



MIAMI-DADE WATER AND SEWER DEPARTMENT
A DEPARTMENT OF MIAMI-DADE COUNTY, FL

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





The cover's design is comprised of the winning students' entries in the annual "Every Drop Counts" Poster Contest.

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PREPARED BY: CONTROLLER DIVISION AND PUBLIC INFORMATION OFFICE

VISION STATEMENT

A model utility of excellence in reliability, resilience and environmental stewardship, recognized as an essential partner in the protection of public health and an employer of choice in Miami-Dade County.

MISSION STATEMENT

We deliver high-quality, safe, and reliable drinking water and wastewater service in Miami-Dade County where customers know the value of every drop, employees take pride in their contribution, and the pursuit for efficiency and community resilience drives every business decision.



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Annual Comprehensive Financial Report
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
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MIAMI-DADE COUNTY

Daniella Levine Cava

Mayor



BOARD OF COUNTY COMMISSIONERS

Oliver G. Gilbert III

Chairman

Anthony Rodriguez

Vice Chairman

Oliver G. Gilbert, III

District 1

Danielle Cohen Higgins

District 8

Marleine Bastien

District 2

Kionne L. McGhee

District 9

Keon Hardemon

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District 6

René García

District 13

Raquel A. Regalado

District 7

Juan Fernandez-Barquin

Clerk of the Court and Comptroller

Pedro J. Garcia

Property Appraiser

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County Attorney



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March 7, 2025

Honorable Daniella Levine Cava, Mayor
Honorable Oliver G. Gilbert III, Chairman and Members of the Board of County Commissioners
Honorable Juan Fernandez-Barquin, Clerk of the Court and Comptroller
Pedro J. Garcia, Property Appraiser
Geri Bonzon-Keenan, County Attorney
Residents of Miami-Dade County, Florida

Ladies and Gentlemen:

We are pleased to present the Annual Comprehensive Financial Report of the Miami-Dade Water and Sewer Department (the Department, a.k.a. WASD) for the fiscal year ended September 30, 2024 (FY 2024). This report presents a full set of financial statements prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and audited by a firm of independent certified public accountants retained by the Department.

Management has established a comprehensive framework of internal controls to provide a reasonable basis for asserting the financial statements are fairly presented. The objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatement and therefore the cost of a control is considered to ensure it does not exceed the benefits to be derived. While the independent auditor has expressed an opinion on the financial statements contained in this report, management is responsible, in all material respects, for both the completeness and reliability of the information contained in this report. For the fiscal year ended September 30, 2024, the Department received an unmodified opinion from its independent auditors.

This report may be accessed via the Internet at http://www.miami-dade.gov/wasd/reports_financial.asp.

The financial section of the Annual Comprehensive Financial Report encompasses the Management's Discussion and Analysis (MD&A), financial statements, notes to the financial statements, and Required Supplementary Information (RSI) and supplementary financial data. Immediately following the independent auditors' report is the MD&A, which provides a narrative introduction, detail overview and analysis of the Department's financial activities for FY 2024. The MD&A complements this Letter of Transmittal and should be read in conjunction with it.

PROFILE OF GOVERNMENT

In December 1972, the Board of County Commissioners (Board) of Miami-Dade County, Florida (County) created the Miami-Dade Water and Sewer Authority (Authority) for the purpose of establishing an agency responsible for providing water and wastewater services throughout the County. In 1973, all properties of the water and wastewater systems of the City of Miami and of the County were put under the control of the Authority. The Board changed the status of the Authority to that of a County Department effective November 1, 1983, under the provisions of Miami-Dade County Ordinance 83-92, establishing the “Miami-Dade Water and Sewer Authority Department.” On October 19, 1993, the Department changed its name to the Miami-Dade Water and Sewer Department. The Miami-Dade Water and Sewer Department is the largest water and sewer utility in the southeastern United States, serving more than 2.8 million people every day.

The Department’s water system, considered the largest water utility in the Southeast United States, serving approximately 463,459 retail customers and 15 municipal wholesale customers within Miami-Dade County. Water is drawn primarily from the surficial Biscayne Aquifer, a non-artesian (or near surface) aquifer, which underlies an area of about 3,200 square miles in Miami-Dade, Broward, and Palm Beach counties.

The water system consists of three regional water treatment plants (WTP), the shared Hialeah reverse osmosis water treatment plant, and five small auxiliary treatment facilities that service the southernmost area of the County. The three regional plants are John E. Preston, Hialeah and Alexander Orr, Jr. water treatment plants. The total combined capacity of the three regional WTPs is 439 MGD (million gallons per day). There are fourteen wellfields comprised of 95 production wells, 10 Floridian Aquifer wells and five aquifer storage and recovery wells. These wells supply untreated water to the treatment plants.

Most of the water distribution throughout the 400 square miles service area is performed by pumping from the regional treatment facilities and boosted by four remote pumping stations with eight (total) finished water storage tanks. The system consists of more than 8,574 miles of water mains ranging in size from 2 inches to 72 inches in diameter.

The wastewater system serves approximately 378,626 retail customers and 13 wholesale customers, consisting of 12 municipal customers and the Homestead Air Reserve Base. It consists of three regional wastewater treatment plants (WWTP), over 1,000 sewage pump stations and nearly 6,400 miles of collection and transmission pipelines, manholes, lift stations and force mains. The service area of the system covers approximately 375 square miles. The three WWTPs are the South District, Central District and North District WWTPs. The disposal of the by-products of the treatment process (sludge and effluent or treated wastewater) is an important part of the Department’s plan to improve and expand its sewer system.

Disposal of treated wastewater at the North District Plant and the Central District Plant is accomplished by discharge into the Atlantic Ocean. A portion of the treated effluent at the North District Plant is also disposed via deep injection wells. Environmental studies conducted by the Environmental Protection Agency (EPA) and examinations by the State and the Department conducted in 1994 have shown “no irreparable harm” and “no unreasonable degradation” to the environment because of the discharge of effluent from the North District Plant and the Central District Plant into the Atlantic Ocean. The State revised this policy when, during 2008, legislation was passed mandating a phase out of ocean outfall discharges.

The South District Wastewater Treatment Plant disposes of its effluent through deep injection wells to the lower Floridian Aquifer at a depth below 2,400 feet. In 1995, the Department completed construction of five additional deep injection wells as part of its 112.5 million gallons per day (MGD) plant expansion project. In FY 2014, the Department finalized operational permit for all the South District’s 17 injection wells, which are now fully operational.

The Department continues to plan, and design reclaimed water facilities. Currently, in FY 2024 the Department reused 13 MGD of treated wastewater. The Department is implementing an innovative effluent energy recovery system which will result in the reuse of approximately 115 MGD. When combined with the existing in-plant reuse and the FPL collaboration agreement, the Department will reuse 145.5 MGD and become the largest reuse utility in the East Coast.

ECONOMIC CONDITION AND OUTLOOK

This report, Economic Conditions and Outlook, reviews the level of economic activity throughout Fiscal Year (FY) 2024 and forecasts the area's economic outlook for the next fiscal year.

One year ago, in the year-end outlook for the local economy, it was stated that FY 2024 would continue in the same vein as FY 2023, displaying moderate growth as well as moderate inflation, with most, if not all, variables changing in normal, single-digit percentage terms.

Prospects for growth of the United States' economy were thought to decelerate to 1.5 percent in calendar year 2024, after growing almost 2 percent in calendar year 2023, according to the International Monetary Fund (IMF), the Organization for Economic Co-operation and Development (OECD) and the Congressional Budget Office.

Economic activity in Latin America, was expected to continue at the same pace as 2023 with a growth rate of 2.3 percent. The higher rate of expansion in Latin America vis-a-vis the US was likely to result in a contraction of the trade surplus flowing through Miami-Dade ports.

Real estate and construction activity in FY 2024 were expected to display a similar trend as FY 2023 as mortgage rates continued at their current elevated levels locking in current homeowners and deterring would be buyers.

Tourism indicators, were also expected to continue at their elevated FY 2023 levels, meaning that growth would be moderate, with visitors, airline passengers and hotel occupancy gaining slightly from their very robust FY 2023 levels. The exception would be cruise ship passengers, expanding robustly with the introduction of more and bigger ships to the market resulting in passenger counts easily beating their pre-pandemic levels.

Miami-Dade's employment was forecasted to continue to expand albeit at a slower pace, and most likely not be as broad based as it was in FY 2022 and 2023. This would result in a more normal pattern in which some industries expand, and others contract their level of employment.

This forecast of FY 2024 turned out to be a fair assessment of the year to come, although the US economy outperformed the forecasters consensus.

The national economy in FY 2024, instead of slowing down, accelerated. Real gross domestic product (GDP) increased at an annual rate of 3 percent, up from 2.4 percent the prior year. The increase in economic growth was brought about by a strong increase in investment that after contracting by 0.6 percent in FY 2023 expanded by 4.2 percent in FY 2024. This combined with the largest increase in government spending in at least 16 years at 3.7 percent after increasing by 2.9 percent in the prior year.

Despite the strong GDP showing, inflation pressures continued to subside in FY 2024. As a result of the Federal Reserve tight monetary policy during the fiscal year, inflation for the fiscal year ended at 3.1 percent, an improvement from the 5.1 and 7.9 percent recorded in FY 2023 and FY 2022 respectively. This reduction in the level of inflation was accompanied by an increase in the headline unemployment rate of 40 basis points to 3.9 percent.

At the county level, FY 2024 was similar to FY 2023 in that it was a year of moderation in which most variables returned to more sustainable and 'normal' levels after FY 2021 characterized by a red-hot residential real estate market, and FY 2022 marked by an unprecedented tourism boom. For FY 2024, the county's unemployment rate barely changed. The residential real estate market continued to cool, as it did in FY 2023 and the tourism sector grew modestly throughout.

What follows is an overview of the economic conditions that prevailed in the county throughout the past year and a brief discussion about the trends associated with the area's key economic drivers.

EMPLOYMENT

During FY 2024, nonagricultural wage, and salary employment (annual average) recorded an overall gain of approximately 37,500 jobs. This increase of 2.9 percent left total employment at 1,329,800, breaching the 1.3 million mark for the first time, according to non-seasonally adjusted data from the Bureau of Labor Statistics. This gain in employment represented a deceleration from the prior year when there was an increase of 4.3 percent. This employment gain was accompanied by a slightly higher increase in the labor force, resulting in a slight increase in the unemployment rate. The average annual unemployment rate for the year was up to 2.1 percent, from 2.0 percent a year earlier.

After deep losses in employment in almost all sectors in FY 2020 and 2021 all sectors, with only one exception, recorded gains in Fiscal Years 2022, 2023 and 2024. With the exceptions in each year being government, construction and information respectively. The drop in information employment in FY 2024, amounted to 500 jobs or 2.2 percent. The sector that gained the most employment, in relative terms, was construction, which after losing 1,800 in the prior fiscal year, added 4,800 jobs, or 8.6 percent. The second sector in terms of relative jobs gains and first in absolute job gains was leisure and hospitality with an increase of 9,500 jobs or 6.5 percent, followed by education and health services with a gain of 8,400 jobs or 4 percent. Rounding out the top 5 industries by relative job gains are: other services with a gain of 1,500 jobs or 3.1 percent; and manufacturing with a gain of 1,400 jobs or 3.1 percent.

REAL ESTATE MARKET

Traditionally, the real estate sector in Miami-Dade County is viewed as one of the most important measures of the county's economic health. After FY 2021 aided by record low mortgage rates, increases in work from home policies, government stimulus and increased inflation expectations that resulted in a red-hot housing market, FY 2022 displayed signs of a moderating real estate market. This moderating trend continued into FY 2023 and FY 2024 and can be seen in fewer single-family home and condominium sales as well as in a slowing of the increase in home sales prices.

After falling by 22 percent in FY 2023 sales of existing single-family homes barely increased by 1.3 percent in FY 2024, from 10,555 to 10,695 homes sold. Sales of condominiums decreased by 11 percent in FY 2024, on the back of a 36 percent decrease in FY 2023 to 12,507 units sold. Cash sales accounted for just under 50 percent of all condo sales in FY 2024, down from a 53 percent in FY2023.

In terms of valuation, housing price appreciation continued in FY 2024. The median sales price for single family homes rose by 8.8 percent in FY 2024, up from 7.6 percent in FY 2022 but down from 13 percent in FY 2022. The median sales price for existing condominiums rose by 4.1 percent in FY 2024 after increasing by 6.9 percent in FY 2023 and 23 percent in FY 2022.

Roughly midway through FY 2020, the United States Federal Housing Authority announced a foreclosure and eviction moratorium on qualifying residential properties that lasted throughout FY 2021. As a result, data from the Clerk of the Court shows new foreclosure filings plummeted from 5,445 new filings in FY 2019 to just under 3,000 in FY 2020. In FY 2021, with the moratorium still in place, and helped by the strong housing market, new filings dropped even further to 1,933. In FY 2022, with the federal foreclosure moratorium no longer in place, new foreclosure filings increased once again to 2,882 and rose some more in FY 2023 to 3,281 and stayed flat in FY 2024 at 3,283.

In terms of new residential construction, following the 14,295 residential units permitted in FY 2023, that marked the largest number since FY 2006, units permitted dropped by a third to 9,550 in FY 2024, the lowest number since FY 2014.

The commercial/industrial components of the real estate market remained mostly stable in FY 2024. Office average rental rate per square foot dropped from \$46.4 to \$44.6, with no change in vacancy rates. The retail vacancy rate decreased from close to 3.1 to 2.9 percent. Average lease rates for retail in shopping centers increased by 5.3 percent to \$39.62 per square foot while average lease rates for stand-alone retail stayed unchanged at \$46.61. The industrial market saw vacancy rates increase from 2.2 percent in FY 2023 to 3.8 percent in FY 2024. Average lease rates for industrial space declined by 2 percent to \$16.27 per square foot.

SALES INDICATORS

Taxable sales in Miami-Dade County, after reaching their highest level to date in FY 2022 receded slightly in both FY 2023 and 2024. After a 12.5 percent expansion in FY 2022, taxable sales dropped by an inflation adjusted 1.7 percent in both FY 2023 and 2024 to just over \$77 billion.

The decrease in taxable sales in FY 2024 resulted from an increase in two categories, coupled with a fall in three. Consumer durables and business investment increased by 6.1 and 1.1 percent respectively while Autos & accessories, tourism & recreation, consumer nondurables and building investments decreased by 6.4, 3.2, 1.5 and 3.7 percent respectively.

