

**Department of Off-Street Parking  
of the City of Miami, Florida  
Retirement Plan and Trust**

Financial Report  
September 30, 2021

## Contents

---

Independent auditor's report	1-2
------------------------------	-----

---

Financial statements	
Statements of fiduciary net position	3
Statements of changes in fiduciary net position	4
Notes to financial statements	5-13

---

Required supplementary information (unaudited)	
Schedule of changes in the net pension liability (asset) and related ratios	14
Schedule of investment returns	15
Schedule of employer contributions	16-17

---

Other report	
Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i>	18-19

---



RSM US LLP

## Independent Auditor's Report

Chairperson and Members of the Board of Directors  
Department of Off-Street Parking  
City of Miami, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of the Department of Off-Street Parking of the City of Miami, Florida Retirement Plan and Trust (the Plan), as of and for the years ended September 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the entity's financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the of the Plan as of September 30, 2021 and 2020, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the schedule of employer contributions, schedule of changes in the net pension liability (asset) and related ratios and schedule of investment returns be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. Our opinion on the financial statements is not affected by this missing information.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2022, on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control over financial reporting and compliance.

*RSM US LLP*

Fort Lauderdale, Florida  
February 2, 2022

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Statements of Fiduciary Net Position  
September 30, 2021 and 2020**

	2021	2020
<b>Assets</b>		
Investments at fair value:		
Equity mutual funds	\$ 16,024,520	\$ 13,630,922
Fixed income mutual funds	9,554,224	8,194,445
Short-term investment funds	1,437,030	913,789
<b>Total investments</b>	<b>27,015,774</b>	<b>22,739,156</b>
Accrued interest and other receivable	18,903	15,373
Due from Department of Off-Street Parking	3,252	-
<b>Total assets</b>	<b>27,037,929</b>	<b>22,754,529</b>
<b>Liabilities</b>		
Accrued expenses	-	10,343
Due to Department of Off-Street Parking	-	21,607
<b>Total liabilities</b>	<b>-</b>	<b>31,950</b>
<b>Net position restricted for pension benefits</b>	<b>\$ 27,037,929</b>	<b>\$ 22,722,579</b>

See notes to financial statements.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Statements of Changes in Fiduciary Net Position  
Years Ended September 30, 2021 and 2020**

	2021	2020
Additions to net position attributed to:		
Investment income:		
Net appreciation in fair value of investments	\$ 3,767,497	\$ 853,567
Dividends and interest on investments	683,651	942,226
<b>Total investment income</b>	<b>4,451,148</b>	1,795,793
Less investment expense	(78,611)	(68,499)
<b>Net investment income</b>	<b>4,372,537</b>	1,727,294
Contributions:		
Participants	189,302	197,591
Employer	562,993	581,354
<b>Total contributions</b>	<b>752,295</b>	778,945
<b>Total additions</b>	<b>5,124,832</b>	2,506,239
Deductions from net position attributed to:		
Benefits paid to participants	780,470	937,662
Administrative expenses	29,012	31,949
<b>Total deductions</b>	<b>809,482</b>	969,611
<b>Increase in fiduciary net position</b>	<b>4,315,350</b>	1,536,628
Net position restricted for pension benefits:		
Beginning of year	22,722,579	21,185,951
End of year	<b>\$ 27,037,929</b>	<b>\$ 22,722,579</b>

See notes to financial statements.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Notes to Financial Statements**

---

**Note 1. Description of Plan**

**General:** The Retirement Plan and Trust (the Plan) is a single employer-defined benefit pension plan covering eligible employees of the Department of Off-Street Parking of the City of Miami, Florida (the Authority). In addition, no minimum funding waivers have been pursued by the Plan.

**Plan administration:** A Retirement Board (the Board), which is comprised of the Authority's board members, controls and manages the operation and administration of the Plan, and also serves as the Plan's investment committee. A local financial institution serves as custodian (the Custodian) of the Plan. The assets of the Plan are managed by the Custodian and the Board.

