease term of twenty (21) years and an initial lease receivable balance of \$2,944,735.

The lease has an interest rate of 2.03%. The total balance of deferred inflow of resources for the lease as of September 30, 2023 amounted to \$2,770,072 and the City recognized lease revenue of \$146,979. As of September 30, 2023, the lease receivable balance was \$2,822,996.

Ground Lease

The City has seven (7) long-term lease agreements with private companies for the development, construction, and operation of private facilities on parcels of land owned by the City. As of October 1, 2021, the date of GASB 87 adoption, the terms of leases range from 36-240 months and had an initial lease receivable total balance of \$10,843,048.

The lessees are required to pay an annual base rent which is subject to escalation at varying rates and interval periods. These leases have an interest rate ranging from 0.49% to 1.97%. The total balance of deferred inflow of resources for these leases as of September 30, 2023 amounted to \$9,214,709 and the City recognized lease revenue of \$1,460,585. As of September 30, 2023, the lease receivable balance was \$9,473,367.

Retail Spaces

The City has two (2) long-term lease agreements with private companies for the development, construction, and operation of private facilities on portion of facilities owned by the City. As of October 1, 2021, the date of GASB 87 adoption, the terms of leases range from 45-198 months and had an initial lease receivable total balance of \$2,197,232.

The lessees are required to pay an annual base rent which is subject to escalation at varying rates and interval periods. These leases have an interest rate ranging from 0.71% to 1.97%. The total balance of deferred inflow of resources for these leases as of September 30, 2023 amounted to \$1,948,785 and the City recognized lease revenue of \$178,506. As of September 30, 2023, the lease receivable balance was \$2,076,081.

Parking Fund:

Ground Lease

As of October 1, 2021, the date of GASB 87 adoption, the Parking Fund has two (2) long-term lease agreements with private companies for the operation of parking lots on parcels of land owned by the City. As of September 30, 2022, the total balances of lease receivable and deferred inflows of resources were \$2,166,742 and \$2,147,291, respectively. During fiscal year 2023, one of the parking lots was sold by the City and the lease term of the other parking lot was modified to less than a year. Thus, the remaining balances of lease receivable and deferred inflows of resources were eliminated.

Retail Spaces

In the Parking Fund, there are five (5) long-term lease agreements with private companies for the development, construction, and operation of private facilities on portions of facilities owned by the City. As of October 1, 2021, the date of GASB 87 adoption, the terms of leases range from 32-180 months and had an initial lease receivable total balance of \$3,805,201.

The lessees are required to pay an annual base rent which is subject to escalation at varying rates and interval periods. These leases have an interest rate ranging from 0.49% to 1.71%. The total balance of deferred inflow of resources for these leases as of September 30, 2023 amounted to \$3,023,273 and the

City recognized lease revenue of \$714,152. As of September 30, 2023, the lease receivable balance was \$3,320,228.

As of September 30, 2023, minimum principal and interest lease receivable payments for its leasing activities, with remaining term in excess of one year are as follows:

Fiscal Year	Governmental Activities			Business-Type Activities/Parking Fund		
	Principal	Interest	Total Payment	Principal	Interest	Total Payment
2024	\$ 2,287,031	\$ 452,021	\$ 2,739,052	\$ 538,135	\$ 44,641	\$ 582,776
2025	2,257,392	418,658	2,676,050	492,958	39,071	532,029
2026	1,988,896	387,319	2,376,215	298,812	34,306	333,118
2027	1,697,943	357,590	2,055,533	312,575	29,916	342,491
2028	1,667,664	328,506	1,996,170	280,582	25,417	305,999
2029-2033	6,307,613	1,251,832	7,559,445	781,300	85,549	866,849
2034-2038	5,864,781	739,876	6,604,657	615,866	17,892	633,758
2039-2042	3,999,510	134,886	4,134,396	-	-	-
Total	26,070,830	\$ 4,070,688	\$ 30,141,518	3,320,228	\$ 276,792	\$ 3,597,020
Less: Current portion	(2,287,031)			(538,135)		
Long-term portion	\$ 23,783,799			\$ 2,782,093		

(b) Lease Payable

The City (as lessee) leases equipment, office space and a parking lot. The related obligations are presented in the amounts equal to the present value of lease payments, payable during the remaining lease term. As the lessee, a lease liability and the related lease asset is recognized in the government-wide and proprietary fund statement of net position. The City did not incur expenses related to its leasing activities related to residual value guarantees, lease termination penalties or losses due to impairment. As a lessee, there are no agreements that include sale-leaseback and lease-leaseback transactions.

As of September 30, 2023, minimum principal, and interest payment requirement for its leasing activities, with remaining term in excess of one year are as follows:

Fiscal Year	Governmental Activities			Business-Type Activities/Parking Fund		
	Principal	Interest	Total Payment	Principal	Interest	Total Payment
2024	\$ 184,033	\$ 6,355	\$ 190,388	\$ 272,874	\$ 1,775	\$ 274,649
2025	136,541	1,452	137,993	8,211	37	8,248
Total	320,574	\$ 7,807	\$ 328,381	281,085	\$ 1,812	\$ 282,897
Less: Current portion	(184,033)			(272,874)		
Long-term portion	\$ 136,541			\$ 8,211		

Note 15 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

The City entered into various subscription-based information technology arrangements (SBITAs) for downloadable or remotely available software licenses and cloud-based data storage. The related obligations are presented in the amounts equal to the present value of subscription payments, payable during the remaining SBITA term. The subscription liability and the related subscription asset are recognized in the government-wide statement of net position. The adoption of GASB 96, SBITAs

resulted in a restatement of the financial statements as further presented in Note 1 (bb), Summary of Significant Accounting Policies.

The assets acquired and capitalized under the right to use SBITAs is as follows:

Subscription Asset	\$ 9,615,282
Less: Accumulated Amortization	(1,256,727)
	<u>\$ 8,358,555</u>

See Note 5 – Capital Assets for further information on SBITA assets.

The annual debt service requirements on SBITA liabilities outstanding as of September 30, 2023, are as follows:

Fiscal Year	Governmental Activities		
	Principal	Interest	Total Payment
2024	\$ 646,638	\$ 142,967	\$ 789,605
2025	651,170	116,630	767,800
2026	539,148	95,851	634,999
2027	560,401	74,599	635,000
2028	613,675	51,325	665,000
2029-2031	1,340,370	29,630	1,370,000
Total	<u>4,351,402</u>	<u>\$ 511,002</u>	<u>\$ 4,862,404</u>
Less: Current portion	(646,638)		
Long-term portion	<u>\$ 3,704,764</u>		

NOTE 16 – TAX ABATEMENT

The City provides tax abatement through Ordinance No. 3027 as “Tax Exemptions for Historic Properties”. The ordinance allows tax exemption for 100% of the assessed value of the restoration, renovation, or rehabilitation of historic properties. The exemption applies only to taxes levied by the City and does not apply to taxes levied for the payment of bonds or taxes on personal properties. The tax exemption remains in effect for ten (10) years provided the historic character of the property and improvements which qualified the property for an exemption is maintained over the period for which the exemption was granted. Properties qualify for exemption if (a) individually listed in the National Register of Historic Places pursuant to the National Historic Preservation Act of 1966; (b) a contributing property within a National Register-listed district; (c) individually listed in the Coral Gables Register of Historic Places. Improvements on a historic property must be consistent with the U.S Secretary of the Interior’s Standard for Rehabilitation and determined by the City’s Historic Preservation Board to meet criteria established in rules adopted by the US Department of State.

The City has fourteen (14) historic properties with tax exemption as of September 30, 2023 and abated taxes in the amount of \$20 thousand in fiscal year 2023. Estimated property tax of \$74 thousand will be abated over the remaining terms of the tax exemption as of September 30, 2023.

NOTE 17 - PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED

GASB Statement No. 99, *Omnibus 2022*. This Statement addresses practice issues that were identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective in different reporting periods and the latest is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 100, *Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, *Certain Risk Disclosure*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

GASB Statement No. 103, *Financial Reporting Model Improvements*. The new standard provides changes to the requirements of GASB Statement No. 34 such as management's discussion and analysis, unusual and infrequent items, proprietary fund financial statements, definitions of operating and nonoperating revenues and expenses, budgetary comparisons, and reporting of significant reporting units. The requirements of this Statement are effective for fiscal years ending June 30, 2026 and all reporting periods thereafter.

The City's management has not determined the effect these pronouncements will have on the City's financial statements.

NOTE 18 - LAW ENFORCEMENT

The City's financial statements include the Law Enforcement Custodial Fund. This fund is used to report the activity related to resources held for the South Florida Financial Crime Strikeforce (Strike Force) in a purely custodial capacity. The Strike Force is made up of 15 police agencies including the City's police force working together towards the elimination of specific crime activities. Confiscation of property, principally cash, are distributed by court order to individuals, private organizations, or other governments. The assets held in custody by the City are for the benefit of individuals, private organizations, and other government agencies.

NOTE 19 - HURRICANE IRMA

As of September 30, 2023, FEMA and State of Florida approved and obligated project worksheets amounted to approximately \$18.43 million of the City's eligible expenditures related to Hurricane Irma recovery efforts. Of this amount, approximately \$17.67 million has been incurred by the City as of September 30, 2023 and \$15.32 million was received by the City from FEMA and the State of Florida. In addition, a total of \$2.60 million was received by the City from its insurance company and \$2.54 million was applied against damages incurred on City property covered by insurance. In the General Fund financial statement as of September 30, 2023, \$1.65 million was recognized as due from government agency, \$148 thousand was recognized as unearned grant revenue for funds received in advance for obligated project worksheets where the City has not incurred the eligible expenditures, and \$551 thousand was recognized as grant revenue. In the Insurance Fund financial statement as of September 30, 2023, \$63 thousand was recognized as advances from insurance company.