INTERNATIONAL TRADE AND COMMERCE

International trade and commerce is another key component of Miami-Dade's economy. Trade measured by value passing through the Miami-Dade County's seaport and airport rose 9.4 percent since the Covid-19 pandemic first erupted in 2020 to \$101.7 billion (2024 inflation adjusted dollars). However, from FY 2023, merchandise trade decreased 6.6 percent in FY 2024 from \$108.9 billion as consumer demand slowed.

In contrast to the recurring merchandise trade deficits that the United States maintains year after year, Miami-Dade ports traditionally export more than they import, resulting in a trade surplus over the years. Since last year, this surplus expanded as the county trade exports decreased 5.5 percent, while imports decreased 7.8 percent over FY 2023. Most of the Miami-Dade export markets are in South America, Central America, and the Caribbean, and, together with Europe, account for more than 78.3% of total trade. Most of total U.S. imported perishables from South America and Central America and the Caribbean continue to pass through the Miami-Dade ports.

Another of Miami-Dade County's barometers of trade activity are the freight tonnage moving through Miami International Airport (MIA) and PortMiami. At the former, overall air freight tonnage decreased 12.9 percent in FY 2024 after decreasing 1.7 percent the preceding year. At PortMiami, cargo tonnage figures were down by 6.6 percent after increasing 0.9 percent in the prior fiscal year. PortMiami accounts for nearly 85.9 percent of total county trade measured by weight, while high-value trade through MIA means the airport accounts for 72.4 percent of total trade measured by value.

TOURISM

After two years of post-COVID-19 sharp increases in the number of visitors to the state of Florida of 20 percent in FY 2021 and 24 percent in FY 2022, with a more modest increase of 3.6 in percent FY 2023 and 1.3 in FY 2024 the state reached 142.6 million overnight visitors, the highest number ever recorded.

In tandem with the rest of the state, after post covid sharp increases in FY 2021 and FY 2022 visitors to the Miami area were flat in FY 2023 and increased by 3.9 percent in FY 2024 at just over 20 million overnight visitors, well above the 16.2 million registered in pre-pandemic FY 2019.

MIA passenger levels, after increasing considerably from FY 2021 to FY 2023 continued its upward trend in FY 2024 growing by 8 percent to a record level of 55.7 million passengers.

After being the hardest hit component of the tourism sector with a complete shutdown, cruise ship passenger levels continued to recuperate the ground loss during the pandemic. In FY 2023, passenger levels had almost reached their pre pandemic peak level of 6.82 million in FY 2019. During FY 2024 passenger levels continued to grow, blowing past their previous record and hitting just over 8 million passengers for the first time.

The modest increase in overnight visitors was reflected in an increase in the hotel occupancy rate from 72.1 percent in FY 2023 to 74.2 percent in FY 2024. This increase in the occupancy rate was coupled with a decrease in the average daily room rate from \$223.00 dollars in FY 2023 to \$220.00 dollars in FY 2024.

FUTURE OUTLOOK

FY 2021 and 2022 were characterized by strong growth and adjustments of various kinds as the economy recuperated from the pandemic and digested the stimulus and policies put in place during and post pandemic. FY 2023 and 2024 displayed a more normal pattern of growth with less obvious influence from the pandemic and/or pandemic era policies.

FY 2025 should continue in the same vein as FY 2024, displaying moderating growth as well as moderate inflation, with most, if not all, variables changing in normal, single-digit percentage terms.

Because of its location and economic trade and tourism ties, Miami-Dade's economy is influenced by developments in both the broader US and Latin American and Caribbean economies.

On the domestic front, the overall United States economy is expected to continue growing, albeit at a slower pace. After a strong showing in FY 2024, it is expected that the U.S. growth will moderate in FY 2025.

All major institutional forecasts of the United States' economy at the time of this writing predict GDP growth rate for calendar year 2025 to slow as compared to 2024, forecasting a GDP growth of between 1.9 and 2.7 percent. The Congressional Budget Office (CBO) forecast falling on the lower side, at 1.9 percent, followed by the S&P Global Forecast at 2 percent, the Organization for Economic Co-operation and Development (OECD) at 2.4 percent and the International Monetary Fund (IMF) forecast at the higher end of 2.7 percent.

Economic activity in Latin America, after experiencing a 2.4 percent increase in 2024, is expected to expand by 2.5 percent again in 2025. The similar rate of expansion in Latin America vis-a-vis the US is likely to result in a continuation of the trade patterns flowing through Miami-Dade ports.

Real estate and construction activity in FY 2025 is expected to display a similar trend as FY 2024 as mortgage rates continue at their current elevated levels locking in current homeowners and deterring would be buyers.

Tourism indicators will also continue at their elevated FY 2024 levels, meaning that growth will be moderate, with visitors, hotel occupancy, and airline and cruise ship passengers gaining slightly from their FY 2024 levels.

Employment should continue to expand overall, but at a slow rate, and most likely not be as broad based as it was in FY 2024. This should result in a more normal pattern in which some industries expand, and others contract their level of employment.

In conclusion, evaluating all the likely developments in major areas of the economy leads to a forecast that the Miami-Dade economy appears poised for continued growth in FY 2025 at a slower pace. While inflation appears to be slowing there remains a lot of uncertainty due to the shifting landscape in Washington. This could have an impact on trade flows and labor market dynamics in the United States and its trading partners.

Water System

Water Reset

The Water Reset Program was developed by the Miami-Dade Water and Sewer Department to address existing and emerging needs within the water treatment facilities and the water distribution system. It prioritizes critical projects based on condition assessments, the American Water Infrastructure Act (AWIA) Risk and Resilience Assessment (RRA), and other critical factors such as aging infrastructure, redundancy, capacity, and modernization.

To guide capital investments, the department established prioritization criteria, including life safety, compliance with current and upcoming legal regulations, infrastructure resilience, financial and operational benefits, and shovel ready status.

The program includes approximately 100 projects, such as generator replacements for storm resilience, filter overhauls, redundant raw water transmission mains to fortify system reliability, and lead and copper assessments that ensure safe drinking water.

Looking ahead, the program also addresses future regulatory and modernization needs, including Polyfluorinated Substances (PFAS) impact evaluations, automation of treatment facility, and the implementation of Advanced Metering Infrastructure (AMI) across all retail and volume accounts.

Water-Use Efficiency Plan

The Water Use Efficiency Plan (Plan) is a key component of Miami-Dade County's Water Use Permit (WUP), issued by the South Florida Water Management District (SFWMD) and approved by the Board of County Commissioners. In effect since 2007, the Plan implements indoor and outdoor Best Management Practices (BMPs) to track and quantify water conservation. Indoor BMPs offer rebates for high-efficiency toilets, faucets, and showerheads in residential and commercial properties. Outdoor BMPs provide rebates for irrigation system retrofits and upgrades. Additional measures include a county-wide two-day-per-week irrigation rule, water-efficient fixture requirements in new construction, Florida-Friendly Landscaping promotion, and public education campaigns.

These efforts have reduced finished water demand by 13 MGD as of December 31, 2023, compared to 2006 levels. The County has also lowered per capita water use by 21 gallons per day (gpd) over the same period (153.30 gpd in 2006 vs. 132.47 gpd in 2023), reducing costs and delaying the need for alternative water supplies.

Key ongoing initiatives:

- Rebates for high-efficiency fixtures in residential, commercial, and lodging properties
- Senior-specific toilet rebates
- Free high-efficiency showerhead programs
- Landscape irrigation evaluations and rebates
- Florida-Friendly Landscaping requirements
- Permanent two-day-per-week irrigation rule
- Tiered rate structure to encourage conservation
- High-efficiency plumbing requirements for new construction
- Public outreach and education
- Leak detection and repair efforts

In Fiscal Year 2024, Miami-Dade County continued implementing its updated landscape irrigation ordinance to align with SFWMD rules, further strengthening water conservation efforts. These initiatives reinforce the County's commitment to sustainable water use and long-term water efficiency.

Small Watermain Replacement Program

The Miami-Dade Water Distribution system is divided into square mile areas, with each one corresponding to an atlas sheet within the water distribution network map. There are 455 atlas sheets that comprise the water distribution system. To proactively upgrade aging infrastructure, the department has developed the Small Watermain Replacement Program (SWRP) to comprehensively upgrade the water distribution system in each square mile area. The program prioritizes replacements using parameters such as pipe diameter, age, and location of existing water mains.

Each project consists of the programmatic replacement of undersized water mains, rehabilitation, or replacement of water mains with excessive leakage, and the replacement of water mains located in rear easements of private properties with water mains located on the frontage street. The program also includes rear to front service line conversions for properties where the water main was removed from a backyard easement. The SWRP improves water quality concerns and addresses critical fire protection issues in these areas.

The program currently includes eight atlases in various stages of design, encompassing twelve projects—eight actively under design and four under negotiation. The atlases cover multiple commission districts and total nearly 500,000 linear feet (over 90 miles) of water main design. The projects include W32 (76,000 LF), V31 (16,000 LF), Q16 (113,000 LF), P16 (108,000 LF), R26 (82,000 LF), F13 (43,000 LF), K3 (21,000 LF), and K17 (37,000 LF), spanning areas such as Leisure City, west Dade, Cutler Bay, City of Miami, Miami Gardens, Coral Gables, and Coconut Grove. Additionally, the program aims to replace small-diameter water mains made of inferior materials, such as asbestos cement pipe, and relocate approximately 3,000 Consumer Line Relocation (CLR) meters to rights of way.

Water Reuse

Reclaimed water is highly treated, filtered, and disinfected wastewater that can be safely reused for various non-potable purposes, reducing the demand on freshwater supplies. WASD continues expanding its water reuse initiatives to enhance sustainability and conserve drinking water resources.

The Department has long utilized reclaimed water within its wastewater treatment plants (WWTPs) for in-plant operations, such as plant water and seal water. In partnership with Florida Power and Light (FPL), WASD will provide up to 15 million gallons per day (MGD) of treated effluent from the South District WWTP to the Clean Water Recovery Center at Turkey Point, where it will be further treated for cooling operations. The Clean Water Recovery Center achieved substantial completion during Fiscal Year 2024 and will become operational in December 2024.

The Department is also advancing an industrial reuse strategy by implementing Effluent Energy Recovery Systems (EERS) at its WWTPs. These systems will replace potable water for cooling operations and be powered by solar microgrids. In Fiscal Year 2024, WASD completed the North District WWTP EERS design, initiated South District WWTP EERS modifications, and developed a renewable energy plan for the North District WWTP EERS system.

Additionally, WASD collaborated with Miami-Dade Parks, Recreation and Open Spaces to evaluate a reuse facility at Zoo Miami to offset potable water use. Despite funding challenges, efforts to advance the project continued. These efforts reflect the Department's commitment to exploring cost-effective water reuse solutions that support long-term water conservation and sustainability.

Water and Wastewater Transmission System Computer Models

The Department maintains Water and Wastewater Transmission System Computer Models, which operate with the Geographic Information System (GIS) data on the respective systems. These models are critical for planning and evaluating the availability of system capacity for new developments and system upgrades. The models are also used for the identification of long-range improvements to transmission system facilities, including pumping stations and pipelines as part of Water, Wastewater, and Reuse Water Integrated planning. WASD's Planning Division develops forecasts for water and sewer demands to ensure that all future needs can be met.

Water Allocation

Along with WASD's work to maintain, harden, and expand water and wastewater infrastructure, legislative solutions are being forged to ensure a sustainable supply of top-quality water to meet the future needs of our growing community. Miami-Dade County approved the execution of a Capacity allocation Agreement in Phase 1 of the C-51 Reservoir, which provides the Department with 15 million gallon per day allocation of alternative water supplies through at least 2065. The C-51 Reservoir project was completed and became operational on January 9, 2024. The implementation of the project allows for additional wellfield withdrawal allocations through WASD's Water Use Permit using existing WASD infrastructure.

Wastewater System

Consent Decree Program

The County negotiated a Consent Decree with the United States Environmental Protection Agency (EPA) and the Florida Department of Environmental Protection (FDEP), which was lodged with the US District Court on June 6, 2013, and entered on April 9, 2014. This Consent Decree is designed to build on the successes achieved by the Department under previous Consent Decree programs. The overarching goal of the Consent Decree is to reduce sanitary sewer overflows and to meet effluent limit requirements of the Clean Water Act from the County's wastewater system.

The Consent Decree requires the Department to upgrade its collection, transmission, and treatment facilities by completing 80 capital improvement projects throughout the wastewater system. It also requires the County to implement Capacity, Management, Operations and Maintenance (CMOM) Programs for the continued improvement of its systems and to eliminate, reduce, prevent, or otherwise control sanitary sewer overflows (SSOs).

As of September 30, 2024, the County's Consent Decree Program has completed sixty-one (61) of its capital improvement projects with an approximate total cost of \$911 million. Fifteen (15) projects with a cost of \$865 million are in the construction phase, and four (4) projects with a cost of \$207 million are in the pre-construction phases of planning and procurement.

Regarding the CMOM Program, the County developed ten (10) Capacity, Management, Operations and Maintenance Plans with the objective of incorporating standard operation and maintenance activities with a new set of information management requirements. All these plans have been approved by EPA/FDEP. In addition, the County remains in compliance with five additional plans that are a continuation from previous Consent Decrees.

Implementation of the Consent Decree is underway, and the County remains fully committed in completing the mandated Consent Decree Capital Improvement Projects by 2028.

Ocean Outfall Legislation Program (OOL)

In 2008, the Florida Legislature approved, and the Governor signed a law requiring all wastewater utilities in southeast Florida utilizing ocean outfalls (OOL) for disposal of treated wastewater to reduce nutrient discharges by implementing advanced wastewater treatment by 2018 or equivalent, cease using the outfalls by 2025 and reuse 60 percent of the wastewater flows by 2025. In 2013, the statute was amended to provide greater flexibility to meet reuse requirements and to allow use of the ocean outfalls for peak flows management, not to exceed 5 percent of the annual baseline flows. Because of this law, the Department has analyzed several compliance options. Each option includes additional projected capacity to meet future average daily and peak flow demands. After considering several options, the Department's recommended option includes upgrades to both the Central and North District wastewater treatment plants (WWTP). The upgrades will include the addition of deep injection wells at the Central and North District Wastewater Treatment Plants (WWTP) to eliminate the normal use of the ocean outfalls for disposal of treated wastewater. These upgrades include 14 projects, of which 2 are completed, 4 are under construction, and 8 are in design/permitting.