Membership of the Plan consisted of the following at October 1, 2021 and 2020, the dates of the most recent actuarial valuations:

	2021	2020
Inactive plan members or beneficiaries currently receiving benefits	24	22
Inactive plan members entitled to but not yet receiving benefits	11	9
Active plan members	44	52
Total plan participants	79	83

Effective February 1, 2014, the Plan was closed to new employees hired on or after the referenced date as approved by the Board. Current employees will continue to have the option to participate in the Plan, in accordance with the existing Plan provisions.

**Retirement benefit:** Upon retirement, the amount of monthly benefits under the Plan is determined as the average salary earned by the employee during the 2 highest-salaried years out of the employee's final 5 years of service, multiplied by 3% for each of the first 10 years of service and by 2% for each year thereafter. The annual benefit shall not exceed \$225,000. Benefits are payable in the form of annuity contracts or a lump-sum payment. A terminated employee receives at least an amount equal in value to their contribution, plus interest. Employees hired prior to November 1, 2007, with 5 or more years of service and attainment of age 55 or completion of 25 years of service are entitled to monthly benefits, payable in the form of a 10-year certain and life annuity. Employees may also elect to receive these benefits in the form of a joint and survivor annuity or a lump-sum payment. Employees hired on or after November 1, 2007, with 5 years of service and attainment of age 60 will also be entitled to the aforementioned benefits.

**Death and disability benefit:** A lump-sum death benefit equivalent to the actuarial present value of the participant's vested accrued benefit is payable to the participant's beneficiary. The minimum death benefit payable from the Plan is the accumulated value of the participant's contributions. Any other termination from the Plan entitles a participant to receive a retirement benefit equal to the vested interest in the participant's accrued benefit, but not less than employee contributions credited with interest. Participants' vested interest in their accrued benefit is 0% for less than 5 years of service or 100% for 5 years or more of service. A participant who is not vested in the Plan will automatically receive a refund of their contributions and earnings to the Plan.

**Employee contributions:** Each participant is required to make annual employee contributions in an amount equal to 6.5% of their compensation to the Plan while an employee, until retirement. Total employee contributions were \$189,302 and \$197,591 for the years ended September 30, 2021 and 2020, respectively.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Notes to Financial Statements**

---

**Note 1. Description of Plan (Continued)**

**Employer contributions:** Total employer contributions to the Plan were \$562,993 and \$581,354 for the years ended 2021 and 2020, respectively, which were made in accordance with actuarially determined requirements computed through an actuarial valuation performed for the years ended September 30, 2021 and 2020. The employer contribution is equal to the amount which, when added to the participant's contributions, equals the cost of providing pension benefits. Administrative costs of the Plan are financed through investment earnings.

**Note 2. Summary of Significant Accounting Policies**

**Basis of accounting:** The Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

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

**Risks and uncertainties:** The Plan invests in a combination of equity and fixed income mutual funds, equity securities and money market funds. Investments are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in risks in the near-term could materially affect balances and the amounts reported in the statements of fiduciary net position available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, discount rate and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term could be material to the financial statements.

**Income tax status:** The Plan is exempt from federal income taxes under the Internal Revenue Code, and therefore, records no such income tax liability or expense.

**Payment of benefits:** Benefits payments to the participants are recognized upon distribution.

**Investment valuation and income recognition:** Investments are carried at fair value, which is determined as follows: 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; commercial paper, time deposits and short-term investment pools are valued at amortized cost, which approximates fair value; and amounts in investment funds are valued at the fair value of the shares at year-end.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in fair value of investments includes the Plan's unrealized gains and losses on investments held as year-end, as well as realized gains and losses on investments sold during the year.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Notes to Financial Statements**

---

**Note 2. Summary of Significant Accounting Policies (Continued)**

**Net pension liability (asset):** The net pension liability (asset) of the employer is determined by an actuary and is the amount that results from applying actuarial methods and assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. When the Plan's net position is less than the total pension liability, a net pension liability is reported. When the Plan's net position is in excess of the total pension liability, a net pension asset is reported. See Note 4 for actuarial methods and assumptions used for valuation.