Required Supplementary Information

(Unaudited)

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CORAL GABLES, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND (Unaudited)
For the Fiscal Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
REVENUES				
Taxes	\$ 125,404,437	\$ 125,404,437	\$ 130,021,240	\$ 4,616,803
Licenses	3,668,125	3,668,125	3,715,034	46,909
Permits	9,464,000	9,541,326	19,918,933	10,377,607
Fines and Forfeitures	1,183,000	1,183,000	1,255,386	72,386
Intergovernmental	6,309,382	7,829,804	9,223,271	1,393,467
Charges for Services	18,706,000	18,706,000	21,492,407	2,786,407
Recreation Activity Fees	5,963,000	6,133,300	7,210,222	1,076,922
Rental Income	6,652,511	7,142,338	5,872,368	(1,269,970)
Investment Earnings	900,000	900,000	6,382,779	5,482,779
Contributions and Donations	-	7,000	35,820	28,820
Miscellaneous	70,000	199,021	423,505	224,484
Total Revenues	178,320,455	180,714,351	205,550,965	24,836,614
EXPENDITURES				
Current:				
General Government	25,428,621	24,827,213	24,367,154	460,059
Public Safety	94,425,405	101,746,697	95,473,588	6,273,109
Physical Environment	25,187,149	26,698,838	23,467,419	3,231,419
Transportation	4,089,408	4,439,965	3,999,300	440,665
Economic Environment	1,237,718	1,861,793	1,172,018	689,775
Culture and Recreation	16,236,493	18,518,159	16,743,774	1,774,385
Debt Service:				
Retirement of Principal	1,989,475	1,989,475	1,989,475	-
Interest	196,351	196,351	196,351	-
Capital Outlay	2,334,127	2,521,594	1,089,818	1,431,776
Total Expenditures	171,124,747	182,800,085	168,498,897	14,301,188
Excess (deficiency) of Revenues Over (Under)Expenditures	7,195,708	(2,085,734)	37,052,068	39,137,802
OTHER FINANCING SOURCES (USES)				
Proceeds from Finance Purchase	-	-	216,507	216,507
Proceeds from Sale of Capital Assets	5,000,000	1,000,000	-	(1,000,000)
Transfers In	8,243,507	8,145,861	11,078,795	2,932,934
Transfers Out	(22,752,590)	(23,417,944)	(34,814,074)	(11,396,130)
Total Other Financing Sources (Uses)	(9,509,083)	(14,272,083)	(23,518,772)	(9,246,689)
Net Change in Fund Balance*	\$ (2,313,375)	\$ (16,357,817)	13,533,296	\$ 29,891,113
Fund Balance - Beginning			90,764,727	
Fund Balance - Ending			\$ 104,298,023	

* The net change in fund balance was included in the adopted budget as an appropriation (i.e. planned uses) of fund balance.

See notes to required supplementary information.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CORAL GABLES, FLORIDA
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
AND RELATED RATIOS*

(Unaudited)

Last Nine Years

Year Ended September 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability									
Service cost	\$ 7,893,821	\$ 7,257,463	\$ 7,128,279	\$ 6,666,376	\$ 6,203,806	\$ 5,733,127	\$ 5,758,174	\$ 5,665,063	\$ 6,066,834
Interest	43,466,615	44,465,830	44,278,911	44,214,048	43,073,290	42,159,212	41,975,628	41,412,567	40,360,719
Benefit changes	-	(29,902)	-	461,420	15,359,754	1,018,772	-	-	7,175
Differences between expected and actual experience	1,671,660	181,933	684,775	1,269,118	3,580,739	(2,863,731)	1,319,342	50,400	5,822,419
Changes of assumptions	8,203,138	(1,948,628)	2,693,639	2,644,957	5,080,632	12,563,730	-	4,037,514	-
Benefit payment, including refunds of member contributions	(53,695,533)	(50,560,003)	(46,601,291)	(55,522,659)	(47,644,880)	(46,929,589)	(46,388,958)	(41,597,731)	(34,968,554)
Net change in total pension liability	7,539,701	(633,307)	8,184,313	(266,740)	25,653,341	11,681,521	2,664,186	9,567,813	17,288,593
Total pension liability - beginning	606,340,628	606,973,935	598,789,622	599,056,362	573,403,021	561,721,500	559,057,314	549,489,501	532,200,908
Total pension liability - ending	613,880,329	606,340,628	606,973,935	598,789,622	599,056,362	573,403,021	561,721,500	559,057,314	549,489,501
Total fiduciary net position									
Contributions - City	29,657,355	28,827,016	28,253,347	27,566,259	26,437,994	26,219,139	27,778,394	24,151,856	25,554,746
Contributions - Share Plan	145,830	145,830	145,830	145,830	145,830	145,830	145,830	145,830	145,830
Contributions - Employees	5,164,756	4,891,103	4,920,649	4,970,732	5,000,505	4,600,399	4,393,660	4,704,069	4,095,928
Net investment income (loss)	(78,323,083)	95,413,125	43,440,434	14,869,600	40,945,125	49,719,894	26,707,410	6,282,235	30,421,080
Benefit payments, including refunds of member contributions	(53,695,533)	(50,560,003)	(46,601,291)	(55,522,659)	(47,644,880)	(46,929,589)	(46,388,958)	(41,597,731)	(34,968,554)
Administrative expenses	(543,348)	(683,208)	(419,510)	(489,845)	(472,543)	(402,793)	(352,193)	(431,707)	(334,272)
Net change in plan fiduciary net position	(97,594,023)	78,033,863	29,739,459	(8,460,083)	24,412,031	33,352,880	12,284,143	(6,745,448)	24,914,758
Plan fiduciary net position - beginning	499,267,700	421,233,837	391,494,378	399,954,461	375,542,430	342,189,550	329,905,407	336,650,855	311,736,097
Plan fiduciary net position - ending	\$ 401,673,677	\$ 499,267,700	\$ 421,233,837	\$ 391,494,378	\$ 399,954,461	\$ 375,542,430	\$ 342,189,550	\$ 329,905,407	\$ 336,650,855
City's net pension liability	\$ 212,206,652	\$ 107,072,928	\$ 185,740,098	\$ 207,295,244	\$ 199,101,901	\$ 197,860,591	\$ 219,531,950	\$ 229,151,907	\$ 212,838,646
Plan fiduciary net position as a percentage of the total pension liability	65.43%	82.34%	69.40%	65.38%	66.76%	65.49%	60.92%	59.01%	61.27%
Covered Payroll	\$ 44,238,275	\$ 44,231,011	\$ 44,323,277	\$ 43,411,406	\$ 43,147,050	\$ 43,191,753	\$ 37,305,296	\$ 36,785,806	\$ 35,930,984
Net Pension liability as percentage of covered payroll	479.69%	242.08%	419.06%	477.51%	461.45%	458.10%	588.47%	622.94%	592.35%

* Note to Schedule: This Schedule is presented to illustrate the requirement of GASB 68 and intended to show information for 10 years. Additional years will be displayed as they become available.

Refer to Notes to the Required Supplementary Information for actuarial assumptions and changes to assumptions used in the actuarial valuation.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CORAL GABLES, FLORIDA

SCHEDULE OF CONTRIBUTIONS

(Unaudited)

Last Ten Years

Year Ended September 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 22,543,805	\$ 23,041,155	\$ 23,945,558	\$ 24,427,468	\$ 25,240,192	\$ 23,290,490	\$ 23,082,353	\$ 23,838,224	\$ 24,288,466	\$ 25,678,422
Contribution made in relation to the actuarially determined contribution	<u>30,173,902</u>	<u>29,803,185</u>	<u>28,972,846</u>	<u>28,399,177</u>	<u>27,712,089</u>	<u>26,583,824</u>	<u>26,364,969</u>	<u>27,924,224</u>	<u>24,297,686</u>	<u>25,700,576</u>
Contribution deficiency (excess)	<u>\$ (7,630,097)</u>	<u>\$ (6,762,030)</u>	<u>\$ (5,027,288)</u>	<u>\$ (3,971,709)</u>	<u>\$ (2,471,897)</u>	<u>\$ (3,293,334)</u>	<u>\$ (3,282,616)</u>	<u>\$ (4,086,000)</u>	<u>\$ (9,220)</u>	<u>\$ (22,154)</u>
Covered payroll	\$ 44,988,374	\$ 44,238,275	\$ 44,231,011	\$ 44,323,277	\$ 43,411,406	\$ 43,147,050	\$ 43,191,753	\$ 37,305,296	\$ 36,785,806	\$ 35,930,984
Contributions as a percentage of covered payroll	<u>67.07%</u>	<u>67.37%</u>	<u>65.50%</u>	<u>64.07%</u>	<u>63.84%</u>	<u>61.61%</u>	<u>61.04%</u>	<u>74.85%</u>	<u>66.05%</u>	<u>71.53%</u>

* Note to Schedule: This Schedule is presented to illustrate the requirement of GASB 68

Refer to Notes to the Required Supplementary Information for actuarial assumptions and changes to assumptions used in the actuarial valuation.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF CORAL GABLES, FLORIDA
SCHEDULE OF INVESTMENT RETURNS**

(Unaudited)

Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return (loss), net of investment expense	12.35%	(17.44%)	23.14%	10.72%	4.16%	10.55%	14.82%	8.57%	1.84%	9.16%

* Note to Schedule: This Schedule is presented to illustrate the requirement of GASB 68 and intended to show information for 10 years.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CORAL GABLES, FLORIDA
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY
AND RELATED RATIOS*

(Unaudited)

Last Six Years

Year Ended September 30,

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 1,313,920	\$ 1,459,293	\$ 1,349,916	\$ 1,125,511	\$ 1,190,160	\$ 1,075,954
Interest	564,750	740,447	798,231	1,049,539	955,093	872,196
Benefit changes	-	-	-	71,903	-	-
Differences between actual and expected experience	-	(2,724,538)	-	(3,837,504)	-	(804,773)
Changes of assumptions	(6,066,648)	(3,308,826)	345,760	3,820,946	(1,211,078)	(1,323,222)
Benefit payment, including refunds of member contributions	(984,072)	(930,137)	(881,403)	(779,767)	(730,846)	(831,764)
Net change in total OPEB liability	(5,172,050)	(4,763,761)	1,612,504	1,450,628	203,329	(1,011,609)
Total OPEB liability - beginning	24,963,191	29,726,952	28,114,448	26,663,820	26,460,491	27,472,100
Total OPEB liability - ending	19,791,141	24,963,191	29,726,952	28,114,448	26,663,820	26,460,491
Covered Payroll	\$ 62,265,046	\$ 60,775,347	\$ 60,360,297	\$ 58,859,738	\$ 55,770,204	\$ 54,887,335
Total OPEB liability as percentage of covered payroll	31.79%	41.07%	49.25%	47.77%	47.81%	48.21%

* Note to Schedule: This Schedule is presented to illustrate the requirement of GASB 75 and intended to show information for 10 years. Additional years will be displayed as they become available.

Refer to Notes to the Required Supplementary Information for actuarial assumptions and changes to assumptions used in the actuarial valuation.

CITY OF CORAL GABLES, FLORIDA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)

Note 1 – Budgets and Legal Compliance

(a) Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the general and debt service fund. All annual appropriations lapse at fiscal year-end. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances are re-appropriated and become part of the subsequent year's budget. Project-length financial plans are adopted for all capital project funds.

(b) During July of each year, the City Manager submits to the City Commission a proposed operating budget for the ensuing fiscal year. The proposed budget is prepared by fund, function and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year. During September of each year the City Commission holds two public hearings for adoption of the budget by ordinance. The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is the total appropriated by fund. Management may make transfers of appropriations between funds however must seek City Commission approval to change the total appropriated budget amount, unless changes to the total appropriated budget are considered necessary for the continuity of the City's operations, for which management is given the authority to do so without the City Commission approval.

(c) Budget ordinance provides that transfers between operating, capital, proprietary and internal service funds are necessary and appropriate during the prior fiscal year-end closing process, as well as subsequent to the adoption of the annual budget for the continuity of City operations.

(d) The amounts shown in the financial statements reflect the original budgeted amounts and all amendments and supplements approved through September 30, 2023 that are included in the final amended budget.