As part of the Department's normal planning activities, Water and Sewer conducted a thorough re-evaluation of its 2035 projections, including average daily flows, peak hour flows (PHF), and influent solid loadings. Through the Department's continued water conservation efforts, combined with its Inflow and Infiltration Program, wastewater flows have remained relatively flat for the past fifteen years, reducing the current and future need for system capacity. The updated projections have pushed the need for a new plant beyond the initial 2025 target. Therefore, the addition of a proposed West District WWTP, which was part of the Department's 2013 Ocean Outfall Legislation Compliance Plan, will not be needed to comply with the legislation, nor will it be needed by 2025 as originally planned, for capacity purposes. Nevertheless, the facility is still included within the 20-year planning horizon.

The Department selected to implement the equivalent to that which would have been achieved by Advanced Wastewater Technology (AWT) if the requirements were fully implemented beginning December 31, 2018 and continued through December 31, 2025. This is being accomplished by reducing the nutrients (total nitrogen and total phosphorus) being disposed of through the ocean outfall and maximizing the quantity of flow being sent to the existing wells. Since 2008, the Department has been using the existing deep injection wells at the North District WWTP to reduce flow going out to the outfall. In addition, the Department has completed construction of two (2) industrial deep injection wells at the Central District WWTP, which will reduce nutrient loading by removing the waste stream from the centrate process, the gas scrubbers, and the treated effluent from the ocean outfall discharge. The industrial deep injection wells are in operational testing as of November 2019. These wells will enable the Department to divert approximately 30 million gallons per day (MGD) of treated wastewater from Central's ocean outfall.

The Department is implementing an innovative effluent energy recovery system which will result in the reuse of approximately 115 MGD. When combined with the existing in-plant reuse and the FPL collaboration agreement, the Department will reuse 145.5 MGD and become the largest reuse utility in the East Coast.

South District Plant Expansion Program

The South District Wastewater Treatment Plant (SDWWTP) is one of three regional wastewater treatment facilities operated by WASD and serves the southern portion of Miami-Dade County. Since the SDWWTP's service area continues to increase in population due to growth and redevelopment, the Department has prioritized expanding the Plant's capacity to address future projected needs of the community.

The Department has identified eight (8) critical infrastructure projects necessary to increase the permitted capacity of SDWWTP from 112.5 to 131 MGD and increase the peak flow capacity of the Plant from 285 to 305 MGD. Currently, two (2) of the eight (8) projects have been completed with the remaining six (6) projects are under construction. These projects include: the construction of a state-of-the-art electrical distribution building #3, a new Headworks 3 building, new Oxygenation Trains 9 & 10, new electrical substation 57 & 58, new clarifier #12, and various other ancillary treatment process improvements critical to expanding the Plant's capacity. The total capital investment in construction for the South District Plant Expansion Program is approximately \$531 million. The wastewater conveyance system to the three wastewater plants is interconnected so the flow can be directed between wastewater treatment plants to allow for operational flexibility, therefore these expansion projects are part of a regional solution for the wastewater treatment system of the County to meet future flows and loads. These projects will also result in a more robust and resilient facility designed to meet WASD's facility hardening criteria which allow for the continuous operation of the wastewater treatment system during severe climatological events, which are frequent in the South Florida area.

Connect 2 Protect Program

Miami-Dade County's Connect 2 Protect is a multi-year, countywide program that provides sanitary sewer service to residents with septic tank systems. Approximately 9,000 septic systems are vulnerable to compromise or failure under current groundwater conditions. As sea-level rise increases, this number will grow to approximately 13,500 by 2040. Compromised and failing septic systems can cause negative impacts on private properties, pose public health risks, and have negative impacts on our natural resources including Biscayne Bay.

The Little River community is one of the first areas for Connect 2 Protect implementation based on its designation as an Adaptation Action Area, a designation that focuses on those communities most vulnerable to sea-level rise and flooding. Much of the Little River area is low-lying and prone to flooding. Residents report that septic tank systems are failing during heavy rain and high tide events, which has resulted in sewage backing up into homes and the ponding of floodwater on lawns and roadways. In addition to the Little River project, WASD is currently working on the design of laterals for 2,000 parcels across the County that are designated as vulnerable.

The Pump Station Rehabilitation Program

Miami-Dade Water and Sewer has embarked in a Pump Station Rehabilitation Program (PSRP) to address renewal and replacement, capacity, and climate related needs proactively and programmatically across its more than 1,000 sanitary sewer pump stations.

As part of the program, the department is performing on-site field assessment of the mechanical, electrical, instrumentation, and structural components of all sanitary sewer pump station. These assessments, along with capacity and regulatory needs, will direct project prioritization within the PSRP.

During Fiscal Year 2024 there were a combined 78 pump station projects development in various stages of development. These projects included rehabilitation projects to update aging infrastructure, upgrades to address capacity needs, and relocation projects to site the pump stations to locations better suited for its use, operation, and maintenance. Included in the 78 projects, are climate resilience improvements that elevate critical components above the base flood elevation or ensure that the pump station is wet proofed to withstand storm events. Several projects were specifically intended to address hardening components of pump stations through the Hazard Mitigation Grant Program (HMGP).

Infiltration and Inflow (I & I) Reduction Program

WASD established a Flow Reduction Program (FRP) Division to improve the service of the sanitary sewer system by reducing and mitigating adverse impacts resulting from potential inflow/infiltration (I/I) sources. The reduction of I/I flow will allow for enhanced operational performance, the reduction of treatment and pumping costs, and overall effective service delivery. The FRP aims to significantly and cost-effectively reduce average and peak flows in the sewer system. In addition, this reduction of flow into the conveyance system provides an opportunity to reduce the required capacity improvement infrastructure projects, thereby offering additional savings to the Department and ratepayers. The objective of the FRP is to develop a cost-effective solution that reduces I/I while prioritizing repairs and quantifying savings.

The Department continues to perform sanitary sewer evaluation surveys on the approximate 6,500 miles of sewage collection mains and laterals. During Fiscal Year 2024, more than 5,727 repairs were performed to the gravity system. Resulting in 3,390 digital manhole inspections, 144,622 lineal feet of gravity sewer mains cleaned and inspected via CCTV, 341 total manhole rehabilitations, 23,973 square feet, and 1,544 installed cured-in-place liners in service laterals and mainline segments. These activities help reduce miscellaneous water entering the wastewater collection system through defects in existing pipe systems. This, in turn, reduces the cost associated with wastewater treatment and disposal.

Supervisory Control and Data Acquisition System (SCADA)

Essential to the Department's daily operations is the ability to monitor and control its water and wastewater functions from a remote location. The Department's SCADA system is at the heart of this capability and is one of the largest of its kind in the country. The SCADA system, which is particularly important in cases of emergency operations and as a tool in meeting requirements of the Consent Decree/Settlement Management (CD/SA) program, has allowed workers in the Department's 24-hour emergency call center to continuously oversee the operations at its pump stations. It has also allowed water and wastewater treatment plant operators to manage plant functions from remote SCADA terminals, providing an increased level of efficiency. To-date, all pump stations owned and operated by the Department have SCADA installed.

The Department's three regional water and three regional wastewater treatment plants also have SCADA installed and operational. All water wellfields are monitored and controlled by SCADA, and all 95 production wells have flow meters installed with SCADA monitoring for compliance with SFWMD regulations. Upgrades to the SCADA system are being planned as part of the overall infrastructure upgrades to improve real time management and operational monitoring/control of treatment systems and the distribution and collection systems.

During FY 23-24, A new SCADA Historian Software was implemented Department-wide, capturing operational data from all Water and Wastewater treatment plants and Pumping Stations. This important tool increases the precision, performance, scalability, and accessibility of WASD's operational data; which is widely used for analytical and design purposes by Operations and Engineering.

Performance Improvement

The Miami-Dade Water and Sewer Department participates annually in national and state benchmarking surveys including those administered by the American Water Works Association and the Florida Benchmarking Consortium. This process allows for a comparison to other like agencies in the state and across the country through the review of internal key performance indicators.

The WASD Departmental Business Plan is updated annually as part of the budget development process. The business plan is developed in accordance with the County's Office of Management and Budget guidelines ensuring alignment with the County's Strategic Plan and the "WAVE" departmental strategic plan. The business plan summarizes a department's purpose and mission, communicates its priority initiatives for the current and the next fiscal year.

WASD uses the Strategic Management System (SMS) to develop performance measures and monitor business processes. Performance measures must be established to assess how well departments are meeting their objectives as well as the goals and objectives included in the County Strategic Plan.

Rate Increase

On September 19, 2023, the Board of County Commissioners adopted County Budget Ordinance number 23-81, effective October 1, 2023, authorizing a 5% rate increase to the Department's retail tiered based structure. In addition, the County Budget Ordinance increased water wholesale rate by \$0.1857 per thousand gallons from \$1.9273 to \$2.1130 and the wastewater wholesale rate by \$0.1992 from \$3.7422 to \$3.9414 per thousand gallons. These rate adjustments will generate revenues to support operating and maintenance costs, and fiscal requirements related to capital investments.

WIFIA Loan

In 2014, the federal Water Infrastructure Finance and Innovation Act (WIFIA) program was established by Congress assist in the financing of the Nation's aging utility infrastructure. It provides low interest loans with flexible terms and up to a 40-year payback period to water and sewer utilities seeking to upgrade or expand their infrastructure.

The adoption of Ordinance 18-7 and subsequently Ordinance 19-09 authorized the County Mayor or County Mayor's designee to enter and execute the related loan agreements. WASD was the first department nationwide to receive four consecutive low interest loans.

WIFIA Offering Date	Funded Project Summary	Total Project Costs	WIFIA Loan Amount (49%)	Estimated Interest Expense savings	Estimated Direct Jobs
WIFIA 2017	Wastewater Injection Wells	\$203.5M	\$99.7M	\$25.6M	95
WIFIA 2018	Wastewater Electrical Distribution Buildings	\$665.8M	\$326.2M	\$103.8M	266
WIFIA 2019	Upgrades: South District Wastewater Treatment Plant and Additional Injection Wells	\$480.0M	\$235.2M	\$80.2M	173
WIFIA 2020	Upgrades: Central and North District Wastewater treatment Plants	\$865.8M	\$424.2M	\$88.0M	226

To date, the Department has been awarded a total of \$1.1 billion in WIFIA funding. These loans will help to finance approximately \$2.2 billion worth of projects with the department's multi-billion-dollar CIP, create 760 direct jobs and save ratepayers \$297.6 million in interest for the life of these loans when compared to other financing options.

Building Better Communities General Obligation Bonds (GOB)

In November 2004, Miami-Dade County voters approved a \$2.9 billion bond program allowing the County to issue long-term bonds to fund numerous neighborhood and regional capital projects. The General Obligation Bonds (GOB) are legally backed by the full faith and credit of the County which has committed future taxes during the next 40 years to repay the bonds. GOBs typically are the least expensive type of debt available to government. Among the GOB funded capital projects are several current and future water and wastewater infrastructure needs.

On June 3, 2014, the Board of County Commissioners adopted Resolution R-537-14, allocating \$126 Million funding for "Extension of Sewer System to Developed Commercial and Industrial Corridors of the County," aka The Commercial Corridor Project. It is the largest single GOB project under WASD's management. It encompasses the expansion of the sanitary sewer system to remove commercial septic tank systems. The commercial corridor on Bird Road and the Industrial Park Area are being addressed by two Low Pressure Sewer System projects. Also, Basis of Design Report for ten (10) areas within the commercial corridor began in FY2016. The projects identified from these reports include 35 overall projects that will result in the installation of approximately 225,000 linear feet of new wastewater infrastructure and 11 new pump stations. The Adopted 2024-2025 Fiscal Year GOB budget is \$25.8 million.

GROWING WITH INFORMATION TECHNOLOGY

Technology remains a cornerstone of WASD's operations, driving efficiency enhancements across various areas such as budget and accounting, customer information management, geographic information systems, enterprise asset management, project tracking, billing, and metering processes and construction initiatives of the utility. The Department continues to leverage advanced and innovative technology solutions to ensure fulfillment of operational objectives and meeting the evolving requirements of customers.

Systems Infrastructure

The upgrade of WASD computing and technology infrastructure is an ongoing effort. This includes upgrades to servers, storage, network switches, Wi-Fi upgrades, and replacement of obsolete computers (desktop and laptops) to include, the deployment of Windows 11 and Office 365 with accompanying applications: OneDrive, Adobe, and Teams. These applications assist with better management of documents, emails, and audio/video conferencing needs, especially when working in a hybrid environment (remote/on-premises).

Given the critical importance of the network as the backbone of the entire system infrastructure, the network team constantly monitors the performance and availability of the network. When issues are detected, the hardware, connectors and cabling is checked and replaced as needed. In addition, the wireless network infrastructure has become just as important given the growth in wireless usage. This system is also monitored for performance and availability. The access points reprogrammed or replaced as needed. In addition, the wireless system continues to expand as new structures/offices come online.

Until recently, WASD had a Hyper-V cluster environment consisting of approximately 190 virtual servers hosted on twelve BL460c servers and a 3PAR 8200 storage array. The hardware had been in production for the last eight years and it (as well as the operating system installed on the hosts servers), were nearing the end of their support life. This year, a new environment consisting of six DL360 Gen10 Plus servers and a Primera 600 storage array was configured with the latest technology and placed in production. For the last several weeks, the process of migrating all virtual servers from the old environment to the new was initiated. The migration has not required any downtime, thus there hasn't been any disruption of service to users. Currently, there are only two servers left to migrate. Once completed, the old environment will be placed offline.

The Security Operations Center (SOC) hosts the 24/7 WASD Emergency Call Center, Video Surveillance and SCADA monitoring. All systems supporting the SOC are maintained and upgraded as required. During the last year, the following upgrades have been performed or are in the process of being performed:

- Upgrading storage on 9 camera servers from 10TB to 30TB for the Wastewater plants.
- Upgrading 2 servers for the 2 Water plants from 6 DL 360 servers with 10 TB each to 2 DL 380 with 120 TB each.
- The VMS application has been upgraded from version 7.2 to version 7.5
- ProWatch access control application was upgraded and replaced with Lenel access control system.
- New card readers have been added throughout WASD locations, having added 15 new card readers so far.
- New cameras have been added throughout all WASD facilities to include 50 cameras on order for the new dewatering building located at South District.
- Once all storage upgrades have been completed, extending retention time on cameras can proceed.