**Note 3. Investments**

**Investment policy:** It is the policy of the Plan to invest all funds in a manner that provides the highest investment return using authorized instruments while meeting the Plan's acceptable risk level. The main objective of the policy is to achieve long-term growth of Plan assets by maximizing the long-term rate of return on investments and minimizing risk of loss to fulfill the current and long-term pension distribution requirements.

The Investment Committee is responsible for reviewing and recommending policies and procedures related to the operation and administration of the Plan. The Custodian has the authority to implement the recommendations from the Investment Committee and the investment policies and guidelines in a manner consistent with Board policies (e.g., the purchasing and sales of investment securities) to best satisfy the Plan's objectives.

The investment policy permits the following investments:

The Plan is authorized to invest in U.S. government obligations and its agencies or instrumentalities, direct obligations of the State of Florida or its agencies and instrumentalities, collateralized mortgage obligations directly issued by a federal agency or its instrumentality of the United States, obligations of states, agencies, counties, cities and other political subdivisions of any state, rated to investment quality by a nationally recognized investment rating agency not less than "A", SEC registered mutual funds, fully collateralized repurchase agreements and reverse repurchase agreements, prime domestic commercial paper, prime domestic bankers' acceptances and insured or collateralized certificates of deposit.

This policy stipulates the following long-range asset allocation, measured at fair value, at the end of each quarter:

Investment Type	Minimum	Maximum	Actual as of	
			September 30, 2021	September 30, 2020
Equity mutual funds	55%	75%	61%	61%
Fixed income mutual funds and equity securities	25%	45%	39%	39%

The allocation of the Plan's total assets is allowed to vary within the allowable ranges. Because shifts in asset allocation occur as a result of different asset classes performing at different rates, the Board monitors the asset allocation shifts caused by performance each quarter and is responsible for shifting assets among the classes to keep the overall allocation within allowable ranges.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Notes to Financial Statements**

**Note 3. Investments (Continued)**

The Plan categorizes its investments according to the fair value hierarchy established by Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on the valuation input used to measure the fair value of the asset with Level 1 assets being those where quoted prices in an active market for identical assets can be readily obtained, Level 2 assets valued using a matrix pricing technique of quoted prices for similar assets in active markets and Level 3 assets valued using unobservable inputs.

The Plan's investments were categorized as follows at September 30, 2021 and 2020:

Investment Type	2021	
	Amount	Level 1
Equity mutual fund	\$ 16,024,520	\$ 16,024,520
Fixed income mutual fund	9,554,224	9,554,224
Equity securities	816,532	816,532
	26,395,276	\$ 26,395,276
Investments at amortized cost		
Money market mutual funds	620,498	
Total investments	\$ 27,015,774	
Investment Type	2020	
	Amount	Level 1
Equity mutual fund	\$ 13,630,922	\$ 13,630,922
Fixed income mutual fund	8,194,445	8,194,445
Equity securities	581,451	581,451
	22,406,818	\$ 22,406,818
Investments at amortized cost		
Money market mutual funds	332,338	
Total investments	\$ 22,739,156	

**Rate of return:** The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 19.48% and 8.68% for the years ended September 30, 2021 and 2020, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Credit risk:** 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). U.S. government and U.S. government guaranteed securities are not required to have credit risk disclosures. The Plan's investment policy limits credit risk by requiring all debt-type investments to be rated by a NRSRO as an "A" or better, or its equivalent.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Notes to Financial Statements**

**Note 3. Investments (Continued)**

The following represents Morningstar's ratings and the fair value of the total fixed income investment portfolio at September 30, 2021 and 2020:

	2021	
	Morningstar Rating	Fair Value
Investment type:		
PIMCO Investment Grade Bond Fund	4 Stars	\$ 1,501,429
Western Asset Core Plus Bond Fund	5 Stars	2,777,160
Virtus-Seix Total Return Bond Fund	3 Stars	2,791,115
Vanguard Total Bond Market Index Fund	3 Stars	1,431,878
Neuberger Berman High Income Bond Fund	4 Stars	1,052,642
Total		<u>\$ 9,554,224</u>
	2020	
	Morningstar Rating	Fair Value
Investment type:		
PIMCO Investment Grade Bond Fund	4 Stars	\$ 1,329,022
Western Asset Core Plus Bond Fund	5 Stars	1,548,601
Virtus-Seix Total Return Bond Fund	3 Stars	1,550,642
DoubleLine Total Return Bond Fund	3 Stars	653,654
Vanguard Total Bond Market Index Fund	3 Stars	1,554,433
Neuberger Berman High Income Bond Fund	4 Stars	912,324
DFA Short-Term Bond Fund	3 Stars	645,769
Total		<u>\$ 8,194,445</u>

**Custodial credit risk:** For investments, this is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For deposits, this is the risk that in the event of the failure of the bank, the Plan will not be able to recover its deposits.

The Plan does not have custodial credit risk since its investments consist of open-ended mutual funds.

**Concentration of credit risk:** The investment policy of the Plan contains a limitation on the amount that can be invested in any one issuer, as well as portfolio allocation ranges and maximum percentages by types of investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds are not subject to any concentration of credit risk. The Plan does not have any investments in any one issuer that represent 5% or more of the Plan's net position at September 30, 2021 and 2020.

**Interest rate risk:** Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of investments. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Plan's investment policy does not have provisions that limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Notes to Financial Statements**

**Note 3. Investments (Continued)**

The following represents the fair value and average maturity of the fixed income investments held in various mutual funds at September 30, 2021 and 2020:

	2021	
	Fair Value	Average Maturity in Years
Investment type:		
PIMCO Investment Grade Bond Fund	\$ 1,501,429	12
Western Asset Core Plus Bond Fund	2,777,160	13
Virtus-Seix Total Return Bond Fund	2,791,115	9
Vanguard Total Bond Market Index Fund	1,431,878	9
Neuberger Berman High Income Bond Fund	1,052,642	7
Total	<u>\$ 9,554,224</u>	
	2020	
	Fair Value	Average Maturity in Years
Investment type:		
PIMCO Investment Grade Bond Fund	\$ 1,329,022	12
Western Asset Core Plus Bond Fund	1,548,601	13
Virtus-Seix Total Return Bond Fund	1,550,642	8
DoubleLine Total Return Bond Fund	653,654	5
Vanguard Total Bond Market Index Fund	1,554,433	9
Neuberger Berman High Income Bond Fund	912,324	7
DFA Short-Term Bond Fund	645,769	2
Total	<u>\$ 8,194,445</u>	

**Foreign currency risk:** Foreign currency risk is the risk that changes in exchange rates will adversely affect fair value of an investment or a deposit in foreign currency.

The Plan was invested in international equity index funds, which had a fair value of \$1,761,890 and \$1,503,970 at September 30, 2021 and 2020, respectively. These funds represented 6.52% and 6.61% of the total investments of the Plan at September 30, 2021 and 2020, respectively.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Notes to Financial Statements**

---

**Note 4. Net Pension Liability (Asset)**

**Net pension liability (asset):** The components of the net pension liability (asset) for the Authority were as follows at September 30, 2021 and 2020:

	2021	2020
Total pension liability	\$ 24,720,183	\$ 22,778,548
Plan fiduciary net position	(27,037,929)	(22,722,579)
Plan net pension liability (asset)	\$ (2,317,746)	\$ 55,969
Plan net position as a percentage of the total pension liability	109.4%	99.8%

The long-term expected rate of return on pension plan investments is developed for each major asset class by weighting the expected future real rates of return by the target asset allocation percentage and adjusting for expected inflation and investment-related expenses. Best estimates of real rates of return for each major asset class included in the Plan's target asset allocation are summarized as follows at September 30, 2021 and 2020:

Asset Class	2021	2020
	Long-Term Expected Real Rate of Return	
Equity	6.4%	6.7%
Fixed income	2.3%	2.0%

**Discount rate:** The discount rate used to measure total pension liability was 6% for the years ended September 30, 2021 and 2020. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from the Authority will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the years ended.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Notes to Financial Statements**

---

**Note 4. Net Pension Liability (Asset) (Continued)**

**Actuarial assumptions:** The total pension liability was determined by actuarial valuations as of October 1, 2020 and 2019, and updated procedures were used to roll forward the total pension liability to September 30, 2021 and 2020, respectively for each year, using the following actuarial assumptions applied to all periods included in the measurements:

Actuarial cost method	Entry age normal
Inflation	2.25%
Investment rate of return	6% per year compounded annually, net of investment expenses.
Discount rate	6% per year compounded annually, net of investment expenses.
Salary increases	Age-based rates ranging from 3% to 9%, including inflation.
Mortality	<p>Mortality rates are the same as used by the Florida Retirement System (FRS) for Regular Class (non-Teacher) members in their July 1, 2020 actuarial valuation. These rates were taken from the Pub-2010 Headcount-Weighted Mortality Tables and adjusted to reflect FRS' experience. Mortality improvements to all future years after 2010 are generationally projected using Scale MP-2018.</p> <p>Adjustments to the published mortality tables were developed in a statewide experience study conducted by the Florida Retirement System covering the period 2013 through 2018. F.S. 112.63(1)(f) requires the mortality assumption to be the same as used in either of the two most recently published actuarial valuation reports of the Florida Retirement System. For more information regarding these rates, refer to the July 1, 2020 actuarial valuation report of the Florida Retirement System Pension Plan</p>
Experience study	The most recent experience study covers the period October 1, 2007 to September 30, 2017. The assumptions described herein are based on this experience study and were first implemented for measuring the total pension liability as of September 30, 2018.

An experience study covering the period October 1, 2007 through September 30, 2017, was performed and approved during 2018. As a result, new inflation, salary increase, retirement, termination, investment return and annuity election rate assumptions were used for the purpose of this measurement. The impact of these assumption changes is shown in the change in assumptions line of the schedule of changes in the net pension liability (asset) and related ratios as presented in the required supplementary information following the notes to the financial statements.

Since the previous measurement date September 30, 2020, the assumed rates of future benefit form election were revised to reflect a 100% annuity (as opposed to a lump sum) election rate for executives. As of the prior measurement date, 40% of retiring executives were assumed to elect an annuity and 20% of executives terminating employment for other reasons were assumed to elect an annuity.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Notes to Financial Statements**

---

**Note 4. Net Pension Liability (Continued)**

**Sensitivity of the net pension liability (asset) to changes in the discount rate:** The following summary provides the sensitivity of the net pension liability (asset) to changes in the discount rate as of September 30, 2021 and 2020, respectively. In particular, the summary presents the net pension liability (asset) if it were calculated using a single discount rate that is one percentage point lower (5%) or one percentage point higher (7%) than the current rate.

	2021		
	1% Decrease 5%	Current Single Rate Assumption 6%	1% Increase 7%
Net pension liability (asset)	\$ 376,019	\$ (2,317,746)	\$ (4,587,594)
	2020		
	1% Decrease 5%	Current Single Rate Assumption 6%	1% Increase 7%
Net pension liability (asset)	\$ 2,315,906	\$ 55,969	\$ (1,867,584)

**Note 5. Related Party Transactions**

The Authority provides use of facilities and personnel services to the Plan at no charge.