Note 2 – City of Coral Gables Retirement System

(a) The total pension liability used to calculate the net pension liability and the annual contribution rates were determined by an actuarial valuation as of September 30, 2022 using following assumptions:

Actuarial cost method	Entry Age Normal, Level Percent of Pay
Inflation	2.15%
Salary increases	2.60% - 9.90%, depending on age or service group, including inflation.
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.

Mortality

The same version of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) in their July 1, 2019 actuarial valuation (with mortality improvements projected to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation report.

(b) The following changes in actuarial assumptions occurred in 2022:

- The assumed investment rate of return was lowered from 7.40% to 7.25%. The effect of these assumption change caused a \$8,203,136 increase in the Total Pension Liability as of September 30, 2022.
- Effective as of October 1, 2022, the assumed investment rate of return was lowered from 7.25% to 7.20%. This assumption change occurred after the September 30, 2022 measurement date, and is therefore not required to be recognized in this report. If this assumption change had been recognized as of the September 30, 2022 measurement date, the Total Pension Liability would have increased by \$2,806,104, as shown in the October 1, 2022 actuarial valuation report dated April 12, 2023.

Note 3 – Other Post-Employment Benefit

The City's total OPEB liability was measured as of September 30, 2022, rolled forward to September 30, 2023, and was determined by an actuarial valuation as of September 30, 2021. The City is financing the other post-employment benefits (OPEB) on a pay-as-you go basis. There are no separate trust funds or equivalent arrangement into which the City contributes to advance-fund the OPEB liability.

The total OPEB liability was determined using the following actuarial assumptions:

Inflation	2.15%
Discount rate*	4.40%
Projected salary increases	2.60% - 9.90%
Healthcare cost trend rates	Based on the Getzen Model starting at 6.50% gradually decreasing to an ultimate rate of 3.4% in 2041
Retirees' share of benefit-related costs	100% of blended health insurance premium rates except by law of 0% for certain conditions for Police Officers and Firefighters death and disability benefits.

*Discount rate is based on the Fidelity 20-Year Municipal GO AA Index.

Mortality rates – healthy members based on various PUB-2010 based tables, generational mortality using gender-specific MP-2018 mortality improvements projection scale. Disabled employees based on various PUB-2010 Disability mortality tables and no projected improvements.

In 2023, the assumed discount rate was changed from 2.19% to 4.40% as required by GASB 75, this rate is equal to the tax-exempt municipal bond rate based on a index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

Combining Individual Fund Statements and Schedules

These financial statements provide a more detailed view of the Special Revenue, Capital Projects, Internal Service, Pension Trust and Custodial Fund types included in the Basic Financial Statements presented in the preceding subsection.

Combining statements are presented when there are more than one fund of a given fund type.



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Nonmajor Governmental Funds

Special Revenue Fund - to account for specific revenue sources that are restricted, or committed to expenditures for particular purposes.

Special Taxing Districts - to account for receipts of non-ad valorem assessment revenue levied by the City on designated areas within the city, and expenditures for special services for which the assessment was imposed and only within the designated areas where the assessment was collected.

Capital Projects Funds - to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes.

Neighborhood Renaissance Program Fund - to account for and report the proceeds of the Special Obligation Bonds Series 2012 and Series 2011 and other financial resources that are restricted, committed, or assigned for the acquisition or construction of various major capital improvements.

Roadway Improvement Fund – to account for the construction costs of resurfacing and rebuilding certain city streets along with the related curbs, gutters, drainage and streelights. These acquisitions are funded from the City’s share of a local option gasoline sales tax plus the proceeds realized from certain deferred assessment lien revenue on roadway improvement assessments.

Transportation Fund – to account for the costs of the Urban Improvement Program which was set in place to assist the flow of traffic in the commercial areas and to provide connectivity to the metrorail.

Building Better Communities General Obligation Bond Program (BBC GOB Program Fund) – to account for grant funds from Miam-Dade County BBC GOB Program and expenditures of covered projects toward enhancement / expansion of public parks and plazas; enhance residential and commercial areas; homeland security and to construct the Coral Gables Museum.

Impact Fees Fund – to account for receipts of impact fees imposed on new developments within the City, and expenditures for the type of system improvements for which the impact fee was imposed and only within the impact fee benefit district where the impact fee was collected.

CITY OF CORAL GABLES, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue	Capital Projects					
	Special Taxing District	Neighborhood Renaissance Program Fund	Roadway Improvement Fund	Transportation Fund	BBC GOB Program Fund	Impact Fees Fund	Total Nonmajor Governmental Funds
ASSETS							
Pooled Cash and Cash Equivalents	\$ -	\$ -	\$ 1,359,520	\$ 828,454	\$ 88,591	\$ -	\$ 2,276,565
Restricted Pooled Cash and Cash Equivalents	1,084,204	85,209	-	-	-	531,406	1,700,819
Pooled Investments	-	-	1,953,980	1,464,516	-	-	3,418,496
Restricted Pooled Investments	-	-	-	-	-	8,683,252	8,683,252
Accounts Receivable, Net	-	-	165,294	-	-	-	165,294
Interest Receivable	-	-	14,805	12,908	-	76,557	104,270
Due from Other Governments	161,466	-	172,659	910,580	63,676	-	1,308,381
Total Assets	<u>1,245,670</u>	<u>85,209</u>	<u>3,666,258</u>	<u>3,216,458</u>	<u>152,267</u>	<u>9,291,215</u>	<u>17,657,077</u>
LIABILITIES							
Accounts Payable	369,680	-	227,862	422,687	-	848,801	1,869,030
Accrued Payroll	-	-	-	7,520	-	-	7,520
Due to Other Funds	380,754	-	-	-	115,000	-	495,754
Total Liabilities	<u>750,434</u>	<u>-</u>	<u>227,862</u>	<u>430,207</u>	<u>115,000</u>	<u>848,801</u>	<u>2,372,304</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - Grants and Contributions	-	-	-	-	63,676	-	63,676
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,676</u>	<u>-</u>	<u>63,676</u>
FUND BALANCES (DEFICIT)							
Restricted to:							
Public Safety	495,236	-	-	-	-	1,910,614	2,405,850
Parks and Recreation	-	85,209	-	-	-	3,495,200	3,580,409
Other Physical Environment	-	-	-	-	-	368,063	368,063
Mobility Improvement Projects	-	-	-	-	-	1,851,988	1,851,988
Impact Fee Administration	-	-	-	-	-	816,549	816,549
Assigned to:							
Other Capital Projects	-	-	3,438,396	2,786,251	-	-	6,224,647
Unassigned							
Total Fund Balances (Deficit)	<u>495,236</u>	<u>85,209</u>	<u>3,438,396</u>	<u>2,786,251</u>	<u>(26,409)</u>	<u>8,442,414</u>	<u>15,221,097</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	<u>\$ 1,245,670</u>	<u>\$ 85,209</u>	<u>\$ 3,666,258</u>	<u>\$ 3,216,458</u>	<u>\$ 152,267</u>	<u>\$ 9,291,215</u>	<u>\$ 17,657,077</u>

CITY OF CORAL GABLES, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended September 30, 2023

	Special Revenue	Capital Projects					
	Special Taxing District	Neighborhood Renaissance Program Fund	Roadway Improvement Fund	Transportation Fund	BBC GOB Program Fund	Impact Fees Fund	Total Nonmajor Governmental Funds
REVENUES							
Gasoline Sales Tax	\$ -	\$ -	\$ 1,271,466	\$ -	\$ -	\$ -	\$ 1,271,466
Municipal Surtax	-	-	-	3,077,119	-	-	3,077,119
Special Assessments	3,081,256	-	-	-	-	1,954,177	5,035,433
Rental Income	-	-	-	3,223	-	-	3,223
Intergovernmental	-	-	-	391,198	-	-	391,198
Investment Earnings	-	794	85,174	56,525	390	408,988	551,871
Miscellaneous	82,487	-	-	-	-	-	82,487
Total Revenues	3,163,743	794	1,356,640	3,528,065	390	2,363,165	10,412,797
EXPENDITURES							
Current:							
General Government	318,534	-	-	-	-	46	318,580
Transportation	-	-	495,741	3,261,316	-	-	3,757,057
Public Safety	2,928,857	-	-	-	-	-	2,928,857
Culture and Recreation	-	-	-	-	-	-	-
Physical Environment	225,336	-	-	-	-	5,001,558	5,226,894
Capital Outlay	601,316	136,207	40,301	54,000	-	409,082	1,240,906
Total Expenditures	4,074,043	136,207	536,042	3,315,316	-	5,410,686	13,472,294
Excess (Deficiency) of Revenues Over(Under) Expenditures	(910,300)	(135,413)	820,598	212,749	390	(3,047,521)	(3,059,497)
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	214,074	214,074
Transfers Out	-	-	-	-	-	(2,717,780)	(2,717,780)
Total Other Financing Sources (Uses)	-	-	-	-	-	(2,503,706)	(2,503,706)
Net Change in Fund Balances	(910,300)	(135,413)	820,598	212,749	390	(5,551,227)	(5,563,203)
Fund Balances (Deficits) - Beginning	1,405,536	220,622	2,617,798	2,573,502	(26,799)	13,993,641	20,784,300
Fund Balances (Deficits) - Ending	\$ 495,236	\$ 85,209	\$ 3,438,396	\$ 2,786,251	\$ (26,409)	\$ 8,442,414	\$ 15,221,097

CITY OF CORAL GABLES, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE FUND (Unaudited)
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Special Assessments	\$ 673,108	\$ 673,108	\$ 680,342	\$ 7,234
Investment Earnings	-	-	27,686	27,686
Total Revenues	673,108	673,108	708,028	34,920
EXPENDITURES				
Current:				
General Government	-	-	23,854	(23,854)
Debt Service:				
Retirement of Principal	5,090,628	5,090,628	5,110,628	(20,000)
Interest	3,633,053	3,633,053	3,510,329	122,724
Debt Issuance Costs	-	-	-	-
Total Expenditures	8,723,681	8,723,681	8,644,811	78,870
Deficiency of Revenues Under Expenditures	(8,050,573)	(8,050,573)	(7,936,783)	113,790
OTHER FINANCING SOURCES (USES)				
Transfers In	8,050,573	8,050,573	8,050,573	-
Total Other Financing Sources	8,050,573	8,050,573	8,050,573	-
Net Change in Fund Balances*	\$ -	\$ -	113,790	\$ 113,790
Fund Balances - Beginning			3,180	
Fund Balances - Ending			\$ 116,970	

* The net change in fund balances was included in the adopted budget as an appropriation (i.e, planned uses) of fund balance.

Internal Service Funds

Motor Pool Fund - to account for the costs of operating a maintenance facility for automotive and other various types of equipment used by other City departments. The operating and maintenance costs are allocated to the user departments by charging a flat rate for annual rental for the equipment. Rental charges are updated annually based on detail maintenance and operating cost records kept for each item of equipment provided. The equipment itself is acquired by the Motor Pool Fund and financing is provided by charging the user departments an annual replacement charge based upon the estimated life of the equipment.