Big Data / Business Intelligence

Enhancement rollouts of BI solutions with digital dashboards to enable analysis and documentation of New dashboards/reports were developed for Pump Station and Compliance Section, Water Production, and Meter Section that included:

- Pump Station flow, pressure, kilowatts, runtime, and wet well levels and span
- Monthly Water Production
- Southwest Wellfield Aquifer Storage & Recovery (ASR) Information
- Pay Meters Flow

Staff continues to improve connectivity to historical and archived SCADA data to leverage the cloud platform providing high availability, advanced security, dynamic environment, and the foundation for analytical reporting. Working with all divisions to provide a standard reporting platform for widely used datasets throughout the department, the SCADA data self-service has been developed for departmental use as it relates to signal search and signal data. Additionally, integrations have been developed and deployed for SCADA data use.

The Modern Data Architecture (MDA) successfully improved cloud data warehousing performance and enabled predictive analytics for big data. Significant progress has been made to improve data quality and availability. We also completed the integration of new data sources from SCADA and the setup of a user-friendly dashboard for easy monitoring. Additionally, the development of automated tasks and optimized processes provided greater efficiency and reduced costs. The Modern Data Architecture is currently being leveraged by several departmental systems and regulatory reports after validation by WASD engineers and various divisions. Discovery is also underway for proof of concepts leveraging Machine learning and Artificial Intelligence. This steppingstone has opened the door to use cases that can efficiently assist in predictive maintenance, anomaly detection, and improved forecasting using big data.

SharePoint/Intranets

The SharePoint team successfully managed and supported the Miami-Dade Water and Sewer Department's SharePoint Online (SPO) Waterhub Portal, facilitating collaboration and project tracking across the department. Over 50 divisions are utilizing SPO sites for file collaboration and project management, and more than 50 Site Owners were trained and supported in their roles. Additionally, the team managed PowerAutomate workflows for over 30 divisions, automating tasks such as project tracking, data copying, and email notifications based on key project milestones.

We continue to expand Divisional team sites hosted on WaterHub as they are requested and enhance existing sites with advanced functionality. Effort is underway to consolidate server storage (WASDShare) into divisional SharePoint document libraries. There is a key initiative in-progress to implement a PowerApp for the Water Production Computerized Operations Manuals (COM) which leverages Microsoft Flow to automate site updates based on a centralized SPO document library managed by the Quality Assurance/

Quality Control division. The possibility of implementing artificial intelligence for a chatbot that leverages centralized repository is being explored post COM site go-live.

In-house Development

Our commitment to supporting the existing application portfolio remains steadfast. This involves the modernization and consolidation of existing applications and the sunsetting of legacy applications that are no longer supported or meet current security standards. In FY 2024, significant headway was made in various ongoing projects, notably the WASD Attendance application and WASD Agenda Management System. Modernization efforts are ongoing for several WASD Engineering Tools for Pump Stations and, in collaboration with ITD GIS team, for the WASD's GIS Maintenance and Project Tracking (GMPT) application. Development is also underway for a Proof of Concept for the Consolidated Utility Dashboard Operator System (CUDOS) for Wastewater Production (Central District) that leverages the WASD Modern Data Architecture. Additionally, Phase 2 of implementing extended features and external accessibility for the badge registration application is underway. Furthermore, we continue to provide support for all legacy applications within our portfolio, implement new enhancements and updates to existing features.

Meter to Cash

This year the team has concentrated its main efforts in the project to upgrade WASD's Customer Care and Billing (CCB) system to Oracle Customer Cloud Service (CCS) and the Mobile Workforce Management (MWM) system to Oracle Field Service (OFS). The 22-month project, which is still on-going, will result in the modernization of both systems. Other significant projects have included the:

- Low Income Household Water Assistance Program (LIHWAP), which earned a NACO Award,
- the protection of Miami Springs accounts from collections and severance,
- the strengthening of ACI passwords due to new PCI compliance requirements,
- the installation of the latest patch of the Mobile Workforce Manager (MWM) Mobile Data Terminal (MDT) application on all handheld devices to resolve the "Out of Range" issue experienced by field workers, and the implementation of the new module Itron Mobile v3.7 to work with Sonim XP10 cell phones and CN80 devices acquired by WASD to be used in the field.

On the WASD Internet Self-Service application (SSA) side, the SSA ecosystem was migrated as part of the B2C migration project from its original MDC Oauth2 server to Azure B2C. Another enhancement was the migration of the AVA (Watson) Chatbot Context Persistent Storage to the Cloud. Both efforts resulted in enhanced security. Another on-going project is the migration of all CCB Cognos reports to the Meter to Cash Data Warehouse using Power BI as reporting tool.

Enterprise Resource Planning (ERP) Financials

In FY 2024, the Department was primarily focused on two projects:

- The AP Invoice Automation Project
- Upgrade of the Peoplesoft Financial system

The AP Invoice Automation Project successfully went live on the last week of January 2024. The upgrade of the Peoplesoft Financial system from 8.57.04/PUM31 to 8.60.09/PUM48 was successfully completed in the 3rd week of February 2024. Dashboards are currently being built for management reporting using the new visualization tools.

Enterprise Asset Management System (EAMS)

In FY 2024, there were important projects that were worked on and completed to modernize EAMS for the department. This included the tablet replacement project where nearly 600 WASD field staff use the CYAN work management mobile application to process work orders. The project identified the remaining 200 plus devices that were outdated and were replaced with newer devices to lessen issues reported by field staff. There was an effort to address the recommendations from the AMF and CMOM initiatives, which addressed implementing Condition Assessment and Reliability. This was completed for the Pump Station division. Other divisions are planning to conduct Condition Assessment in the future, and this engagement has started with Plants and Water Distribution. Other modernizations were worked on that focused on improving backend

technology such as a middleware platform rewrite, integration re-coding in preparation for the pending move to the cloud, and the upcoming new CCB-EAMS integration. Additionally, a multitude of enhancements requested by the division to mitigate bugs and improve functionality was prioritized and completed in conjunction with the WASD EAMS Business process team.

eBuilder Implementation

In FY 23-24, the Proliance system was decommissioned. The Proliance Viewer application, which was developed in-house and earned a NACO Award, is used now to research historical information on CIP projects. Efforts focused this year on improving eBuilder business processes for CIP projects, resulting in the development of a new integration with ERP for Master Invoices. New dashboards were created to support executive management, procurement, construction contracts, and contract allowances. Additionally, ITD staff continued to support the eBuilder data repository used for integration and reporting.

Geographic Information System (GIS) Solutions

The GIS technology work completed for FY23-24 has greatly enhanced business operations in key areas. The WASD Emergency Call Center Dashboard, developed for the Emergency Communications Section (ECS), supports their 24-hour operations by displaying real-time and historical data. This allows the team to monitor key performance indicators that are essential for tracking service request types, optimizing workforce allocation, and planning future services. The dashboard also features a web editor for quality assurance, enabling corrections to location errors in EAMS work orders, improving accuracy and efficiency.

The migration of the GraniteNet CCTV Inspections system to version 5.7 has streamlined the process for tracking and maintaining video inspections of gravity mains and manholes. The migration, which included updating databases, desktops, field truck computers, and the on-prem server, enables real-time field truck updates to be sent directly to the host server. This automation improves the speed and accuracy of inspections. Post-migration, the non-GIS support for this system was successfully transitioned to the ITD Business Operations team, ensuring long-term stability and support for the solution.

For FY23-24 development work has started for the WASD Custodial Services Tracking Solution. This solution will assist in managing janitorial services throughout WASD locations using current Geospatial suite of tools. The process will entail QR Code survey forms per work area for custodial staff and reviewer, inventory tracking tools and activity dashboard.

Development for the WASD Emergency Activation Assignments Solution was initiated for FY23-24. The geocentric solution's main purpose is to be able to communicate with staff, staff location assignment and track the assignment of employees designated as department essentials during an event activation. The process may include some level of integration with County Blue Book, Informs and other enterprise systems

The expedited as-built to GIS process, which enables GIS Data Maintenance to apply expert judgment and best practices when digitizing water and sewer utility data from construction documents, continues to play a crucial role in meeting consent decree records requirements. In FY23-24 alone, this process facilitated the completion of 644 projects, resulting in the digitization or modification of 177.45 miles of pipe and 10,266 above-ground assets within the GIS utility network. Additionally, 90 projects were completed through the Active As-built Supplemental Information System (AASIS), adding or modifying 19.56 miles of pipe and 623 above-ground assets. This extensive work ensures continued compliance and significantly advances the digitization of critical infrastructure.

COMMUNITY OUTREACH

The department's Office of Public Engagement is (OPE) tasked with communicating and marketing the activities, programs and services of the Miami-Dade Water and Sewer Department to customers, the media, local governments, and other stakeholders including educating the public on the quality of its drinking water, its operations, under-utilized customer services, water conservation and the department's on-going Multi-Year Capital Improvement Program.

WASD provides direct customer outreach and advertising via radio, television, print, transit bus benches, movie theatres, publications, and the Internet about water quality, conservation programs, and customer service programs and services. In addition to traditional forms of media such as newspapers, television, and radio talk shows, the OPE also utilizes Facebook, X, Instagram, and YouTube to capture a wider and more diverse audience.

Collaborative partnerships with the University of Miami Hurricanes football team, Miami Dolphins, and Florida International University Athletics helped WASD expand audience reach and promote department services. As part of the FY23-24 contracts, WASD received videos, social media content, football game promotions, and activations.

The groundbreaking event for the Central District Wastewater Treatment Plant Facility Upgrade was successfully planned and executed, drawing more than 100 attendees, including Mayor Cava, Commissioner Regalado, Director Coley and local media representatives. The event showcased WASD's commitment to sustainability and resilience, with remarks from dignitaries and a ceremonial groundbreaking marking the start of this significant project.

OPE also promoted the department's second consecutive CIP record-breaking execution year with the investment of more than \$599 million via the issuance of a press release and social media posts, as well as announcing that the department's credit ratings on several Department bonds were upgraded by S&P Global Ratings, the nation's largest credit rating agency.

Communications staff also secured proactive, positive media coverage during the holidays promoting the department's "Can the Grease" campaign, which promotes the safe way of disposing of F.O.G., as well as the on-going promotion of Low-Income Household Water Assistance Program (LIHWAP) funds to assist low-income households pay their water and sewer bills. The department also used their communications platforms and secured media coverage to promote public safety by alerting customers that water solicitation notices that had been left at homes are not associated with the department.

OPE also promoted the department's annual Chlorine Conversion via press release, social media posts, direct emails to customers and outreach to municipal and County Commission offices to ensure multiple communication methods were employed.

To support the launch of WASD's five-year strategic plan - WAVE, OPE assisted the WAVE Roadshow. Director Coley led eight in-person presentations at department facilities to introduce phase 1, "Catch the WAVE," which encouraged staff participation and team building.

In FY23-24, OPE introduced the "Water is Life" image campaign, emphasizing water's connection to everyday moments. The campaign launched with a video by Mayor Cava and invited residents to share their water stories on social media using #WaterIsLife. Efforts included a Comcast commercial, public transit ads with a station domination at Government Center, and spotlight videos featuring community members. Its success led to plans for countywide expansion.

The "Water is Life" mobile water trailer debuted at more than 10 events, providing complimentary water to thousands of attendees. To promote sustainability, OPE distributed reusable cups, eliminating the need for 15,000 single-use plastic cups and bottles.

OPE enhanced youth outreach through Career Day participation at 22 schools. Employees shared their roles and highlighted water industry career opportunities, inspiring students to consider careers in public service.

The 15th annual Model Water Tower Competition, hosted at the Alexander Orr Water Treatment Plant, introduced middle and high school students to engineering and water professions through an engaging, hands-on competition.

Community outreach efforts extended to the Mayor's Office, County Commissioners, community partners, other departments, and internal WASD initiatives. In FY23-24, WASD OPE proudly hosted or supported 91 events.

OTHER INFORMATION

INDEPENDENT AUDIT

The accompanying financial statements have been audited by the Department's independent auditors and their report on the financial statements resulting from their audit is included in the financial section of this report.

AWARDS

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Department for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The Department has received a Certificate of Achievement for the past 41 fiscal years. We believe our current report continues to conform to the Certificate of Achievement program requirements and are submitting it to the GFOA.

ACKNOWLEDGMENTS

We would like to thank all the Department's employees for their hard work and dedication during the past fiscal year. We would also like to thank the Department's Controller Division and the Office of Public Engagement (OPE), and the County's Internal Services Department's Printing and CCED Creative & Branding Services, for their tireless efforts and professionalism in preparing this report, as well as our external auditors for their invaluable assistance. Finally, a special acknowledgement is extended to the Mayor and Board of County Commissioners for their continued leadership in enabling the Department to fulfill its role.