**Required Supplementary Information (Unaudited)**

Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust

Required Supplementary Information (Unaudited)  
Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios  
Last Seven Years

	2021	2020	2019	2018	2017	2016	2015
Total pension liability:							
Service cost	\$ 510,470	\$ 563,891	\$ 585,056	\$ 520,254	\$ 521,324	\$ 546,918	\$ 588,279
Interest cost	1,373,927	1,307,840	1,226,923	1,108,970	1,024,819	940,376	894,610
Differences between expected and actual experiences	479,917	384,777	343,928	524,664	491,995	288,921	-
Change in assumptions	357,791	(242,571)	-	1,157,441	17,167	192,479	-
Benefit payments, including refunds of member contributions	(690,140)	(633,820)	(533,806)	(530,674)	(501,638)	(412,221)	(382,662)
Refunds (lump-sum payments)	(90,330)	(303,842)	(100,780)	(176,621)	(206,705)	(63,435)	(560,241)
<b>Net change in total pension liability</b>	<b>1,941,635</b>	<b>1,076,275</b>	<b>1,521,321</b>	<b>2,604,034</b>	<b>1,346,962</b>	<b>1,493,038</b>	<b>539,986</b>
<b>Total pension liability – beginning</b>	<b>22,778,548</b>	<b>21,702,273</b>	<b>20,180,952</b>	<b>17,576,918</b>	<b>16,229,956</b>	<b>14,736,918</b>	<b>14,196,932</b>
<b>Total pension liability – ending (a)</b>	<b>\$ 24,720,183</b>	<b>\$ 22,778,548</b>	<b>\$ 21,702,273</b>	<b>\$ 20,180,952</b>	<b>\$ 17,576,918</b>	<b>\$ 16,229,956</b>	<b>\$ 14,736,918</b>
Plan fiduciary net position:							
Contributions – employer	\$ 562,993	\$ 581,354	\$ 580,831	\$ 349,876	\$ 321,190	\$ 304,785	\$ 274,355
Contributions – member	189,302	197,591	222,798	227,583	218,494	240,380	259,613
Net investment income (loss)	4,451,148	1,795,793	882,295	1,720,636	2,285,236	1,286,545	(15,283)
Benefit payments	(690,140)	(633,820)	(533,806)	(530,674)	(501,638)	(412,221)	(382,662)
Refunds (lump-sum payments)	(90,330)	(303,842)	(100,780)	(176,621)	(206,705)	(63,435)	(560,241)
Administrative expense	(29,012)	(100,448)	(94,090)	(91,967)	(86,139)	(80,498)	(81,338)
<b>Net change in plan fiduciary net position</b>	<b>4,393,961</b>	<b>1,536,628</b>	<b>957,248</b>	<b>1,498,833</b>	<b>2,030,438</b>	<b>1,275,556</b>	<b>(505,556)</b>
<b>Plan fiduciary net position – beginning</b>	<b>22,722,579</b>	<b>21,185,951</b>	<b>20,228,703</b>	<b>18,729,870</b>	<b>16,699,432</b>	<b>15,423,876</b>	<b>15,929,432</b>
<b>Plan fiduciary net position – ending (b)</b>	<b>\$ 27,116,540</b>	<b>\$ 22,722,579</b>	<b>\$ 21,185,951</b>	<b>\$ 20,228,703</b>	<b>\$ 18,729,870</b>	<b>\$ 16,699,432</b>	<b>\$ 15,423,876</b>
<b>Net pension liability (asset) – ending (a) – (b)</b>	<b>\$ (2,396,357)</b>	<b>\$ 55,969</b>	<b>\$ 516,322</b>	<b>\$ (47,751)</b>	<b>\$ (1,152,952)</b>	<b>\$ (469,476)</b>	<b>\$ (686,958)</b>
Plan fiduciary net position as a percentage of total pension liability	109.7%	100%	98%	100%	107%	103%	105%
Covered employee payroll	\$ 2,912,344	\$ 3,039,860	\$ 3,427,657	\$ 3,501,274	\$ 3,361,452	\$ 3,698,160	\$ 3,994,046
Net pension liability (asset) as a percentage of covered employee payroll	(82.3)%	2%	15%	(1)%	(34)%	(13)%	(17)%

Note 1: This schedule is presented to illustrate the requirements of GASB Statement No. 67. Currently, only data for fiscal years ending September 30, 2015 through 2021 are available.