Public Facilities Fund - to account for the costs of providing building maintenance, utilities and general housekeeping services for all City property. Financing is provided by charging the user departments an annual rental fee based upon actual costs.

Insurance Fund - to account for the cost to provide general liability, automobile liability and workers' compensation insurance administered by an outside professional third party administrator, and the cost to provide health care. Financing is provided by insurance premium charges to the user departments and investment earnings on accumulated reserves.

CITY OF CORAL GABLES, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2023

	Motor Pool Fund	Public Facilities Fund	Insurance Fund	Total Internal Service Funds
ASSETS				
Current Assets:				
Pooled Cash and Cash Equivalents	\$ 1,588,861	\$ 649,851	\$ 342,787	\$ 2,581,499
Pooled Investments	5,530,881	2,820,531	11,856,677	20,208,089
Accounts Receivable, Net	26,918	4,824	113,656	145,398
Interest Receivable	50,566	25,549	100,268	176,383
Inventories	66,430	-	-	66,430
Prepaid and Deposits	739,725	-	2,122,168	2,861,893
Total Current Assets	8,003,381	3,500,755	14,535,556	26,039,692
Noncurrent Assets:				
Capital Assets:				
Equipment	38,373,521	123,674	-	38,497,195
Accumulated Depreciation	(25,232,310)	(106,356)	-	(25,338,666)
Total Noncurrent Assets	13,141,211	17,318	-	13,158,529
Total Assets	21,144,592	3,518,073	14,535,556	39,198,221
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to Pensions	1,706,494	1,284,361	-	2,990,855
Deferred Outflows Related to OPEB	91,068	60,712	-	151,780
Total Deferred Outflows of Resources	1,797,562	1,345,073	-	3,142,635
LIABILITIES				
Current Liabilities:				
Accounts Payable	275,883	966,828	373,796	1,616,507
Accrued Payroll	34,753	26,583	-	61,336
Accrued Compensated Absences	114,967	90,294	-	205,261
Claims Payable	-	-	3,868,000	3,868,000
Total OPEB Liability	27,956	18,638	-	46,594
Net Pension Liability	440,360	331,429	-	771,789
Total Current Liabilities	893,919	1,433,772	4,241,796	6,569,487
Noncurrent Liabilities:				
Accrued Compensated Absences	71,721	63,417	-	135,138
Claims Payable	-	-	7,231,000	7,231,000
Advances from Insurance Company	-	-	62,760	62,760
Total OPEB Liability	565,778	377,185	-	942,963
Net Pension Liability	3,591,566	2,703,126	-	6,294,692
Total Noncurrent Liabilities	4,229,065	3,143,728	7,293,760	14,666,553
Total Liabilities	5,122,984	4,577,500	11,535,556	21,236,040
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Related to Pensions	18,037	13,575	-	31,612
Deferred Inflows Related to OPEB	359,549	239,699	-	599,248
Total Deferred Inflows of Resources	377,586	253,274	-	630,860
NET POSITION				
Net Investment in Capital Assets	13,141,211	17,318	-	13,158,529
Unrestricted	4,300,373	15,054	3,000,000	7,315,427
Total Net Position	\$ 17,441,584	\$ 32,372	\$ 3,000,000	\$ 20,473,956

CITY OF CORAL GABLES, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended September 30, 2023

	Motor Pool Fund	Public Facilities Fund	Insurance Fund	Total Internal Service Funds
OPERATING REVENUES				
Charges for Services:				
Billings to Departments for Insurance Protection	\$ -	\$ -	\$ 14,176,885	\$ 14,176,885
Rental of Equipment and Facilities to Various Funds:				
Equipment Operation and Maintenance	6,365,949	-	-	6,365,949
Equipment Replacement Charges	3,606,436	-	-	3,606,436
Facilities	-	8,535,117	-	8,535,117
Total Operating Revenues	9,972,385	8,535,117	14,176,885	32,684,387
OPERATING EXPENSES				
Administration	2,034,560	1,838,353	-	3,872,913
Cost of Sales and Services	3,903,281	6,530,939	-	10,434,220
Benefit Payments	-	-	3,144,690	3,144,690
Insurance	-	-	8,712,070	8,712,070
Depreciation	2,841,250	5,560	-	2,846,810
Total Operating Expenses	8,779,091	8,374,852	11,856,760	29,010,703
Operating Income (Loss)	1,193,294	160,265	2,320,125	3,673,684
NONOPERATING REVENUES (EXPENSES)				
Interest Earnings (Loss)	200,174	102,081	481,702	783,957
Miscellaneous	10,000	-	-	10,000
Gain from Disposal of Capital Assets	162,746	-	-	162,746
Total Nonoperating Revenues (Expenses)	372,920	102,081	481,702	956,703
Income (Loss) Before Transfers	1,566,214	262,346	2,801,827	4,630,387
Transfers In	112,932	-	-	112,932
Transfers Out	-	(262,346)	(2,801,827)	(3,064,173)
Change In Net Position	1,679,146	-	-	1,679,146
Net Position - Beginning	15,762,438	32,372	3,000,000	18,794,810
Net Position - Ending	\$ 17,441,584	\$ 32,372	\$ 3,000,000	\$ 20,473,956

CITY OF CORAL GABLES, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended September 30, 2023

	Motor Pool Fund	Public Facilities Fund	Insurance Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 9,962,218	\$ 8,532,412	\$ 14,133,175	\$ 32,627,805
Payments to Employees	(2,161,624)	(1,906,955)	-	(4,068,579)
Payments to Suppliers	(3,913,038)	(6,590,349)	(14,561,681)	(25,065,068)
Net Cash Provided by (Used In) Operating Activities	3,887,556	35,108	(428,506)	3,494,158
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in from Other Funds	112,932	-	-	112,932
Transfers out to Other Funds	-	(262,346)	(2,801,827)	(3,064,173)
Net Cash Provided By (Used In) Noncapital Financing Activities	112,932	(262,346)	(2,801,827)	(2,951,241)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(3,626,681)	(7,300)	-	(3,633,981)
Proceeds from Sale of Capital Assets	162,746	-	-	162,746
Contributions from private sources	10,000	-	-	10,000
Net Cash Provided by (Used In) Capital and Related Financing Activities	(3,453,935)	(7,300)	-	(3,461,235)
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES				
Purchase of Investments	(21,841,638)	(11,531,868)	(43,178,366)	(76,551,872)
Proceeds from Sale of Investments	20,472,678	11,555,148	42,252,517	74,280,343
Interest and Dividends Received	150,666	77,260	385,117	613,043
Net Cash Provided by (Used In) Investing Activities	(1,218,294)	100,540	(540,732)	(1,658,486)
Net Increase (Decrease) in Cash and Cash Equivalents	(671,741)	(133,998)	(3,771,065)	(4,576,804)
Cash and Cash Equivalents - Beginning	2,260,602	783,849	4,113,852	7,158,303
Cash and Cash Equivalents - Ending	\$ 1,588,861	\$ 649,851	\$ 342,787	\$ 2,581,499
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating Income (Loss)	\$ 1,193,294	\$ 160,265	\$ 2,320,125	\$ 3,673,684
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used in) Operating Activities:				
Depreciation/Amortization Expense	2,841,250	5,560	-	2,846,810
Change in Assets and Liabilities and Deferred Inflows and Outflows:				
Accounts Receivable	-	(2,705)	(43,710)	(46,415)
Inventory	26,313	-	-	26,313
Due from Other Governments	(10,167)	-	-	(10,167)
Prepaid Items	-	5,591	(404,679)	(399,088)
Net pension liability and related deferred inflows/outflow	(60,125)	(61,911)	-	(122,036)
OPEB liability and related deferred inflows/outflow	(37,464)	(24,975)	-	(62,439)
Accounts Payable	(36,070)	(65,001)	273,758	172,687
Accrued Payroll and Other Expenses	3,045	(4,098)	-	(1,053)
Accrued Compensated Absences	(32,520)	22,382	-	(10,138)
Claims Payable	-	-	(2,574,000)	(2,574,000)
Total Adjustments	2,694,262	(125,157)	(2,748,631)	(179,526)
Net Cash Provided by (Used In) Operating Activities	\$ 3,887,556	\$ 35,108	\$ (428,506)	\$ 3,494,158
Noncash Capital and Related Financing Activities:				
Capital Assets Retirement, net	(1,459,700)	-	-	(1,459,700)

Fiduciary Funds

Pension Trust Funds

Coral Gables Retirement Fund - to account for the accumulation of resources to be used for retirement annuities of all employees at appropriate amounts and times in the future. Resources are provided by employer and employee contributions determined by an actuarial study, and investment earnings.

Police Officers' Pension Fund and Firefighters Pension Fund - to account for accumulation of resources to be used for supplemental retirement benefits for police officers and fire fighters. Resources are provided by annual employer contributions and investment earnings. Individual participation is based upon years of service. Individuals may withdraw their equity upon retirement.

Custodial Funds

Employee Benefits Fund - to account for the value of employees' excess sick leave deposited in a sick leave bank held by the City as a custodian.

Law Enforcement Fund - to account for resources provided as a result of certain police investigations, seizures and forfeitures.

CITY OF CORAL GABLES, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
September 30, 2023

	Coral Gables Retirement Fund	Police Officers' Pension Fund	Firefighters' Pension Fund	Total Pension Trust Funds
ASSETS				
Cash and Cash Equivalents	\$ 12,574,328	\$ 433,651	\$ 914,611	\$ 13,922,590
Receivables:				
Accrued Interest and Dividends	350,676	-	-	350,676
Buyback Receivable	26,483	-	-	26,483
Share Plan Contributions	520,066	814,827	426,416	1,761,309
Receivable for securities sold	538,983	-	-	538,983
Other receivables	474,142	-	-	474,142
Total Receivables	1,910,350	814,827	426,416	3,151,593
Securities Lending Cash Collateral - Invested	36,521,993	-	-	36,521,993
Investments:				
U.S. Government and Agency	38,406,061	-	-	38,406,061
Corporate Bonds	10,063,582	-	-	10,063,582
Common Stocks	174,965,901	-	-	174,965,901
International Equity	64,421,358	-	-	64,421,358
Real Estate Investment Trust (REIT)	39,085,975	-	-	39,085,975
Alternative Investments	99,299,047	-	-	99,299,047
Guaranteed Investment Contract	-	-	8,596,783	8,596,783
Mutual Funds	-	6,511,007	4,618,943	11,129,950
Total Investments	426,241,924	6,511,007	13,215,726	445,968,657
Total Assets	477,248,595	7,759,485	14,556,753	499,564,833
LIABILITIES				
Accounts Payable	239,686	-	-	239,686
Payable for Securities Purchased	431,641	-	-	431,641
Due to Coral Gables Retirement Fund	-	467,795	52,271	520,066
Obligations under Securities Lending	36,521,993	-	-	36,521,993
Total Liabilities	37,193,320	467,795	52,271	37,713,386
NET POSITION				
Net Position Restricted for Pension Benefits	\$ 440,055,275	\$ 7,291,690	\$ 14,504,482	\$ 461,851,447