Amanda Kinnick
Interim Director



Frances G. Morris
Deputy Director, Chief Financial Officer



Government Finance Officers Association

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**Miami-Dade Water and Sewer Department
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

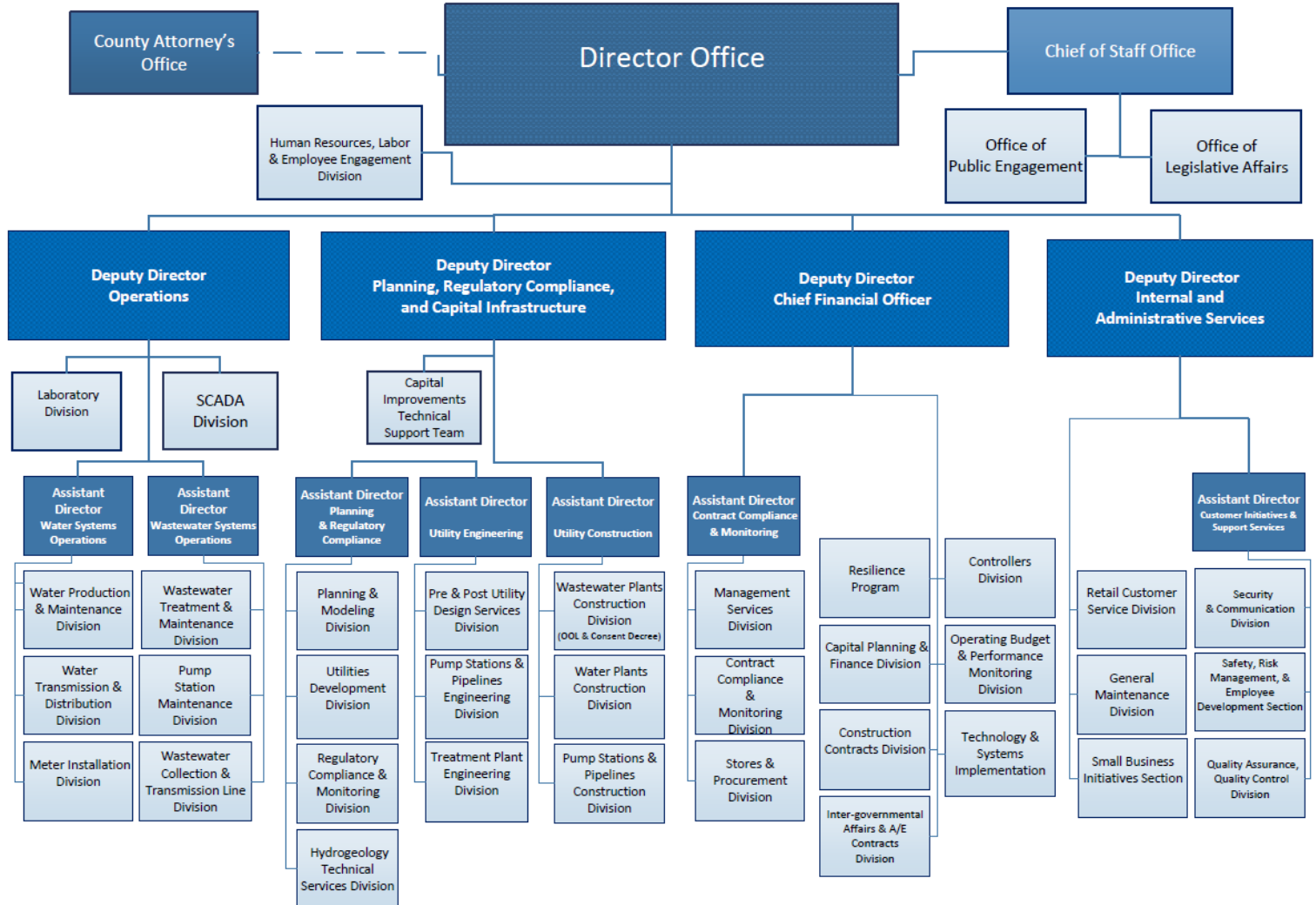
September 30, 2023

Christopher P. Morill

Executive Director/CEO

ORGANIZATIONAL CHART

Miami-Dade Water and Sewer Department



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Financial Section



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Chairperson and Members
of the Board of County Commissioners
Miami-Dade County, Florida

Opinion

We have audited the accompanying financial statements of the Miami-Dade Water and Sewer Department, a department of Miami-Dade County, Florida (the "Department"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. 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 Department, 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 opinion.

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 Department's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department'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 Department'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, the schedule of changes in total OPEB liability and related ratios, the schedules of the Department's proportionate share of the net position liability and the schedule of Department's contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued, under separate cover, our report dated March 7, 2025, on our consideration of the Department'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 Department'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 Department's internal control over financial reporting and compliance.

BCA Watson Rice LLP

Miami, Florida
March 7, 2025

Management's Discussion & Analysis

OVERVIEW

The following Management's Discussion and Analysis (MD&A) serves as an introduction to the financial statements of the Miami-Dade Water and Sewer Department (the Department) for the fiscal year ended September 30, 2024. The MD&A presents management's examination and analysis of the Department's financial condition and performance. It should be read in conjunction with the financial information in the transmittal letter in the introductory section and the financial statements in the financial section of this report. The basic financial statements include the statement of net position; statement of revenues, expenses, and changes in net position; statement of cash flows; and notes to the financial statements.

The statement of net position presents the financial position of the Department as of a specific date. It provides information about the nature and amount of resources (assets and deferred outflows) and obligations (liabilities and deferred inflows), with net position being the difference between assets and deferred outflows and liabilities and deferred inflows. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the Department is improving or deteriorating.

The statement of revenues, expenses and changes in net position present information showing how the Department's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs which may not coincide with the timing of the related cash flows.

The statement of cash flows presents the cash activities of the Department segregated in the following four major categories: operating, non-capital, capital and related financing, and investing. This statement also presents the changes in cash and cash equivalents of the Department. The notes to the financial statements provide required disclosures and other information that are essential to the full understanding of data provided in the statements.

FINANCIAL POSITION

A summary of the Department's net position and related changes for the fiscal years ended September 30, 2024 and 2023 is shown on the following page. The unrestricted portion of net position (available to meet ongoing and future obligations of the Department) increased by \$24.0 million, or 14.2% in 2024.

Total expenses increased by \$50.7 million, or by 5.2%, in 2024. The increase is primarily due to bad debt expense, pension expense, chemical and administrative support charges, improvements in the water purification process, and wastewater treatment operations.

Total net position as of September 30, 2024 is approximately \$3.0 billion. The Department's total net position increased by \$152 million, or by 5.29%.

Management's Discussion & Analysis

	(In thousands)	
	2024	2023
SUMMARY OF NET POSITION		
Current and other assets	\$ 2,008,400	\$ 1,543,353
Capital assets, net	6,463,183	6,063,549
Total assets	8,471,583	7,606,902
Deferred outflows of resources	188,781	195,901
Total assets and deferred outflows of resources	8,660,364	7,802,803
Current liabilities	433,007	454,595
Long-term liabilities	5,156,889	4,455,250
Total liabilities	5,589,896	4,909,845
Deferred inflows of resources	39,287	14,079
Total liabilities and deferred inflows of resources	5,629,183	4,923,924
Net position		
Net investment in capital assets	1,824,486	2,120,422
Restricted	1,013,562	589,321
Unrestricted	193,133	169,136
Total net position	\$ 3,031,181	\$ 2,878,879
SUMMARY OF CHANGES IN NET POSITION		
Water operating revenues	\$ 458,969	\$ 430,476
Wastewater operating revenues	568,963	523,936
Investment income (loss)	66,938	60,925
Disaster revenue	119	1,541
Customer connection fees	35,909	38,729
Insurance proceeds	—	8
Other revenues	3,442	3,562
Total revenues	1,134,340	1,059,177
Water source of supply	19,109	17,140
Water power and pumping	1,919	2,212
Water purification	104,058	90,212
Water transmission and distribution	60,255	49,186
Wastewater collection system	46,363	39,252
Wastewater pumping	71,613	64,514
Wastewater treatment	164,838	137,878
Customer accounting	9,700	(5,654)
Customer service	31,614	28,844
General and administrative	104,924	158,574
Depreciation and amortization	250,270	241,630
Interest expense	137,575	133,581
Other nonoperating expenses	16,333	10,466
Total expenses	1,018,571	967,835
Income (loss) before contributions	115,769	91,342
Capital contributions	36,533	40,789
Increase in net position	152,302	132,131
Net position at beginning of year	2,878,879	2,746,748
Net position at end of year	\$ 3,031,181	\$ 2,878,879

Management's Discussion & Analysis

CAPITAL ASSETS

The following table summarizes the Department's capital assets, net of accumulated depreciation and amortization, for the fiscal years ended September 30, 2024 and 2023 (in thousands). Total Capital Asset increased by \$399.6 million, or 6.6%. This increase was due to an increase in capital additions, net of plant retirements and reclassifications of \$620.8 million, offset by \$221 million net increase in depreciation / amortization. Additional information on changes in capital assets can be found in Note 6 to the financial statements.

	(In thousands)	
	2024	2023
Land	\$ 87,972	\$ 84,872
Building and building improvements	21,387	22,431
Structures and improvements	3,330,135	3,386,715
Equipment	608,580	494,728
Intangible Asset - C51-Water Rights	66,536	68,179
Lease (Right-To-Use)	407	539
SBITA (Right-To-Use)	12,950	14,763
Construction work in progress	2,335,216	1,991,322
Total capital assets, net	<u>\$ 6,463,183</u>	<u>\$ 6,063,549</u>

This year's major expenditures in capital assets included:

Water projects:

- Transmission mains, meters, and services (\$64 million)
- Treatment facilities and equipment (\$37 million)
- General Plant Buildings (\$3 million)
- Wells (\$3 million)
- Construction equipment (\$5 million)

Wastewater projects:

- Treatment facilities (\$356 million)
- Force mains (\$33 million)
- Pump stations (\$34 million)
- Inflow/infiltration/exfiltration (\$21 million)
- Gravity mains and services (\$38 million)

Budgeted capital expenditures for fiscal year 2024 amount to \$622 million and include \$123 million in water projects and \$499 million in wastewater projects.

LONG-TERM DEBT

Long-term debt outstanding (including current portion) at September 30, 2024 and 2023 is presented in the following table. FY 2024 shows a increase of \$740.8 million from FY 2023. Additional information regarding long-term debt can be obtained in Note 9 to the financial statements.

	(In thousands)	
	2024	2023
Revenue bonds	\$ 4,183,959	\$ 3,943,732
State loan obligations	204,328	194,488
Notes payable	492,127	1,360
Total long-term debt	<u>\$ 4,880,414</u>	<u>\$ 4,139,580</u>

Management's Discussion & Analysis

The Department is required to maintain rates and charges sufficient to meet three tiers of debt service coverage requirements. First, adjusted annual net operating revenues must equal or exceed 1.25 percent of the debt service on senior lien revenue bonds. The Department met the primary debt coverage for the year with a ratio of 2.05 percent. Second, adjusted net operating revenues must equal or exceed 1.15 percent of the debt service on subordinate state loan obligations. The Department met the second debt service coverage with a ratio of 7.87 percent. And third, adjusted net operating revenues must equal or exceed 1.00 percent of the debt service on subordinate revenue bonds. The Department met the third debt service coverage with a ratio of 9.61 percent.

REQUEST FOR INFORMATION

Questions concerning this report or request for additional information should be directed to Frances G. Morris, Chief Financial Officer at 786-552-8104 or, at her office address at 3071 SW 38th Avenue, Miami, Florida 33146.

Statement of Net Position

	September 30,	2024
		(In thousands)
ASSETS		
<i>CURRENT ASSETS:</i>		
Cash and cash equivalents	\$	27,040
Investments		136,939
Accounts receivable (net of allowance for uncollectible accounts of \$45.9 million)		223,653
Inventory of materials and supplies		60,509
Other current assets		1,881
Restricted cash and cash equivalents		303,622
Total current assets		<u>753,644</u>
<i>NONCURRENT RESTRICTED ASSETS:</i>		
Restricted cash and cash equivalents		60,423
Investments		1,193,368
Long-term receivable		965
Total restricted assets		<u>1,254,756</u>
<i>CAPITAL ASSETS:</i>		
Land		87,972
Construction work in progress		2,335,216
Building and building improvements		41,624
Structures and improvements		6,486,866
Equipment		1,772,956
Intangible lease asset-equipment		660
SBITA's		15,483
Intangible assets- C51 Water Rights		69,000
Less accumulated depreciation		(4,341,344)
Less accumulated amortization		(5,250)
Total capital assets		<u>6,463,183</u>
Total noncurrent assets		<u>7,717,939</u>
Total assets		<u>8,471,583</u>
<i>DEFERRED OUTFLOWS OF RESOURCES:</i>		
Loss on refundings		122,747
Outflow related to pension		58,132
Outflow related to post-employment benefits		7,902
Total deferred outflows of resources		<u>188,781</u>
Total assets and deferred outflows of resources	\$	<u><u>8,660,364</u></u>

(Continued)

Statement of Net Position

	September 30,	2024
		(In thousands)
LIABILITIES		
<i>CURRENT LIABILITIES (PAYABLE FROM UNRESTRICTED CURRENT ASSETS):</i>		
Accounts payable and accrued expenses	\$	93,652
Customer and developer deposits		16,447
Current portion of lease/SBITA liability		1,765
Current portion of OPEB liability		1,226
Liability for compensated absences		15,076
Other liabilities		1,219
Total current liabilities (payable from unrestricted current assets)		129,385
<i>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED CURRENT ASSETS):</i>		
Accounts payable and accrued expenses		71,752
Retainage payable		48,171
Current portion of long-term debt		105,983
Accrued interest payable		76,404
Liability for self insurance		1,312
Total current liabilities (payable from restricted current assets)		303,622
Total current liabilities		433,007
<i>NONCURRENT LIABILITIES:</i>		
Revenue bonds payable, net		4,079,603
State loan obligations, net		192,080
Notes payable		492,127
Liability for self-insurance		4,360
Liability for compensated absences		67,113
Liability for post-employment benefits		39,181
Net pension liability		249,048
Other Non-Current Liabilities - Restricted		13,708
Lease/SBITA liability		12,049
Unearned revenues (LIHWAP)		7,620
Total noncurrent liabilities		5,156,889
Total liabilities		5,589,896
<i>DEFERRED INFLOWS OF RESOURCES:</i>		
Gain on Refundings		10,621
Inflow related to pension		24,233
Inflow related to post-employment benefits		4,433
Total deferred inflows of resources		39,287
Total liabilities and deferred inflows of resources		5,629,183
NET POSITION		
Net investment in capital assets		1,824,486
Restricted for:		
Capital projects		730,905
Debt service		282,657
Unrestricted		193,133
Total net position		3,031,181
Total liabilities, deferred inflows of resources and net position	\$	8,660,364

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

Statement of Revenues, Expenses and Changes in Net Position

For the fiscal year ended September 30,

	2024
	(In thousands)
OPERATING REVENUES:	
Water	\$ 458,969
Wastewater	568,963
Total operating revenues	<u>1,027,932</u>
OPERATING AND MAINTENANCE EXPENSES:	
Water source of supply	19,109
Water power and pumping	1,919
Water purification	104,058
Water transmission and distribution	60,255
Wastewater collection system	46,363
Wastewater pumping	71,613
Wastewater treatment	164,838
Customer accounting	9,700
Customer service	31,614
General and administrative	104,924
Total operating and maintenance expenses	<u>614,393</u>
Operating income before depreciation/amortization	413,539
DEPRECIATION AND AMORTIZATION EXPENSE	<u>250,270</u>
Operating income	163,269
NON-OPERATING REVENUES (EXPENSES):	
Investment income	66,938
Interest expense	(137,575)
Amortization of issuance costs	(12,200)
Disaster revenue	119
Customer connection fees	35,909
Other revenues	3,442
Other expenses	(4,133)
Income before contributions	115,769
Capital contributions	<u>36,533</u>
Increase in net position	152,302
Net position at beginning of year	<u>2,878,879</u>
Net position at end of year	<u><u>\$ 3,031,181</u></u>