Note 2: Since the previous measurement date September 30, 2020, the assumed rates of future benefit form election were revised to reflect a 100% annuity (as opposed to a lump sum) election rate for executives. As of the prior measurement date, 40% of retiring executives were assumed to elect an annuity and 20% of executives terminating employment for other reasons were assumed to elect an annuity.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Required Supplementary Information (Unaudited)  
Schedule of Investment Returns  
Last Ten Years**

	<b>2021</b>	2020	2019	2018	2017	2016	2015	2014	2013	2012
Annual money-weighted rate of return (loss), net of investment expense	<b>19.48%</b>	8.68%	4.20%	9.00%	14.00%	8.3%	(.05)%	9.60%	12.40%	0.20%

Note: This schedule is presented to illustrate the requirements of GASB Statement No. 67.

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Required Supplementary Information (Unaudited)  
Schedule of Employer Contributions  
Last Ten Years**

Fiscal Year Ending September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2012	509,014	509,014	-	4,434,556	11.5%
2013	335,123	355,123	-	4,046,036	8.8%
2014	349,366	349,366	-	4,131,508	8.5%
2015	274,355	274,355	-	3,994,046	6.9%
2016	304,785	304,785	-	3,698,160	8.2%
2017	321,190	321,190	-	3,361,452	9.6%
2018	349,876	349,876	-	3,501,274	10.0%
2019	580,831	580,831	-	3,427,657	16.9%
2020	581,354	581,354	-	3,039,860	19.1%
2021	562,993	562,993	-	2,912,344	19.33%

(Continued)

**Department of Off-Street Parking of the City of Miami, Florida  
Retirement Plan and Trust**

**Required Supplementary Information (Unaudited)  
Notes to Schedule of Employer Contributions**

---

Notes to the Schedule of Employer Contributions:

Valuation date: October 1, 2020

Actuarially determined contribution rates are calculated as of the beginning of the year in which contributions are reported.

Plan sponsor contribution rate 19.33%  
Member contribution rate 6.5%

Methods and assumptions used to determined contribution rates:

Actuarial cost method Entry Age Normal  
Amortization Method Level Dollar, Closed  
Remaining Amortization Period 10 years

Asset valuation method Smoothed market value: Difference between the expected and actual return on market value of assets phased in over a period of 5 years (at the rate of 20% per year), adjusted to be no greater than 120% and no less than 80% of the fair market value.

Inflation 2.25%

Salary increases Age-based rates ranging from 3% to 9%, including inflation.

Investment rate of return 6% per year compounded annually, net of investment expenses.

Retirement age Experience-based table of rates based on year of eligibility.

Mortality Mortality rates are the same as used by the Florida Retirement System (FRS) for Regular Class (non-Teacher) members in their July 1, 2020 actuarial valuation. These rates were taken from the Pub-2010 Headcount-Weighted Mortality Tables and adjusted to reflect FRS' experience. Mortality improvements to all future years after 2010 are generationally projected using Scale MP-2018.

Adjustments to the published mortality tables were developed in a statewide experience study conducted by the Florida Retirement System covering the period 2013 through 2018. F.S. 112.63(1)(f) requires the mortality assumption to be the same as used in either of the two most recently published actuarial valuation reports of the Florida Retirement System. For more information regarding these rates, refer to the July 1, 2020 actuarial valuation report of the Florida Retirement System Pension Plan.

Note: This schedule is presented to illustrate the requirements of GASB 67.

## **Other Report**

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

**Independent Auditor's Report**

To the Chairperson and Members of the Board  
Department of Off-Street Parking of the City of Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Department of Off-Street Parking of the City of Miami, Florida Plan and Trust (the Plan), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated February 2, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Plan's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Plan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

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

*RSM US LLP*

Miami, Florida  
February 2, 2022