CITY OF CORAL GABLES, FLORIDA
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PENSION TRUST FUNDS
 For the Fiscal Year Ended September 30, 2023

	Coral Gables Retirement Fund	Police Officers' Pension Fund	Firefighters' Pension Fund	Total Pension Trust Funds
Additions (Deductions):				
City Contributions	\$ 30,028,072	\$ 814,827	\$ 1,319,180	\$ 32,162,079
Share Plan Contributions	145,830	-	-	145,830
Total Government Contributions	30,173,902	814,827	1,319,180	32,307,909
Employees:				
Employee contributions	4,856,197	-	-	4,856,197
Total Employee Contributions	4,856,197	-	-	4,856,197
Total Contributions	35,030,099	814,827	1,319,180	37,164,106
Investment Income (Loss):				
Net Appreciation (Depreciation) in the Fair Value of Investments	43,687,754	495,870	628,418	44,812,042
Interest and Dividends	7,038,793	211,153	257,648	7,507,594
Other Income (Loss)	(5,672)	-	-	(5,672)
Total Investment Loss	50,720,875	707,023	886,066	52,313,964
Less Investment Expenses	(2,401,906)	(29,600)	(18,785)	(2,450,291)
Total Investment Income before Securities Lending Activity	48,318,969	677,423	867,281	49,863,673
Securities Lending Activities:				
Security Lending Income	95,840	-	-	95,840
Security Lending Fees and Rebates	(28,804)	-	-	(28,804)
Net Income from Security Lending Activities	67,036	-	-	67,036
Total Net Investment Loss	48,386,005	677,423	867,281	49,930,709
Total Additions (Deductions)	83,416,104	1,492,250	2,186,461	87,094,815
Deductions:				
Pension Benefits Paid	43,092,130	341,900	993,906	44,427,936
Refunds of Contributions	1,362,393	-	-	1,362,393
Administrative Expense	579,983	40,660	24,964	645,607
Total Deductions	45,034,506	382,560	1,018,870	46,435,936
Change in Net Position	38,381,598	1,109,690	1,167,591	40,658,879
Net Position Restricted for Pension Benefits:				
Beginning of Year	401,673,677	6,182,000	13,336,891	421,192,568
End of Year	\$ 440,055,275	\$ 7,291,690	\$ 14,504,482	\$ 461,851,447

CITY OF CORAL GABLES, FLORIDA
 COMBINING STATEMENT OF NET POSITION
 CUSTODIAL FUNDS
 September 30, 2023

	Employee Benefits Fund	Law Enforcement Fund	Total Custodial Funds
ASSETS			
Cash and Cash Equivalents	\$ 628,810	\$ 1,834,579	\$ 2,463,389
Total Assets	<u>628,810</u>	<u>1,834,579</u>	<u>2,463,389</u>
LIABILITIES			
Accounts Payable	<u>-</u>	<u>58,995</u>	<u>58,995</u>
Total Liabilities	<u>-</u>	<u>58,995</u>	<u>58,995</u>
NET POSITION			
Restricted for:			
Individuals and Other Governments	<u><u>\$ 628,810</u></u>	<u><u>\$ 1,775,584</u></u>	<u><u>\$ 2,404,394</u></u>

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CITY OF CORAL GABLES, FLORIDA
 COMBINING STATEMENT OF CHANGES IN NET POSITION
 CUSTODIAL FUNDS
 September 30, 2023

	Employee Benefits Fund	Law Enforcement Fund	Total Custodial Funds
Additions:			
Employee Contributions	\$ 98,032	\$ -	\$ 98,032
Equitable Sharing Funds	-	1,051,262	1,051,262
Total Additions	<u>98,032</u>	<u>1,051,262</u>	<u>1,149,294</u>
Deductions:			
Sick Leave Benefits Paid to Employees	60,955	-	60,955
Law Enforcement Operations and Administration	-	1,846,211	1,846,211
Total Deductions	<u>60,955</u>	<u>1,846,211</u>	<u>1,907,166</u>
Change in Net Position	37,077	(794,949)	(757,872)
Net Position Restricted for Individuals and Other Governments:			
Beginning of Year	591,733	2,570,533	3,162,266
End of Year	<u>\$ 628,810</u>	<u>\$ 1,775,584</u>	<u>\$ 2,404,394</u>



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Statistical Section

(UNAUDITED)

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

Financial Trends

These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the city's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

TABLE 1
CITY OF CORAL GABLES, FLORIDA
NET POSITION BY COMPONENT
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net Investment in Capital Assets	\$ 127,802,756	\$ 133,586,545	\$ 135,571,942	\$ 141,676,954	\$ 148,623,292	\$ 158,995,281	\$ 177,292,863	\$ 188,478,077	\$ 193,518,594	\$ 199,561,729
Restricted	21,333,586	21,749,068	23,792,213	24,048,924	31,270,845	32,421,931	32,038,680	35,803,383	46,573,252	47,982,990
Unrestricted (Deficit)	89,657,013	(80,038,802)	(69,998,813)	(70,219,027)	(87,473,270)	(71,189,971)	(65,828,821)	(61,646,064)	(29,384,405)	7,472,831
Total Governmental Activities Net Position	\$ 238,793,355	\$ 75,296,811	\$ 89,365,342	\$ 95,506,851	\$ 92,420,867	\$ 120,227,241	\$ 143,502,722	\$ 162,635,396	\$ 210,707,441	\$ 255,017,550
Business-type Activities										
Net Investment in Capital Assets	\$ 26,722,793	\$ 24,929,687	\$ 29,433,426	\$ 29,256,407	\$ 29,787,242	\$ 29,753,595	\$ 29,980,820	\$ 34,813,349	\$ 45,484,948	\$ 57,325,515
Restricted	215,627	299,527	354,664	1,376,410	3,178,131	5,241,426	8,004,193	10,946,796	14,463,192	18,854,029
Unrestricted	15,563,233	16,377,673	11,380,442	9,217,899	13,588,121	15,984,226	(15,446,702)	27,819,768	30,093,761	28,122,116
Total Business-type Activities Net Position	\$ 42,501,653	\$ 41,606,887	\$ 41,168,532	\$ 39,850,716	\$ 46,553,494	\$ 50,979,247	\$ 22,538,311	\$ 73,579,913	\$ 90,041,901	\$ 104,301,660
Primary Government										
Net Investment in Capital Assets	\$ 154,525,549	\$ 156,939,127	\$ 165,005,368	\$ 170,933,361	\$ 178,410,534	\$ 188,748,876	\$ 207,273,683	\$ 223,291,426	\$ 239,003,542	\$ 256,887,244
Restricted	21,549,213	22,157,012	24,146,877	25,425,334	34,448,976	37,663,357	40,042,873	46,750,179	61,036,444	66,837,019
Unrestricted (Deficit)	105,220,246	(62,192,441)	(58,618,371)	(61,001,128)	(73,885,149)	(55,205,745)	(50,382,119)	(33,826,296)	709,356	35,594,947
Total Primary Government Net Position	\$ 281,295,008	\$ 116,903,698	\$ 130,533,874	\$ 135,357,567	\$ 138,974,361	\$ 171,206,488	\$ 196,934,437	\$ 236,215,309	\$ 300,749,342	\$ 359,319,210