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

Statement of Cash Flows

For the fiscal year ended September 30,

2024

(In thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash received from customers	\$ 1,060,804
Cash paid to suppliers for goods and services	(317,495)
Cash paid to employees for services	(354,762)
Net cash provided by operating activities	388,547

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:

Long term receivable	1,131
Net cash provided by non-capital financing activities	1,131

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Proceeds from bond issues, loan agreements and notes	1,096,144
Principal payments - bond, loans	(349,826)
Principal payments - Lease/SBITA	(2,029)
Bond premium and issue costs	36
Interest paid	(145,971)
Acquisition and construction of capital assets	(598,612)
Net cash used by capital and related financing activities	(258)

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of investment securities	(1,853,544)
Proceeds from sale and maturity of investment securities	1,611,851
Interest on investments	(161,239)
Net cash used by investing activities	(402,932)

Net decrease in cash and cash equivalents, and restricted cash and cash equivalents	(13,512)
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Cash and cash equivalents, including restricted cash and cash equivalents, at beginning of year	404,597
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Cash and cash equivalents, including restricted cash and cash equivalents, at end of year	\$ 391,085
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(Continued)

Statement of Cash Flows

For the fiscal year ended September 30,

2024

(In thousands)

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:

Operating income	\$ 163,269
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	250,270
Provision for uncollectible accounts	(784)
Non-operating other, net	72,743
(Increase) decrease in assets and deferred outflows:	
Accounts receivable	(4,084)
Inventory of materials and supplies	(5,845)
Other current assets	(35)
Deferred outflows related to pension and OPEB	(503)
Increase (decrease) in liabilities and deferred inflows:	
Accounts payable and accrued expenses	(47,550)
Customer and developer deposits	(2,514)
Accrued interest payable	1,666
Liability for compensated absences	9,380
Other liabilities	(38,822)
Liability for self-insurance	880
Liability for other post-employment benefits	(17,995)
Net pension liability	(6,115)
Deferred Inflows related to pension and OPEB	14,586
Net cash provided by operating activities	<u>\$ 388,547</u>

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

Property, plant and equipment contributions were received in amounts of \$36.5 million in fiscal year 2024.

The change in the fair value of investments was a \$43.1 million increase in fiscal year 2024.

RECONCILIATION OF CASH AND CASH EQUIVALENTS AT END OF YEAR

Unrestricted current cash and cash equivalents	\$ 27,040
Restricted current cash and cash equivalents	303,622
Restricted noncurrent cash and cash equivalents	60,423
Total cash and cash equivalents at end of year	<u>\$ 391,085</u>

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

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Miami-Dade Water and Sewer Department (the Department) functions as a self-supporting governmental enterprise fund of Miami-Dade County, Florida (the County). An enterprise fund is used to account for providing services to the general public on a continuing basis with costs recovered primarily through user charges. Accordingly, its financial statements have been prepared on the accrual basis of accounting. The Department issues a separate annual comprehensive financial report and its financial statements are combined in the County's annual comprehensive financial report.

The accompanying financial statements combine the accounts of both the Water and Wastewater Systems to provide meaningful information with respect to the Department, with all transactions of the Department accounted for as one enterprise fund. All significant intersystem accounts and transactions have been eliminated.

BASIS OF ACCOUNTING

The financial statements are prepared in conformity with generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB).

OPERATING/NONOPERATING REVENUES AND EXPENSES

Operating revenues and expenses are those that result from providing water and wastewater services. Non-operating revenues and expenses include capital, financing, investing and other activities either not related to or incidental to the provision of water and wastewater services.

REVENUE RECOGNITION

All water and wastewater revenues are recognized when the related services are provided. Unbilled receivables have been estimated and accrued as revenue from the date of the last reading of the meters based on the billing cycle. Unbilled accounts receivable for fiscal year 2024 were approximately \$60.7 million.

CAPITAL ASSETS

Property acquired with an initial individual cost of \$1,000 or more and an estimated useful life in excess of one year is capitalized at cost. Major outlays for construction of capital assets and improvements are capitalized at cost. Expenses for maintenance and repairs are expensed as incurred. Property contributions received from municipalities are recorded as capital assets by the Department at the acquisition cost to the municipality. Property contributed in aid of construction is capitalized at its acquisition value on the date received.

Only those intangible assets valued at more than \$200,000 are recorded as an asset (threshold determinations are based on aggregate cost).

Annualized depreciation and amortization expense, expressed as a percent of depreciable/amortizable capital assets, was 3.0% for fiscal year ended September 30, 2024. The Department utilizes the single-unit straight-line depreciation/amortization method with normal retirements charged to accumulated depreciation/amortization and a gain or loss is recognized on retirements. Assets with a change in estimated life are depreciated/amortized based on net book value over the remaining life of the asset. Estimated useful lives of capital assets in service are as follows:

Notes to Financial Statements

	Water System	Wastewater System
	(Years)	
Structures and improvements	25-45	25-45
Building and Building Improvements	40	40
Machinery and Equipment	3-20	3-20
Lease (Right-To-Use)	Through lease maturity	Through lease maturity
SBITA	Through subscription maturity	Through subscription maturity
Intangible Asset - C51 Water Rights	42	

Total depreciation and amortization expense for the fiscal year ended September 30, 2024 was \$250.3 million.

CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash includes cash on hand, amounts in demand deposits, and positions in investment pools that can be deposited or withdrawn without notice or penalty. Cash equivalents are short-term, highly liquid securities with known fair values and maturities, when acquired, of less than three months.

The Department has opted to report money market and non-participating investments, with remaining maturities of one year or less at the time of purchase, at amortized cost.

Investments are carried at fair value. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The net increase or decrease in the fair value of investments is included as part of investment income in the accompanying statement of revenues, expenses, and changes in net position.

The Department categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States (GAAP). 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, and Level 2 assets value using a matrix pricing technique of quoted prices for similar assets or liabilities in active markets. Level 3 is for assets that have unobservable valuation inputs and should only be used when Level 1 and Level 2 inputs are unavailable. The Department does not have any Level 1 or Level 3 inputs.

INVENTORY

Materials and supplies inventories are stated at weighted average cost.

INTEREST ON INDEBTEDNESS

The Department expenses interest as incurred.

BOND DISCOUNT AND PREMIUM

Discounts and premiums on bonds are amortized using the straight-line method over the life of the related bond issuances. Discounts and premiums are presented net of the related debt.

CAPITAL CONTRIBUTIONS

The Department records external capital contributions as revenues.

GRANTS FROM GOVERNMENT AGENCIES

The Department records grants when all applicable eligibility requirements have been met. This normally occurs as amounts are expended and become reimbursable from the granting agency.

Notes to Financial Statements

IMPLEMENTATION OF NEW ACCOUNTING STANDARDS

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*, which became effective for fiscal year ended June 30, 2023. This standard will provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This standard did not have an impact on the Department's financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective for reporting periods beginning after June 15, 2022. The objective of this statement is to address issues related to public-private and public-public partnerships (PPP) and provides guidance for accounting and financial reporting for availability payment arrangements (APA). The Statement provides specific guidance on the accounting and financial reporting for PPP and APA transactions. This Statement has no impact on the Department for the fiscal year ending September 30, 2024.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective for reporting periods beginning after June 15, 2022. The objective of this statement is to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITA) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. This Statement did not have a material impact on the financial statements for fiscal year 2024.

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*, which became effective, in part, for fiscal year ended June 30, 2023. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. This Statement has no impact on the Department for the fiscal year ending September 30, 2024.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. 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. This Statement did not have a material impact on the financial statements for fiscal year 2024.

COMPENSATED ABSENCES

The Department accounts for compensated absences by accruing a liability for employees' compensation for future absences.

COST ALLOCATION

Certain overhead and other common costs are generally allocated to capital projects and operating expenses using standard rates developed by independent consultants. The rate is based on various allocation bases which bear reasonable relationship with the type of allocable expenditure.

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflow of resources, liabilities and deferred inflow of resources at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Notes to Financial Statements

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

The County is authorized through the Florida Statutes §218.415, Ordinance No. 84-47, Resolution R-31-09 and its Investment Policy to make certain investments. The County's Investment Policy objectives are, in order of priority, the safety of principal, liquidity of funds and maximizing investment income.

The Department pools all cash, cash equivalents and investments, except for certain amounts which are required to be held in trust and escrow accounts under the terms of bond ordinances and loan agreements. Various self-balancing accounts are participants in such pooling, sharing on a pro-rata basis in the pooled earnings, according to their respective average monthly balances.

DEPOSITS

The bank balances at local depositories were \$34.0 million, consisting of demand deposit accounts only. All deposits are fully insured by Federal Depository Insurance and a multiple financial institution collateral pool required by Chapter 280 Florida Statutes, "Florida Security for Public Deposits Act". Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. The pledging level may range from 50% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with a State-approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

As a rule, the County intends to hold all purchased securities until their final maturity date. There may be occasional exceptions, including, but not limited to the need to sell securities to meet unexpected liquidity needs.

Cash on hand and cash held by other parties as of September 30, 2024 was approximately \$0.2 million.

INVESTMENTS

The Department's carrying value of cash equivalents and investments include the following as of September 30, 2024 (in thousands):

	Fair Value
Investments Level 2	2024
Commercial Paper	\$ 191,644
Federal Home Loan Bank	821,104
Federal Home Loan Mortgage Corporation	51,665
Federal Farm Credit Bank	81,414
Federal National Mortgage Association	199,942
Treasury Notes	234,237
Jubilee Issue Bonds	5,100
Total Investments	1,585,106
Cash Equivalents	
Interest Bearing	114,709
Total Investments and Cash Equivalents	\$ 1,699,815

Notes to Financial Statements

CREDIT RISK

The Policy, minimizes credit risk by restricting authorized investments to: Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission (SEC) registered money market funds with the highest credit rating from a nationally recognized rating agency; interest bearing time deposits or saving accounts in qualified public depositories, pursuant to Florida Statutes §280.02, which are defined as banks, savings banks, or savings associations organized under the laws of the United States with an office in this state that is authorized to receive deposits, and has deposit insurance under the provisions of the Federal Deposit Insurance Act; direct obligations of the United States Treasury; federal agencies and instrumentalities; securities of, or other interests in, and open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio is limited to the obligations of the United States government or any agency or instrumentality thereof and fully collateralized by such United States government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian; commercial paper of prime quality with a stated maturity of 270 days or less from the date of its issuance, which has the highest letter and numerical rating as provided for by at least two nationally recognized rating services; banker acceptances which have a stated maturity of 180 days or less from the date of issuance, and have the highest letter and numerical rating as provided for by at least two nationally recognized rating services, and are drawn on and accepted by commercial banks and which are eligible for purchase by the Federal Reserve Bank, investments in repurchase agreements ("Repos") collateralized by securities authorized by this policy. All Repos shall be governed by a standard Security Industry and Financial Markets Association Master Repurchase Agreement; municipal securities issued by U.S., state or local governments, having at time of purchase, a stand-alone credit rating of AA or better assigned by two or more recognized credit rating agencies or a short-term rating of A1/P1 or equivalent from one or more recognized credit rating agencies. Securities lending, securities or investments purchased or held under the provisions of this section, may be loaned to securities dealers or financial institutions provided the loan is collateralized by cash or securities having a market value of at least 102 percent of the market value of the securities loan upon initiation of the transaction.

The following table summarizes the investments by type and credit ratings at September 30, 2024:

	Credit Ratings 2024
Federal Home Loan Mortgage Corporation	AA+/Aaa/AAA
Federal Home Loan Bank	AA+/Aaa/N/A
Federal Farm Credit Bank	AA+/Aaa/AA+
Federal National Mortgage Association	AA+/Aaa/AA+
Treasury Notes	AA+u/Aaa/P-1/A
Commercial Paper	A-1+/P-1/F1+
Jubilee Issue Bonds	A/Aa3/A
Interest Bearing	AAAm/Aaa-mf/AAAmmf

CUSTODIAL CREDIT RISK

The Policy requires that bank deposits be secured per Chapter 280, Florida Statutes. This requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2024, all the County's bank deposits were in qualified public depositories.

The Policy requires the execution of a Custodial Safekeeping Agreement (CSA) for all purchased securities which shall be held for credit of the County in an account separate and apart from the assets of the financial institution.

Notes to Financial Statements

CONCENTRATION OF CREDIT RISK

The Policy establishes limitations on portfolio composition by investment type and by issuer to limit its exposure to concentration of credit risk. The Policy provides that a maximum of 50% of the portfolio may be invested in the State of Florida Local Government Surplus Funds Trust Fund ("Pool"); however, the bond proceeds may be temporarily deposited in the Pool until alternative investments have been purchased. Prior to any investment in the Pool, approval must be received from the Board of County Commissioners. A maximum of 30% of the portfolio may be invested in SEC registered money market funds with no more than 10% to any single money market fund; a maximum of 20% of the portfolio may be invested in non-negotiable interest-bearing time certificates of deposit and savings account with no more than 5% deposited with any one insurer. There is no limit on the percent of the total portfolio that may be invested in direct obligations of the U.S. Treasury or federal agencies and instrumentalities; with no limits on individual issuers (investment in agencies containing call options shall be limited to a maximum of 25% of total portfolio). A maximum of 5% of the portfolio may be invested in open-end or closed-end funds; a maximum of 50% of the portfolio may be invested in prime commercial paper with a maximum of 5% with any one issuer; a maximum of 25% of the portfolio may be invested in banker's acceptances with a maximum of 10% with any one issuer, but a maximum of 60% of the portfolio may be invested in both commercial paper and banker's acceptances. A maximum of 20% of the portfolio may be invested in repurchase agreements with the exception of one (1) business day agreements, with a maximum of 10% of the portfolio with any one institution or dealer with the exception of one (1) business day agreements. A maximum of 25% of the portfolio may be directly invested in municipal obligations, up to 5% with any one municipal issuer.

As of September 30, 2024, the following issuers held 5% or more of the investment portfolio:

	% of Portfolio 2024
Commercial Paper	11.27
Federal Home Loan Bank	48.31
Treasury Notes	13.78

The schedule excludes investments issued or explicitly guaranteed by the U.S. government.

INTEREST RATE RISK

The Policy limits interest rate risk by requiring the matching of known cash needs and anticipated net cash outflow requirements; following historical spread relationships between different security types and issuers; evaluating both interest rate forecasts and maturity dates to consider short-term market expectations. The Policy requires that investments made with current operating funds shall maintain a weighted average of no longer than one year. Investments for bond reserves, construction funds and other non-operating funds shall have a term appropriate to the need for funds and in accordance with debt covenants. The Policy limits the maturity of an investment to a maximum of five years.

As of September 30, 2024, the Department had the following investments with the weighted average maturity in years.

	Weighted Average in Years 2024
Federal Home Loan Mortgage Corporation	1.28
Federal Home Loan Bank	.70
Federal Farm Credit Bank	.57
Federal National Mortgage Association	1.15
Treasury Notes	.25
Commercial Paper	.33
Jubilee Issue Bonds	1.09

Notes to Financial Statements

FOREIGN CURRENCY RISK

The Policy limits the County's foreign currency risk by excluding foreign investments as an investment option.

3. RECEIVABLES

Receivables for fiscal year ended September 30, 2024 was as follows (in thousands):

	2024
Trade accounts	\$ 239,979
Non-retail accounts	28,667
Grants & contracts	965
Other county funds	921
Gross receivables	270,532
Less: allowance for doubtful accounts	(45,914)
Net receivables	<u>\$ 224,618</u>

The allowance for doubtful accounts is determined principally on the basis of past collection experience as well as consideration of current economic conditions and customer collection trends. Allowance for doubtful accounts was approximately \$46 million and \$52 million, as of September 30, 2024 and 2023, respectively.

4. OTHER CURRENT ASSETS

Other current assets activity for fiscal year ended September 30, 2024 was as follows (in thousands):

	2024
Beginning balance	\$ 1,845
Prepaid expenses	29
Prepaid property insurance	7
Ending balance	<u>\$ 1,881</u>

The County entered into an agreement with the City of Hialeah (City) to construct a 10 MGD reverse osmosis water treatment plant. The City and the County shall have equal 50% ownership of a reverse osmosis water treatment plant (WTP), inclusive of land, structures, facilities, and appurtenances to be situated in the Annexation Area of the City. The City shall contribute and pay for 50% of the planning, design, construction, and construction management (design and construction) cost for the WTP and the County shall contribute 50% of the design and construction cost for the WTP. In Fall of 2013, the Plant began production capable of 7.5 MGD, with County and City each receiving 50% of the production. In fiscal year 2024, no monies were contributed to the City and the Department incurred \$3.2 million in operating expenses. As of September 30, 2024, the Department contributed approximately \$56.0 million towards the construction of the WTP.

5. RESTRICTED ASSETS

Certain bond ordinances and loan agreements require the Department to establish accounts to be used in accounting for proceeds and collateral pledged because of the various issues of debt. In many cases, the applicable ordinances refer to the restricted accounts as "funds". Such accounts are not "funds" as defined by the National Council of Governmental Accounting (NCGA) *Statement No. 1: Governmental Accounting and Financial Reporting Principles* and, therefore, are not funds for financial reporting purposes, but are maintained as separate accounts. Restricted assets for fiscal year ended September 30, 2024 is represented in the following table (in thousands):

Notes to Financial Statements

	2024
Debt service	\$ 380,905
Construction	835,876
Other	122,191
Plant expansion	43,131
Renewal and replacement	167,282
Self-insurance	8,993
Total restricted assets	<u>\$ 1,558,378</u>

6. CAPITAL ASSETS

Capital asset activity during fiscal year 2024 was as follows (in thousands):

	Balance 9/30/2023	2024 Additions	Deletions	Balance 9/30/2024
Capital assets, not being depreciated/ amortized:				
Land	\$ 84,872	\$ 3,100	\$ —	\$ 87,972
Construction work in progress	1,991,322	630,063	(286,169)	2,335,216
Total capital assets, not being depreciated / amortized	<u>2,076,194</u>	<u>633,163</u>	<u>(286,169)</u>	<u>2,423,188</u>
Capital assets, being depreciated / amortized:				
Buildings and building improvements	41,624	—	—	41,624
Structures and improvements	6,381,006	122,082	(16,222)	6,486,866
Machinery and Equipment	1,604,977	182,639	(14,660)	1,772,956
Right-To-Use Lease Assets	660	—	—	660
Right-To-Use SBITA Assets	15,483	—	—	15,483
Intangible Asset -C51 Water Rights	69,000	—	—	69,000
Total capital assets, being depreciated / amortized	<u>8,112,750</u>	<u>304,721</u>	<u>(30,882)</u>	<u>8,386,589</u>
Less accumulated depreciation / amortization for:				
Buildings and building improvements	(19,193)	(1,044)	—	(20,237)
Structures and improvements	(2,994,291)	(177,330)	14,890	(3,156,731)
Machinery and Equipment	(1,110,249)	(68,308)	14,181	(1,164,376)
Right-To Use Lease Assets	(121)	(132)	—	(253)
Right-To-Use SBITA Assets	(720)	(1,813)	—	(2,533)
Intangible Asset Accum Amort - C51 Water Rights	(821)	(1,643)	—	(2,464)
Total accumulated depreciation / amortization	<u>(4,125,395)</u>	<u>(250,270)</u>	<u>29,071</u>	<u>(4,346,594)</u>
Total capital assets, being depreciated / amortized, net	<u>3,987,355</u>	<u>54,451</u>	<u>(1,811)</u>	<u>4,039,995</u>
Total capital assets, net	<u>\$ 6,063,549</u>	<u>\$ 687,614</u>	<u>\$ (287,980)</u>	<u>\$ 6,463,183</u>

Notes to Financial Statements

7. LEASES

For fiscal year ending September 30, 2024 the Department did not have any lessor leases that met the Department's \$200,000 lease threshold. The Department, however is a lessee for noncancellable leases of multi-functional devices provided by outside suppliers.

The summary of the Departments lease asset activity for the multi-functional devices as of September 30, 2024 is as follows (in thousands):

LEASE ASSETS:

Fiscal Year Ended September 30,	2024
Beginning Balance:	\$ 660
Less amortization expense:	(253)
Lease assets, net:	<u>\$ 407</u>

LEASE LIABILITIES:

The following table presents the Department's lease obligation for the multi-functional equipment payable in future years as of September 30, 2024.

Year Ending September 30 (in thousands)	Principal	Interest
2025	\$ 132	\$ 3
2026	133	2
2027	135	1
2028	10	—
Total	<u>\$ 410</u>	<u>\$ 6</u>

8. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA)

The Department has recorded several subscription-based information technology arrangement (SBITA) assets and liabilities as a result of implementing GASB Statement No. 96. The SBITA assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term, less SBITA incentives, plus any ancillary charges necessary to place the SBITA into service. The SBITA assets are amortized on a straight-line basis over the life of the related contract.

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

The Department monitors changes in circumstances that would require a remeasurement of its SBITA and will do so if certain changes occur that would be expected to significantly affect the amount of the SBITA liability. SBITA assets are recorded with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position (See Notes 6,9).

The Department has recorded several SBITAs totaling \$15.5 million. The Department has discounted the future minimum payments using its incremental borrowing rate of 3.9 percent.

The summary of the Departments SBITA activity as of September 30, 2024 is as follows (in thousands):

Notes to Financial Statements

SBITA ASSETS:

Fiscal Year Ended September 30,	2024
Beginning Balance:	\$ 15,483
Less amortization expense:	(2,533)
SBITA assets, net:	<u>\$ 12,950</u>

SBITA LIABILITIES:

Future minimum SBITA payments and the present value of the minimum SBITA payments as of September 30, 2024 are as follows (in thousands):

Year Ending September 30 (in thousands)	Principal	Interest
2025	\$ 1,633	\$ 729
2026	1,441	399
2027	1,282	350
2028	1,360	303
2029	1,509	238
2030-2033	6,179	426
Total	<u>\$ 13,404</u>	<u>\$ 2,445</u>

9. LONG-TERM DEBT

Long-term debt includes various bonds and loans which have been issued or approved by the County for the improvement of the Department's water and wastewater infrastructure, and defeasance of outstanding debt. General covenants, along with debt service requirements, are disclosed on page 49. See Note 5, Restricted Assets, for a discussion of the accounts used in accounting for proceeds and collateral pledged as a result of the issuance of the various forms of debt.

The Department's debt instruments contain various covenants and restrictions, which among other things, (1) prohibit the Department from taking any action that could jeopardize its tax-exempt status, and (2) require the Department to meet certain financial tests. Management believes that the Department followed all such covenants and restrictions as of and for the year ended September 30, 2024.

Notes to Financial Statements

CHANGES IN LONG-TERM LIABILITIES

A summary of long-term liability activity during fiscal year 2024 is presented in the following table (in thousands):

Description	Outstanding Rate	Balance 9/30/2023	2024		Balance 9/30/2024	Due in 2025
			Additions	Deletions		
Dade County Revenue Bonds						
Series 2015	4.00%-5.00%	\$ 369,770	\$ —	\$ 85,985	\$ 283,785	\$ 90,210
Series 2017A	4.00%-5.00%	381,355	—	29,295	352,060	—
Series 2017B	3.00%-5.00%	541,780	—	106,365	435,415	3,525
Series 2019	5.00%	233,305	—	—	233,305	—
Series 2019B	3.00%-4.00%	663,860	—	—	663,860	—
Series 2019C	2.5%-3.00%	548,090	—	117,815	430,275	—
Series 2021	3.00%-5.00%	605,600	—	—	605,600	—
Sub Series 2021	4.00%-5.00%	236,135	—	—	236,135	—
Series 2024A	4.13%-5.25%	—	320,560	—	320,560	—
Series 2024B	5.00%	—	213,860	—	213,860	—
Plus: unamortized premium		363,837	50,750	16,104	398,483	—
Gain on refundings		—	10,768	147	10,621	—
Total revenue bonds		3,943,732	595,938	355,711	4,183,959	93,735
State Loan Obligations						
State revolving fund	2.56%-4.17%	194,488	20,206	10,366	204,328	12,248
Total state revolving funds		194,488	20,206	10,366	204,328	12,248
Notes Payable						
WIFIA loan program	1.27%-2.89%	1,360	490,767	—	492,127	—
Total notes payable		1,360	490,767	—	492,127	—
Total long-term debt		4,139,580	1,106,911	366,077	4,880,414	105,983
Other Liabilities:						
Compensated absences		72,809	11,256	1,876	82,189	15,076
Self-insurance		4,792	1,640	760	5,672	1,312
Other post-employment benefits		58,402	4,745	22,740	40,407	1,226
Net pension liability		255,163	—	6,115	249,048	—
Lease liability		541	—	131	410	132
SBITA liability		15,302	—	1,898	13,404	1,633
Other Non-Current Liabilities-						
Restricted		16,509	—	2,801	13,708	—
Unrestricted		8,550	—	930	7,620	—
Total long-term liabilities		\$4,571,648	\$1,124,552	\$ 403,328	\$5,292,872	\$ 125,362

Notes to Financial Statements

DEBT SERVICE REQUIREMENTS

As of September 30, 2024, the Department's debt service requirements to maturity for their term were as follows (in thousands):

Maturing in Fiscal Year	Revenue Bonds		State Loans		Notes Payable		Total		Debt Service Requirement
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ 93,735	\$ 152,214	\$ 12,248	\$ 1,776	\$ —	\$ —	\$ 105,983	\$ 153,990	\$ 259,973
2026	98,615	151,729	14,527	1,703	—	—	113,142	153,432	266,574
2027	102,545	146,700	14,693	1,537	—	—	117,238	148,237	265,475
2028	101,620	141,991	14,845	1,385	859	1,201	117,324	144,577	261,901
2029	91,430	138,021	14,991	1,239	7,594	5,328	114,015	144,588	258,603
2030 - 2034	448,740	634,242	73,656	3,441	70,169	38,445	592,565	676,128	1,268,693
2035 - 2039	592,375	524,335	36,695	923	75,856	32,758	704,926	558,016	1,262,942
2040 - 2044	741,815	393,217	21,863	235	82,065	26,548	845,743	420,000	1,265,743
2045 - 2049	929,340	222,918	810	4	88,855	19,759	1,019,005	242,681	1,261,686
2050 - 2054	517,985	58,719	—	—	96,288	12,326	614,273	71,045	685,318
2055-2059	56,655	1,487	—	—	70,441	4,209	127,096	5,696	132,792
	3,774,855	2,565,573	204,328	12,243	492,127	140,574	4,471,310	2,718,390	7,189,700
Unamortized Discount & Premium Amounts	398,483	—	—	—	—	—	398,483	—	398,483
Gain on refundings	10,621	—	—	—	—	—	10,621	—	10,621
Total	<u>\$ 4,183,959</u>	<u>\$ 2,565,573</u>	<u>\$ 204,328</u>	<u>\$ 12,243</u>	<u>\$ 492,127</u>	<u>\$ 140,574</u>	<u>\$ 4,880,414</u>	<u>\$ 2,718,390</u>	<u>\$ 7,598,804</u>

MIAMI-DADE COUNTY WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2015

On June 3, 2015, the County issued \$481.2 million of Miami-Dade County Water and Sewer System Revenue Refunding Bonds, Series 2015 to advance refund the \$244.4 million aggregate principal of the Miami-Dade County Revenue Bonds, Series 2007, \$255.7 million aggregate principal of Miami-Dade County Water and Sewer System Revenue Refunding Bonds, Series 2008C and pay the costs of issuance.

The Series 2015 Bonds are collateralized by the net operating revenues of the Department and are due serially on October 1 through the year 2027 with semi-annual interest due on April 1 and October 1 of each year. Net revenue requirements of at least 1.25 times the current year's debt service requirements were met in fiscal year 2024.

MIAMI-DADE COUNTY WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2017A

On December 7, 2017, the County issued \$381.3 million of Miami-Dade County Water and Sewer System Revenue Bonds, Series 2017A. The Series 2017A Bonds refunded all outstanding Commercial Paper Notes - Series A-1 and Series B-1, made a deposit to the Reserve Account and paid the costs of issuance of the Series 2017A Bonds.