TABLE 2
CITY OF CORAL GABLES, FLORIDA
CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities:										
General Government	\$ 23,034,595	\$ 22,362,962	\$ 24,813,095	\$ 26,145,355	\$ 29,054,080	\$ 28,533,480	\$ 25,385,357	\$ 26,817,022	\$ 26,641,231	\$ 32,037,145
Public Safety	71,806,825	69,415,601	74,351,854	81,742,619	91,048,810	92,003,748	87,849,534	85,175,434	79,793,865	94,152,458
Physical Environment	17,166,760	16,343,967	18,909,774	19,613,033	21,027,085	22,721,905	22,161,496	22,621,461	22,629,509	28,296,055
Transportation	4,578,226	6,558,044	6,328,566	5,589,737	5,569,666	7,436,869	8,014,795	6,503,069	7,622,037	8,000,690
Economic Environment	849,137	770,611	911,210	1,197,659	1,320,427	1,569,109	1,128,135	1,133,433	1,042,103	1,114,250
Culture and Recreation	9,924,342	10,035,755	12,878,923	16,081,272	12,843,307	14,005,394	12,022,657	12,532,519	14,303,540	18,337,059
Interest on Long-term Debt	1,487,807	1,388,635	1,312,000	1,251,516	2,986,907	4,334,138	4,109,452	3,129,083	2,745,113	2,949,982
Total Governmental Activities	128,847,692	126,875,575	139,505,422	151,621,191	163,850,282	170,604,643	160,671,426	157,912,021	154,777,398	184,887,639
Business-type Activities:										
Sanitary Sewer System	5,889,856	6,680,895	9,242,508	9,909,417	5,705,103	8,400,959	10,527,634	9,017,040	8,340,450	10,042,095
Parking System	5,009,894	5,170,070	7,117,985	7,619,066	6,808,995	6,341,553	6,863,695	9,082,571	7,276,357	8,743,346
Stormwater Utility	2,320,104	2,024,485	2,165,850	2,304,339	2,143,341	2,621,146	2,574,973	3,049,097	2,524,970	2,716,809
Total Business-type Activities	13,219,854	13,875,450	18,526,343	19,832,822	14,657,439	17,363,658	19,966,302	21,148,708	18,141,777	21,502,250
Total Expenses	\$ 142,067,546	\$ 140,751,025	\$ 158,031,765	\$ 171,454,013	\$ 178,507,721	\$ 187,968,301	\$ 180,637,728	\$ 179,060,729	\$ 172,919,175	\$ 206,389,889
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 20,984,076	\$ 23,300,256	\$ 24,430,334	\$ 22,518,156	\$ 27,583,112	\$ 24,807,885	\$ 26,556,864	\$ 25,593,849	\$ 31,983,813	\$ 34,571,319
Public Safety	6,400,967	6,582,738	6,211,081	5,621,211	7,253,135	6,283,122	6,040,212	8,606,470	8,781,804	10,413,421
Physical Environment	9,625,413	8,158,310	8,472,957	9,363,312	10,097,196	10,119,136	10,414,374	9,525,662	9,665,817	9,831,810
Transportation	-	18,906	-	-	1,523,414	79,558	896,706	629,361	845,862	535,703
Economic Environment	1,700,000	680,000	670,000	377,000	116,000	477,000	825,000	412,000	-	51,988
Culture and Recreation	4,291,802	5,070,153	5,362,407	4,669,719	5,884,954	5,357,013	3,554,534	4,719,481	7,366,957	8,069,149
Operating Grants and Contributions	487,387	87,157	184,308	5,732	370,478	10,672,001	4,807,189	7,661,203	-	2,278,296
Capital Grants and Contributions	9,462,285	1,345,958	937,955	1,135,027	3,672,004	1,977,766	2,518,671	3,286,093	-	50,578
Total Governmental Activities	52,951,930	45,243,478	46,269,042	43,690,157	56,500,293	59,773,481	55,613,550	60,434,119	58,644,253	65,802,264
Business-type Activities:										
Charges for Services:										
Sanitary Sewer System	8,739,881	9,375,348	9,429,516	9,766,468	10,473,689	9,979,697	10,246,589	10,599,800	11,847,168	12,503,884
Parking System	11,625,585	13,025,045	12,982,960	12,927,872	15,115,800	14,949,334	11,799,439	16,260,749	18,505,481	18,510,060
Stormwater Utility	2,930,270	3,198,371	3,212,526	4,222,466	4,827,247	5,380,272	5,749,419	6,396,266	7,401,510	7,772,131
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	463,764	429,977	8,115	4,508	-	-	137,233	-	654,130
Total Business-type Activity	23,295,736	26,062,528	26,054,979	26,924,921	30,421,244	30,309,303	27,795,447	33,394,048	37,754,159	39,440,205
Total Program Revenue	\$ 76,247,666	\$ 71,306,006	\$ 72,324,021	\$ 70,615,078	\$ 86,921,537	\$ 90,082,784	\$ 83,408,997	\$ 93,828,167	\$ 96,398,412	\$ 105,242,469
Net(Expense) Revenue										
Governmental Activities	\$ (75,895,762)	\$ (81,632,097)	\$ (93,236,380)	\$ (107,931,034)	\$ (107,349,989)	\$ (110,831,162)	\$ (105,057,876)	\$ (97,477,902)	\$ (85,121,402)	\$ (119,085,375)
Business-type Activities	10,075,882	12,187,078	7,528,636	7,092,099	15,763,805	12,945,645	7,829,145	12,245,340	19,660,620	17,937,955
Total Net Expense	\$ (65,819,880)	\$ (69,445,019)	\$ (85,707,744)	\$ (100,838,935)	\$ (91,586,184)	\$ (97,885,517)	\$ (97,228,731)	\$ (85,232,562)	\$ (65,460,782)	\$ (101,147,420)
General Revenues										
Governmental Activities:										
Taxes										
Property Taxes	\$ 65,257,324	\$ 68,107,835	\$ 71,447,141	\$ 76,024,328	\$ 80,762,149	\$ 85,466,164	\$ 90,002,211	\$ 92,904,533	\$ 96,338,744	\$ 107,249,183
Franchise Fees	6,850,950	6,908,438	6,859,844	7,013,442	6,875,265	7,199,722	6,916,545	7,443,140	8,669,524	9,417,230
Utility Service Taxes	11,861,648	11,986,127	11,423,512	11,400,580	11,831,188	11,343,198	11,186,658	11,360,956	11,996,661	13,354,827
Other Taxes	2,908,745	3,077,874	3,103,387	3,201,429	3,316,309	3,335,445	2,948,432	3,380,602	4,031,580	4,348,585
Intergovernmental	4,735,934	5,034,109	5,189,453	5,269,308	5,456,974	5,574,931	4,973,303	5,863,137	7,183,224	7,661,089
Investment Earnings	464,999	706,665	804,623	1,088,333	2,502,023	5,662,887	3,737,473	267,981	(1,032,550)	8,353,893
Gain on Sale of Capital Assets	-	3,648,411	-	-	-	10,400,000	1,047,085	2,508,635	-	-
Miscellaneous	284,566	254,373	390,552	1,566,608	352,216	426,396	204,440	293,287	197,273	505,992
Transfers in/out	7,372,285	7,229,879	8,086,399	8,508,515	8,774,568	9,045,559	5,778,249	(7,913,011)	5,304,806	9,016,330
Insurance Recoveries	-	-	-	-	-	-	1,538,961	501,316	504,185	-
Special Items (Note 21)	-	-	-	-	-	183,234	-	-	-	-
Total General Revenues, Transfers and Special Items	99,736,451	106,953,711	107,304,911	114,072,543	119,870,692	138,637,536	128,333,357	116,610,576	133,193,447	159,907,129
Business-type Activities:										
Investment Earnings	73,698	94,112	119,408	95,965	86,091	525,189	400,956	(10,637)	(1,383,656)	1,871,334
Gain on Sale of Capital Assets	-	-	-	-	-	-	-	-	3,489,830	3,466,800
Miscellaneous	125	-	-	2,635	46,692	478	616	484	-	-
Transfers in/out	(7,372,285)	(7,229,879)	(8,086,399)	(8,508,515)	(8,774,568)	(9,045,559)	(5,778,249)	7,913,011	(5,304,806)	(9,016,330)
Total Business-type Activities	(7,298,462)	(7,135,767)	(7,966,991)	(8,409,915)	(8,641,785)	(8,519,892)	(5,376,677)	7,902,858	(3,198,632)	(3,678,196)
Total Primary Government	\$ 92,437,989	\$ 99,817,944	\$ 99,337,920	\$ 105,662,628	\$ 111,228,907	\$ 130,117,644	\$ 122,956,680	\$ 124,513,434	\$ 129,994,815	\$ 156,228,933
Change in Net Position										
Governmental Activities	\$ 23,840,689	\$ 25,321,614	\$ 14,068,531	\$ 6,141,509	\$ 12,520,703	\$ 27,806,374	\$ 23,275,481	\$ 19,132,674	\$ 48,072,045	\$ 40,821,754
Business-type Activities	2,777,420	5,051,311	(438,355)	(1,317,816)	7,122,020	4,425,753	2,452,468	20,148,198	16,461,988	14,259,759
Total Change in Net Position	\$ 26,618,109	\$ 30,372,925	\$ 13,630,176	\$ 4,823,693	\$ 19,642,723	\$ 32,232,127	\$ 25,727,949	\$ 39,280,872	\$ 64,534,033	\$ 55,081,513

TABLE 3
CITY OF CORAL GABLES, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ 36,678	\$ 40,866	\$ 75,288	\$ 184,327	\$ 64,344	\$ 188,512	\$ 127,078	\$ 76,345	\$ 54,871	\$ 17,996
Restricted	4,351,576	3,542,544	4,588,352	5,425,028	6,516,083	8,123,690	8,719,479	14,526,512	22,891,070	31,299,502
Assigned	7,006,883	9,851,297	11,347,655	17,055,786	18,624,053	29,385,074	19,878,789	19,584,502	17,120,386	18,198,775
Unassigned	37,438,411	39,305,216	41,628,957	38,177,730	31,211,152	30,691,159	40,683,114	45,095,101	50,698,400	54,781,750
Total General Fund	<u>\$ 48,833,548</u>	<u>\$ 52,739,923</u>	<u>\$ 57,640,252</u>	<u>\$ 60,842,871</u>	<u>\$ 56,415,632</u>	<u>\$ 68,388,435</u>	<u>\$ 69,408,460</u>	<u>\$ 79,282,460</u>	<u>\$ 90,764,727</u>	<u>\$ 104,298,023</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ 169,982	\$ 23,223	\$ -	\$ -	\$ 73,402	\$ 75,880	\$ 68,172	\$ -	\$ -
Restricted	25,236,858	25,206,894	32,775,404	14,887,823	68,030,886	49,408,348	19,425,703	19,108,314	17,503,010	10,720,292
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	29,099,838	42,180,811	42,046,965	42,355,314	45,185,562	45,648,033	52,647,354	41,534,102	49,126,747	71,760,307
Unassigned	(3,635)	(51,511)	(394,834)	(153,391)	(772,835)	(181,762)	(179,662)	(83,734)	(26,799)	(26,409)
Total All Other Governmental Funds	<u>\$ 54,333,061</u>	<u>\$ 67,506,176</u>	<u>\$ 74,450,758</u>	<u>\$ 57,089,746</u>	<u>\$ 112,443,613</u>	<u>\$ 94,948,021</u>	<u>\$ 71,969,275</u>	<u>\$ 60,626,854</u>	<u>\$ 66,602,958</u>	<u>\$ 82,454,190</u>

TABLE 4
CITY OF CORAL GABLES, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUES										
Taxes	\$ 86,878,667	\$ 90,080,274	\$ 92,671,539	\$ 97,639,779	\$ 102,923,909	\$ 107,344,529	\$ 111,053,846	\$ 115,089,231	\$ 121,036,509	\$ 134,369,825
Licenses	3,318,725	3,255,125	3,496,840	3,365,902	3,608,199	3,347,817	3,445,502	3,448,576	3,536,941	3,715,034
Permits	8,160,391	8,783,434	9,007,729	9,019,702	11,747,692	8,493,360	9,924,817	13,144,106	16,604,400	19,918,933
Fines and Forfeitures	2,587,073	2,494,796	2,552,563	2,329,161	2,747,967	2,497,086	2,892,156	1,056,380	1,615,232	1,255,386
Intergovernmental	5,959,327	6,091,507	5,832,010	6,490,899	6,224,032	8,932,426	18,410,664	15,566,212	18,196,022	9,614,469
Charges for Services	19,214,525	20,169,601	19,393,779	19,176,388	19,919,339	20,025,158	19,083,143	19,312,714	20,153,661	21,492,407
Recreation Activity Fees	4,211,548	4,377,394	4,575,172	4,520,645	4,643,202	4,672,551	1,996,419	3,581,068	6,736,578	7,210,222
Rental Income	4,724,871	4,886,803	5,862,857	4,989,419	4,426,311	4,512,306	4,585,770	3,719,235	6,039,434	5,875,591
Investment Earnings	464,999	706,665	804,623	1,088,333	2,502,023	5,662,885	3,737,473	267,981	(1,032,550)	8,353,893
Special Assessments	191,037	2,817,930	1,665,556	271,292	6,133,702	4,246,396	6,876,695	6,251,438	5,582,984	5,719,931
Contributions and Donations	185,045	58,292	70,500	81,250	2,959,000	242,515	502,875	2,500,491	185,663	81,586
Miscellaneous	284,566	254,373	390,552	1,566,609	352,216	315,194	206,305	293,287	197,273	505,992
Total Revenues	136,180,774	143,976,194	146,323,720	150,539,379	168,187,592	170,292,223	182,715,665	184,230,719	198,852,147	218,113,269
EXPENDITURES										
Current:										
General Government	17,853,021	19,608,296	21,719,236	22,063,409	24,214,402	24,590,453	22,149,872	23,637,119	26,854,549	27,777,112
Public Safety	70,604,331	72,413,164	75,551,003	82,937,666	94,077,878	88,400,264	91,701,281	91,269,222	92,766,361	98,600,388
Physical Environment	16,542,033	17,096,014	18,974,253	19,743,343	21,380,327	21,068,981	22,237,255	23,223,908	22,930,526	29,060,826
Transportation	4,544,357	6,938,914	6,540,889	5,795,129	5,839,305	7,240,882	8,430,511	6,969,889	9,048,340	8,529,968
Economic Environment	851,438	821,259	947,119	1,248,157	1,395,448	1,543,305	1,199,630	1,240,933	1,256,162	1,206,322
Culture and Recreation	8,848,478	9,554,012	12,220,223	15,529,205	12,142,574	12,319,068	11,095,338	11,857,370	15,138,603	17,966,116
Debt Service:										
Retirement of Principal	3,217,640	3,352,135	3,781,442	3,776,945	35,431,299	4,999,339	4,734,561	4,403,720	4,022,927	7,100,103
Interest and Other Charges	1,487,807	1,516,080	1,803,435	2,179,370	2,986,907	4,334,138	4,109,452	3,981,237	3,809,246	3,706,680
Bond Issuance Cost	-	-	-	-	1,164,882	-	-	353,924	132,018	-
Capital outlay	2,810,907	14,984,777	24,633,460	22,038,809	12,178,232	33,873,594	51,748,758	16,659,304	12,459,583	6,965,304
Total Expenditures	126,760,012	146,284,651	166,171,060	175,312,033	210,811,254	198,370,024	217,406,658	183,596,626	188,418,315	200,912,819
Excess (deficiency) of Revenues Over Expenditures	9,420,762	(2,308,457)	(19,847,340)	(24,772,654)	(42,623,662)	(28,077,801)	(34,690,993)	634,093	10,433,832	17,200,450
OTHER FINANCING SOURCES (USES)										
Special Revenue Bond Issued	-	6,500,000	22,005,000	-	48,015,000	-	-	-	-	-
Lease Liabilities Issued	-	-	-	-	-	-	-	-	565,217	-
Premium on Special Revenue Bonds Issued	-	-	1,788,626	-	2,362,809	-	-	-	-	-
Sale of Capital Assets	-	3,900,000	-	-	-	10,425,950	1,740,096	5,200,000	-	-
Insurance Recoveries	-	-	-	-	-	-	1,538,961	501,316	504,185	-
Proceeds from Finance Purchase	284,022	-	-	261,580	177,056	-	-	-	-	216,507
Refunding Bond Issued	-	-	-	-	28,486,030	-	-	12,413,600	19,125,000	-
Premium on Refunding Bond Issued	-	-	-	-	2,781,073	-	-	1,512,010	-	-
Payment to Bond Escrow Agent	-	-	-	-	-	-	-	(14,182,400)	(18,995,883)	-
Principal Repymt.-Current Bond Refunding	-	-	-	-	-	-	-	-	-	-
Transfers In	15,989,837	33,321,551	24,565,217	22,067,901	30,559,692	31,004,349	39,287,821	31,221,708	41,963,392	49,553,657
Transfers Out	(8,617,552)	(24,333,604)	(16,666,592)	(11,715,220)	(18,831,370)	(19,058,521)	(29,834,606)	(38,768,748)	(36,137,372)	(37,586,086)
Total Other Financing Sources (Uses)	7,656,307	19,387,947	31,692,251	10,614,261	93,550,290	22,371,778	12,732,272	(2,102,514)	7,024,539	12,184,078
Special Items (Note 21)	-	-	-	-	-	183,234	-	-	-	-
Net Change In Fund Balances	\$ 17,077,069	\$ 17,079,490	\$ 11,844,911	\$ (14,158,393)	\$ 50,926,628	\$ (5,522,789)	\$ (21,958,721)	\$ (1,468,421)	\$ 17,458,371	\$ 29,384,528
Debt service as a percentage of noncapital expenditures	3.80%	3.71%	3.95%	3.89%	19.34%	5.67%	5.34%	5.02%	4.45%	5.57%

TABLE 5
CITY OF CORAL GABLES, FLORIDA
PROPERTY TAX LEVIES AND TAX COLLECTIONS
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED	TOTAL TAX LEVY	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2014	\$ 66,561,720	\$ 65,257,324	98.04%	-	\$ 65,257,324	98.04%
2015	69,863,911	68,107,835	97.49%	-	68,107,835	97.49%
2016	74,646,549	71,447,141	95.71%	-	71,447,141	95.71%
2017	78,679,726	75,984,395	96.57%	39,933	76,024,328	96.63%
2018	83,422,054	80,562,008	96.57%	200,142	80,762,150	96.81%
2019	88,083,806	85,219,153	96.75%	247,011	85,466,164	97.03%
2020	92,775,643	89,831,650	96.83%	170,561	90,002,211	97.01%
2021	95,791,865	92,537,719	96.60%	366,814	92,904,533	96.99%
2022	99,592,705	96,179,317	96.57%	159,426	96,338,743	96.73%
2023	110,823,382	107,015,615	96.56%	233,568	107,249,183	96.77%

TABLE 6
CITY OF CORAL GABLES, FLORIDA
ASSESSED VALUES OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED	ASSESSED VALUE (1)		TOTAL ASSESSED VALUE *	TOTAL DIRECT TAX RATE
	REAL PROPERTY	PERSONAL PROPERTY		
2014	\$ 11,996,154,496	\$ 284,616,094	\$ 12,280,770,590	5.629
2015	12,563,996,934	291,419,796	12,855,416,730	5.589
2016	13,395,162,364	297,441,249	13,692,603,613	5.559
2017	14,091,791,819	297,340,793	14,389,132,612	5.559
2018	14,821,738,983	306,261,017	15,128,000,000	5.559
2019	15,669,652,415	353,724,881	16,023,377,296	5.559
2020	16,595,199,135	341,167,483	16,936,366,618	5.559
2021	17,093,184,916	356,646,565	17,449,831,481	5.559
2022	17,774,827,280	350,297,460	18,125,124,740	5.559
2023	19,743,728,759	357,280,828	20,101,009,587	5.559

(1) Source: Miami Dade County Property Appraiser - according to Florida law, taxable property is assessed at 100% of estimated actual value and further reduced by various statutory exemptions.

(*) Source: Final tax roll values from the Department of Property Appraisal, except for 2012-2018 which are based on Certification of Taxable Value Form DR-420 for respective years.

TABLE 7
CITY OF CORAL GABLES, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED	CITY TAX RATES			COUNTY	SCHOOL	STATE	TOTAL
	OPERATING MILLAGE	DEBT SERVICE MILLAGE	TOTAL CITY MILLAGE	MILLAGE	MILLAGE	MILLAGE	
2014	5.629	0.000	5.629	5.798	7.977	0.4455	19.8495
2015	5.589	0.000	5.589	5.900	7.974	0.4187	19.8826
2016	5.559	0.000	5.559	5.900	7.612	0.3896	19.4615
2017	5.559	0.000	5.559	5.3509	7.322	0.3627	18.5946
2018	5.559	0.000	5.559	5.8182	6.994	0.3420	18.7132
2019	5.559	0.000	5.559	5.8568	0.000	0.3256	18.4744
2020	5.559	0.000	5.559	5.8969	7.148	0.3115	18.9154
2021	5.559	0.000	5.559	5.8796	7.129	0.2995	18.8671
2022	5.559	0.000	5.559	5.9584	7.009	0.2892	18.8156
2023	5.559	0.000	5.559	5.8867	6.589	0.2621	18.2968

Florida law limits the city, school and county each to a maximum of \$10 per \$1,000 taxable value for operations. Millage tax rates are per \$1,000 taxable value.

TABLE 8
CITY OF CORAL GABLES, FLORIDA
PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS AGO

TAXPAYER	FISCAL YEAR ENDED 2023			FISCAL YEAR ENDED 2014		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE VALUE \$20,101,009,587	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE VALUE \$12,280,770,590
251 S Dixie LLC	\$ 231,757,068	1	1.15%	\$ -		
Agave Plaza Trustee LLC	205,179,025	2	1.02%			
City of Coral Gables	177,411,444	3	0.88%	69,572,014	3	0.57%
Merrick Park LLC	169,784,269	4	0.84%	137,581,665	1	1.12%
1305 S Dixie LLC	97,397,580	5	0.48%			
LG Coral Gables LLC	95,258,097	6	0.47%			
Prisa Ponce De Leon LLC	89,195,018	7	0.44%	67,872,110	4	0.55%
Banyan ST GAP Douglas Ent. Own LLC	86,070,000	8	0.43%			
Florida Power & Light Co.	81,752,882	9	0.41%			
DGE Alhambra Circle LLC	80,900,000	10	0.40%			
Wilmington Trust Co Trustee Fo				77,000,000	2	0.63%
South Florida Equities REIT IN				56,677,290	5	0.46%
Ponte Gadea Gables LLC				55,423,103	6	0.45%
CPT 355 Alhambra Circle LLC				52,000,000	7	0.42%
Miguel B Fernandez TRS				51,076,441	8	0.42%
396 Alhambra LLC				49,400,000	9	0.40%
The Collection Properties LLC				48,966,020	10	0.40%
Totals	<u>\$ 1,314,705,383</u>		<u>6.54%</u>	<u>\$ 665,568,643</u>		<u>5.42%</u>

Property assessed on January 1, 2022 for 2022-2023 present year tax levy.

Taxable Assessed Value provided by: Miami Dade Property Appraiser

TABLE 9
CITY OF CORAL GABLES, FLORIDA
GENERAL GOVERNMENT TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

FISCAL YEAR ENDED	GENERAL PROPERTY TAXES (1)	FRANCHISE TAXES	UTILITIES SERVICES TAXES	OTHER TAXES	TOTAL TAXES
2014	\$ 65,257	\$ 6,851	\$ 11,862	\$ 2,909	\$ 86,879
2015	68,108	6,908	11,986	3,078	90,080
2016	71,447	6,860	11,423	3,103	92,833
2017	76,024	7,013	11,401	3,201	97,639
2018	80,762	6,875	11,831	3,316	102,784
2019	85,466	7,200	11,343	3,335	107,344
2020	90,002	6,916	11,187	2,948	111,053
2021	92,905	7,443	11,361	3,381	115,090
2022	96,339	8,670	11,996	4,031	121,036
2023	107,249	9,417	13,354	4,348	134,368

(1) Net collections of Current and Delinquent Taxes including penalties and discounts.

TABLE 10
CITY OF CORAL GABLES, FLORIDA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

<u>GOVERNMENTAL ACTIVITIES</u>			<u>BUSINESS-TYPE ACTIVITIES</u>			<u>PERCENTAGE OF PERSONAL INCOME *</u>	<u>PER CAPITA *</u>
<u>FISCAL YEAR ENDED</u>	<u>SPECIAL OBLIGATION BONDS</u>	<u>OTHER OBLIGATIONS/ LEASES</u>	<u>SPECIAL OBLIGATION BONDS</u>	<u>OTHER OBLIGATIONS/ LEASES</u>	<u>TOTAL PRIMARY GOVERNMENT</u>		
2014	\$ 56,761,060	\$ 3,166,037	\$ 18,513,940	\$ 389,659	\$ 78,830,696	2837%	\$ 1,588.34
2015	60,054,735	254,690	17,785,265	214,599	78,309,289	2695%	1,528.67
2016	78,435,243	97,740	16,704,757	72,315	95,310,055	3260%	1,864.55
2017	74,698,919	318,699	15,601,081	40,575	90,659,274	3060%	1,784.10
2018	122,828,048	11,951,395	14,361,506	8,195	149,149,144	4780%	2,919.06
2019	116,911,860	11,831,309	13,005,899	-	141,749,068	4507%	2,779.45
2020	111,326,040	11,685,130	11,676,951	-	134,688,121	4060%	2,644.52
2021	105,898,523	99,983	25,447,275	-	131,445,781	4018%	2,617.09
2022	101,960,636	-	24,336,504	-	126,297,140	3474%	2,488.52
2023	95,550,483	4,853,602	22,497,455	-	122,901,540	3254%	2,465.38

* See Table 13 for personal income and population data.

TABLE 11
CITY OF CORAL GABLES, FLORIDA
RATIO OF ANNUAL DEBT SERVICE FOR
GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENT EXPENDITURES
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

<u>FISCAL YEAR ENDED</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL DEBT SERVICE</u>	<u>TOTAL GENERAL FUND EXPENDITURES</u>	<u>DEBT SERVICE AS PERCENTAGE OF TOTAL GENERAL EXPENDITURES</u>
2014	-	-	-	117,390	0%
2015	-	-	-	121,242	0%
2016	-	-	-	129,219	0%
2017	-	-	-	139,712	0%
2018	-	-	-	154,139	0%
2019	-	-	-	148,796	0%
2020	-	-	-	148,850	0%
2021	-	-	-	149,903	0%
2022	-	-	-	157,513	0%
2023	-	-	-	174,625	0%

TABLE 12
CITY OF CORAL GABLES, FLORIDA
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
SEPTEMBER 30, 2023
(amounts expressed in thousands)

JURISDICTION	NET DEBT OUTSTANDING	PERCENT OF DEBT APPLIED TO CITY OF CORAL GABLES (1)	AMOUNT OF DEBT APPLIED TO CITY OF CORAL GABLES
City of Coral Gables	\$ 100,404	100.0%	\$ 100,404
Total direct debt			\$ 100,404
Miami-Dade County, Florida	\$ 2,318,944	5.28%	\$ 122,386
Total overlapping debt			\$ 122,386
Total direct debt and overlapping debt			\$ 222,790

Sources: Data provided by the Miami Dade-County Finance Department

TABLE 13
CITY OF CORAL GABLES, FLORIDA
PLEDGED-REVENUE COVERAGE

	(1)	(2)	(3)	(4)	(5)	
	Non-Ad Valorem	Maximum Estimated	Maximum Annual	(2)+(3)	200% of Total	(1)-(5)
	Revenues	Annual	Debt Service on Other	Total Projected	Projected	Test Results
		Loan Payments	Non-Ad Valorem Debt	Debt Service	Debt Service	
2023	\$ 110,864,086	\$ 11,021,052	\$ 750,422	\$ 11,771,474	\$ 23,542,948	\$ 87,321,138
2022	102,513,403	11,021,052	700,000	11,721,052	23,442,104	79,071,299
2021	91,326,186	11,043,454	800,728	11,844,182	23,688,364	67,637,822
2020	92,713,454	10,507,950	800,728	11,308,678	22,617,356	70,096,099
2019	84,826,059	10,566,138	852,457	11,418,595	22,837,189	61,988,870
2018	87,425,443	10,567,086	899,845	11,466,931	22,933,862	64,491,581
2017	74,515,051	8,494,761	859,215	9,353,976	18,707,952	55,807,099
2016	74,876,579	8,317,026	804,109	9,121,135	18,242,270	56,634,309
2015	75,868,359	7,053,794	950,346	8,004,140	16,008,280	59,860,079
2014	70,923,450	6,785,517	1,818,735	8,604,252	17,208,504	53,714,946

Note: Pursuant to loan agreements, the City has covenanted and agreed to budget and appropriate in its annual budget sufficient amounts of Non-Ad Valorem revenues or other legally available funds sufficient to satisfy the loan repayment. In addition, the City shall report annually the average total amount of Non-Ad Valorem revenues was at least 2.00 times of the maximum annual debt service on all outstanding debt of the City payable from or secured by Non-Ad Valorem revenues.

Non-Ad Valorem revenues means all legally available revenues of the City derived for any source, other than ad valorem taxation on real and personal property, which are legally available for payment of debt by the City.

TABLE 14
CITY OF CORAL GABLES, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED	(1) POPULATION	(2) PERSONAL INCOME	(1) PER CAPITA INCOME	(1) MEDIAN AGE	(3) SCHOOL ENROLLMENT	(4) UNEMPLOYMENT RATE
2014	49,631	\$ 2,778,790	\$ 55,989	40.4	15,385	4.5%
2015	51,227	2,905,647	56,721	40.8	13,705	4.9%
2016	51,117	2,923,637	57,195	41.4	14,198	4.8%
2017	50,815	2,962,972	58,309	40.8	14,563	3.8%
2018	51,095	3,120,014	61,063	40.0	14,930	3.4%
2019	50,999	3,145,006	61,668	40.0	14,395	2.9%
2020	49,700	3,236,961	65,130	39.8	13,623	6.1%
2021	50,226	3,271,229	65,130	40.1	13,909	3.7%
2022	50,752	3,635,010	71,623	39.7	15,052	1.7%
2023	49,851	3,658,013	72,674	39.9	14,504	1.3%

DATA SOURCES

(1) United States Census Bureau estimates by Demographics-www.census.gov

(2) Amounts expressed in thousands

(3) Dade County School District - Public and Private School

(4) United State Department of Labor-Bureau of Labor Statistic-www.bls.gov

TABLE 15
CITY OF CORAL GABLES, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Fiscal Year Ended September 30, 2023

<u>Employers</u>	2023			2014		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
University of Miami *	4,805	1	27.63%	14,025	1	66.96%
Baptist Health South Florida*	4,445	2	25.56%	1,094	3	5.22%
Mastec	1,053	3	6.05%	NA		-
City of Coral Gables	1,106	4	6.36%	800	5	3.82%
Dade Country Public Schools	983	5	5.65%	534	8	2.55%
Doctors Hospital Inc.	924	6	5.31%	1,001	4	4.78%
Care Plus Health Plans Inc.	693	7	3.98%	NA		-
Steward CGH, Inc.	555	8	3.19%	NA		-
B & B Holding Enterprises	547	9	3.15%	NA		-
International Business Machines Corp.	538	10	3.09%	NA		-
Bayview Asset Management	459		2.64%	1,600	2	7.64%
The Biltmore Hotel	394		2.27%	657	6	3.14%
Bacardi	354		2.04%	325	9	1.55%
The Collection	282		1.62%	310	10	1.48%
Gables Engineering, Inc.	253		1.45%	NA		-
Coral Gables Hospital				600	7	2.86%
Total	<u>17,391</u>		<u>100.00%</u>	<u>20,946</u>		<u>100.00%</u>

Sources: Coral Gables Economic Development Department
Coral Gables Chamber of Commerce

* Faculty & Full/Parttime Employees

TABLE 16
CITY OF CORAL GABLES, FLORIDA
POSITION CONTROL
FULL TIME POSITIONS
TEN YEAR COMPARISONS

FUNCTION / PROGRAM	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
City Commission	7	6	6	6	6	6	6	6	6	7
City Attorney	5	5	6	6	6	6	6	6	7	7
City Clerk	5	7	8	8	8	8	8	8	8	8
City Manager	11	9	10	10	11	11	11	11	12	12
Human Resources	10	11	10	10	10	10	10	10	10	10
Labor Relations & Risk Mgmt.	0	0	4	4	4	4	4	4	4	4
Development Services	64	63	62	62	62	62	62	62	60	62
Historic Resources	4	5	6	6	6	6	6	6	6	6
Public Works	204	204	193	194	195	195	203	203	199	202
Automotive	0	0	0	0	0	0	0	0	0	0
Finance	34	32	30	30	27	28	27	27	26	28
Information Technology	15	16	16	16	17	19	19	19	19	20
Police	263	262	266	266	272	272	275	275	275	283
Fire	147	147	147	147	147	147	147	147	148	155
Community Services	26	28	31	31	32	32	32	32	40	41
Economic & Cultural Dev.	5	6	5	5	5	5	5	5	4	4
Nondepartmental	0	0	0	0	1	1	1	1	1	1
Parking	0	0	29	30	28	28	28	28	30	30
Total	800	801	829	831	837	840	850	850	855	880

Source: City of Coral Gables Budget Book

TABLE 17
CITY OF CORAL GABLES, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety:										
Police:										
Physical Arrests	935	876	789	776	770	778	552	489	536	578
Traffic Violations	23,785	19,917	22,084	25,497	31,951	37,754	18,827	24,301	28,620	28,899
Parking Violations	100,674	100,808	90,634	74,207	79,185	98,149	63,211	77,176	76,675	66,164
Fire:										
Emergency Response	7,721	7,886	8,044	8,605	8,063	8,372	7,687	7,755	8,485	8,570
Fire Inspections Conducted	10,769	10,549	10,478	9,319	10,649	11,302	7,962	8,045	8,081	8,133
General Government:										
Tax Rates										
Utility Services:										
Electric	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Water	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Communication Service	5.72%	5.72%	5.72%	5.72%	5.72%	5.72%	5.72%	5.72%	5.72%	5.72%
Gas	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Franchises:										
Electric	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Gas	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
Cable Television	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%

Sources: Various City Departments.

TABLE 18
CITY OF CORAL GABLES, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Function/Program										
General Government:										
Area										
Land (sq. miles) (1)	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1
Water (sq. miles)	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0
Infrastructure (2)										
Paved streets	228	228	228	228	228	228	228	228	228	228
Unpaved streets	0	0	0	0	0	0	0	0	0	0
Canals and waterways (miles)	47	47	47	47	47	47	47	47	47	47
FPL owned streetlights	3,533	3,533	3,533	3,515	3,513	3,513	3,513	3,513	3,513	3,513
City owned streetlights	636	636	636	643	643	643	643	643	643	643
Public Safety:										
Fire										
Stations	3	3	3	3	3	3	4	4	4	4
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Culture and Recreation:										
Recreation										
Public beach (miles)	0	0	0	0	0	0	0	0	0	0
Municipal parks	14	14	14	14	14	14	14	14	14	14
Undeveloped parks	2	2	2	2	2	2	2	2	2	2
Municipal swimming pool	1	1	1	1	1	1	1	1	1	1
18-hole municipal golf course	1	1	1	1	1	1	1	1	1	1
9-hole municipal golf course	1	1	1	1	1	1	1	1	1	1
Recreational areas (acres)	1,005	1,005	1,005	1,005	1,005	1,005	1,006	1,007	1,008	1,008
Recreation centers	1	1	2	2	2	2	2	2	2	2
Municipal Water System										
Water mains (miles)	0	0	0	0	0	0	0	0	0	0
Fire hydrants	1,260	1,260	1,260	1,260	1,260	1,260	1,261	1,262	1,263	1,263
Municipal Sewer System										
Wastewater force main (miles)	10	10	10	10	10	10	10	10	10	10
Wastewater lift stations	35	35	35	35	35	35	35	35	35	35
Wastewater Gravity main (miles)	64	64	64	64	64	64	64	64	64	64

(1) Sources: 2022 updated Per 2012 U.S. Census

(2) Sources: Various City Departments



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