The Series 2017A Bonds are collateralized by the net operating revenues of the Department and are due serially on October 1 through the year 2047 with semi-annual interest due on April 1 and October 1 of each year. Net revenue requirements of at least 1.25 times the current year's debt service requirements were met in fiscal year 2024.

MIAMI-DADE COUNTY WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2017B

On December 7, 2017, the Department issued \$548.0 million of Miami-Dade County Water and Sewer System Revenue Refunding Bonds, Series 2017B. The Series 2017B Bonds refunded \$567.6 million principal outstanding for the Miami-Dade County, Florida Water and Sewer System Revenue Bonds, Series 2010 and paid the costs of issuance of the Series 2017B Bonds.

The Series 2017B Bonds are collateralized by the net operating revenues of the Department and are due serially on October 1 through the year 2039 with semi-annual interest due on April 1 and October 1 of each

Notes to Financial Statements

year. Net revenue requirements of at least 1.25 times the current year's debt service requirements were met in fiscal year 2024.

MIAMI-DADE COUNTY WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2019

On January 31, 2019, the Department issued Miami-Dade County Water and Sewer System Revenue Bonds, Series 2019 for \$233.3 million. The Series 2019 Bonds are refunding all of the outstanding Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-1 and all of the outstanding Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-1, make a deposit to the Reserve Account and pay the costs of issuance of the Series 2019 Bonds.

The Series 2019 Bonds are collateralized by the net operating revenues of the Department and are due serially on October 1 starting in 2020 through the year 2049 with semi-annual interest due on April 1 and October 1 of each year. Net revenues requirements of at least 1.25 times the current year's debt service requirement were met in fiscal year 2024.

MIAMI-DADE COUNTY WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2019B

On November 9, 2019, \$663.8 million of Miami-Dade County Water and Sewer System Revenue Bonds, Series 2019B were issued to refund all of the outstanding Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-1 and all of the outstanding Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-1 and the costs of issuance of the Series 2019B Bonds.

The Series 2019B Revenue Bonds are collateralized by the net operating revenues of the Department and are due serially on October 1 starting in 2020 through the year 2049 with semi-annual interest due on April 1 and October 1 of each year. Net revenues requirements of at least 1.25 times the current year's debt service requirement were met in fiscal year 2024.

MIAMI-DADE COUNTY WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2019C

On November 9, 2019, the County issued \$548.1 million of Miami-Dade County Water and Sewer System Revenue Refunding Bonds, Series 2019C. The Series 2019C Bonds refunded \$340 million principal outstanding for the Miami-Dade County, Florida Water and Sewer System Revenue Bonds, Series 2013A and all of the \$152.4M outstanding principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2013B, and pay the costs of issuance of the Series 2019C Bonds. The difference between the cash flows required to service the old debt and the new debt is \$52.8 million. The economic gain resulting from the refunding transaction calculated on a present value basis is \$49.5 million.

The Series 2019C Bonds are collateralized by the net operating revenues of the Department and are due serially on October 1 starting in 2020 through the year 2049 with semi-annual interest due on April 1 and October 1 of each year. Net revenues requirements of at least 1.25 times the current year's debt service requirement were met in fiscal year 2024.

MIAMI-DADE COUNTY WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2021

On April 20, 2021, the County issued \$605.6 million of Miami-Dade County Water and Sewer System Revenue Bonds, Series 2021. The Series 2021 Bonds pay the cost of the Series 2021 Project, make a deposit to the Reserve Account, and pay the costs of issuance of the Series 2021 Bonds. The Series 2021 Bonds are collateralized by the net operating revenues of the Department and are due serially on October 1 starting in 2021 through the year 2051 with semi-annual interest due on April 1 and October 1 of each year. Net revenues requirements of at least 1.25 times the current year's debt service requirement were met in fiscal year 2024.

Notes to Financial Statements

MIAMI-DADE COUNTY WATER AND SEWER SYSTEM SUBORDINATE REVENUE BONDS, SERIES 2021

On July 8, 2021, the County issued \$236.1 million of Miami-Dade County Subordinate Water and Sewer System Revenue Bonds, Series 2021. The proceeds of the Series 2021 Subordinate Bonds are used to pay the costs of the Series 2021 Project and pay the costs of issuance of the Series 2021 Subordinate Bonds. Payment terms are due serially starting in 2021 through 2052 with semi-annual interest due on April 1 and October 1 of each year. Net revenues requirements of at least 1.0 times the current year's debt service requirement were met in fiscal year 2024.

MIAMI-DADE COUNTY WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2024A

On May 29, 2024, the County issued \$320.6 million of Miami-Dade County Water and Sewer System Revenue Bonds, Series 2024A. The Series 2024A Bonds pay the cost of the Series 2024 Project, make a deposit to the Reserve Account, and pay the costs of issuance of the Series 2024A Bonds. The Series 2024A Bonds are collateralized by the net operating revenues of the Department and are due serially on October 1 starting in 2024 through the year 2054 with semi-annual interest due on April 1 and October 1 of each year. Net revenues requirements of at least 1.25 times the current year's debt service requirement were met in fiscal year 2024.

MIAMI-DADE COUNTY WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2024B

On May 29, 2024, the County issued \$213.9 million of Miami-Dade County Water and Sewer System Revenue Refunding Bonds, Series 2024B. The Series 2024B Bonds refunded \$29.3 million principal outstanding for the Miami-Dade County, Florida Water and Sewer System Revenue Bonds, Series 2017A, \$103 million outstanding principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2017B, \$117.8 million outstanding principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2019C, and pay the costs of issuance of the Series 2024B Bonds. The difference between the cash flows required to service the old debt and the new debt is \$30.8 million. The economic gain resulting from the refunding transaction calculated on a present value basis is \$22.9 million.

The Series 2024B Bonds are collateralized by the net operating revenues of the Department and are due serially on October 1 starting in 2024 through the year 2042 with semi-annual interest due on April 1 and October 1 of each year. Net revenues requirements of at least 1.25 times the current year's debt service requirement were met in fiscal year. 2024.

MIAMI-DADE COUNTY REVENUE BONDS- REMEDIES

Upon an event of default as described in the Master Ordinance, a trustee or Bondholder acting for the Holders of all Bonds made by suit, action, mandamus or other judicial proceedings, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under and to the extent permitted by the laws of the State of Florida, or granted and contained in the Master Ordinance, and may enforce and compel the performance of all duties required in the Master Ordinance or by any applicable statutes to be performed by the County or by an officer thereof.

Notes to Financial Statements

STATE REVOLVING FUND

Under the State Revolving Fund program, the Department has received various loan commitments for the construction of water and wastewater treatment facilities. Draws to date against committed loans as of September 30, 2024, are detailed in the following table (in thousands):

Loan #	Draws	Close Out Date
377900	\$ 68,958	09/05/2014
130200	71	08/08/2016
130201	39	08/08/2016
130230	12,722	Active
130240	13,467	Active
130260	24,371	Active
1302A0	84,700	Active
	<u>\$ 204,328</u>	

Related payments of principal and interest are due through the fiscal year 2045. No further draws will be made against closed loans.

The Department has agreed to maintain rates, together with other pledged revenues, sufficient to provide “net revenues” equal to at least 1.15 times the annual loan payments after meeting the primary debt service requirements. Reserve and debt service funding requirements, as required by the agreements, were met in fiscal year 2024.

Default in payment of principal and interest on any of the loans described above or any future loans could cause an acceleration of the entire amount of such loans.

NOTES PAYABLE

The Department closed on \$1.1 billion in WIFIA funding starting with WIFIA Loan N17129FL for \$99.7 million at an interest rate of 2.89% on March 22, 2019, for its Ocean Outfall Reduction and Resiliency Enhancement Project; WIFIA Loan N18151FL for \$326 million at an interest rate of 1.38% on May 28, 2020, for its Wastewater Treatment Plant Electrical Distribution Building Upgrades; WIFIA loan N19146FL for \$235 million at an interest rate 1.38% on July 15, 2020, for its South District Wastewater Treatment Plant Expansion and North and Central District Injection Wells Project; and WIFIA loan N20128FL for \$424 million at an interest rate of 1.82% on September 15, 2021, for its North District Wastewater Treatment Plant and Central District Wastewater Treatment Plant Ocean Outfall Legislation Project.

WIFIA will fund up to 49% of the projects estimate on a reimbursement basis, or \$1.1 billion of these projects' costs, the remainder of which is funded through the State Revolving Fund Loan Program and Department cash on hand. These WIFIA loans will partially fund projects to meet compliance with the Ocean Outfall Legislation (OOL). As of the fiscal year end September 30, 2024, the Department has a notes payable outstanding of approximately \$492.1 million. The first WIFIA payment is due five years after the completion of the project and will be paid semi-annually on April 1 and October 1. As of fiscal year end September 30, 2024, the Department has a notes payable outstanding of approximately \$492.1 million. The first WIFIA payment is due five years after the completion of the project and will be paid semi-annually on April 1 and October 1.

Whenever any event of default has occurred as per the WIFIA funding agreement, the lender is entitled to institute any actions or proceedings at law or in equity for the collection of any sums due and unpaid under the WIFIA Note and may prosecute any such judgment and final decree against the Department and collect in the manner provided by law. Additionally, the WIFIA funding agreement calls for a default rate set as a fluctuating interest rate per annum equal to the sum of the base rate from time to time in effect plus four percent (4%).

Notes to Financial Statements

The notes are issued for the purpose of providing temporary funding for a portion of the Department's Capital Improvement Program, financing the payment of the principal of and interest on any maturing notes or obligations and paying certain costs of issuance.

10. PAYABLES

Accounts payables and accrued expenses for fiscal year ended September 30, 2024 were as follows (in thousands):

	2024
Other county funds	\$ 23,626
Vendors	31,418
Other governments	22,510
Salaries and benefits	19,177
Contractors	68,316
Other	357
Total payables	<u>\$ 165,404</u>

11. PENSION PLAN

The Department, as an agency of the County, participates in the Florida Retirement System (the FRS). The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective October 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Department are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature.

The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site: (http://www.dms.myflorida.com/workforce_operations/retirement/publications).

FRS PENSION PLAN DESCRIPTION

The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with DROP for eligible employees.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members enrolled prior to July 1, 2011 are eligible for normal retirement benefits at age 62 or at any age after 30 years of service (except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service). All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service (except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service). Members of the Plan may include up to 4 years of credit for military service toward creditable service.

Notes to Financial Statements

The Plan also includes an early retirement provision; however, there is a 5 percent benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. As of June 5, 2023, when Senate Bill 7024 was signed into law, all eligible members in a regularly established position can elect to participate in DROP for a period not to exceed a maximum of 96 calendar months, at any time after a member reached his or her normal retirement date. This provision replaces the previous individual eligibility windows described on the subsection above. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

BENEFITS PROVIDED

Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Notes to Financial Statements

CONTRIBUTIONS

The Florida Legislature establishes contribution rates for participating employers and employees. Contributions rates in effect from July 1, 2023 through June 30, 2025 were as follows:

Class	Effective July 1, 2023 through June 30, 2024		Effective July 1, 2024 through June 30, 2025	
	Percentage of Gross Salary		Percentage of Gross Salary	
	Employee	Employer ¹	Employee	Employer ¹
FRS, Regular	3.00	13.57	3.00	13.63
FRS, Elected County Officers	3.00	58.68	3.00	58.68
FRS, Senior Management Service	3.00	34.52	3.00	34.52
FRS, Special Risk Regular	3.00	32.67	3.00	32.79
DROP - Applicable to members from all of the above classes	N/A	21.13	N/A	21.13

1. Employer rates include 2.00% for the Retiree Health Insurance Subsidy and 0.06% for Administrative costs.

The Department's contributions for FRS totaled \$29.8 million and employee contributions totaled \$5.4 million for the fiscal year ended September 30, 2024.

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At September 30, 2024, the Department reported a liability of \$189.2 million for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024.

For the fiscal year ended September 30, 2024, the Department recognized pension expense/(income) of \$5.3 million related to the Plan. In addition, the Department reported, deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 19,112	\$ —
Change of assumptions	25,928	—
Net difference between projected and actual earnings on FRS pension plan investments	—	(12,574)
Changes in proportion and differences between the Department FRS contributions and proportionate share of contributions	2,403	(2,349)
The Department contributions subsequent to measurement date	6,751	—
Total	<u>\$ 54,194</u>	<u>\$ (14,923)</u>

For fiscal year ended September 30, 2024, the deferred outflows of resources related to pensions of approximately \$6.7 million, resulting from the Department's contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Notes to Financial Statements

Fiscal Year Ending September 30,	Deferred Outflows/(Inflows), Net
2025	\$ (2,743)
2026	31,407
2027	2,459
2028	(191)
2029	1,588
Total	<u>\$ 32,520</u>

ACTUARIAL ASSUMPTIONS

The FRS pension actuarial assumptions that determined the total pension liability as of June 30, 2024, were based on the results of an actuarial experience study for the period July 1, 2018 – June 30, 2023.

Inflation	2.40%
Salary increases	3.50% average, including inflation
Investment rate of return	6.70% net of pension plan investment expense
Discount rate	6.70%

Mortality rates were based on the PUB-2010 base tables. Projected generationally with scale MP-2018 details.

LONG-TERM EXPECTED RATE OF RETURN

For fiscal year ended September 30, 2024, the long-term expected rate of return on the Plan investments was not based on historical returns, but instead was based on a capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. For fiscal year ended September 30, 2024, the target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation¹	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3	3.3	1.1%
Fixed income	29.0%	5.7	5.6	3.9%
Global equity	45.0%	8.6	7.0	18.2%
Real estate	12.0%	8.1	6.8	16.6%
Private equity	11.0%	12.4	8.8	28.4%
Strategic investments	2.0%	6.6	6.2	8.7%
	<u>100.0%</u>			
Assumed Inflation - Mean			2.4%	1.5 %

¹ As outlined in the FRS Pension Plan's investment policy.

DISCOUNT RATE

For fiscal year ended September 30, 2024, the discount rate used to measure the net pension liability of the Plan was 6.70 percent. 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 discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Notes to Financial Statements

SENSITIVITY OF THE DEPARTMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

For fiscal year ended September 30, 2024, the following represents the Department's proportionate share of the net pension liability calculated using the discount rate of 6.70 percent; as well as what the Department's proportionate share of the net pension liability would be if it is calculated using a discount rate that is one percentage point lower (5.70 percent) or one percentage point higher (7.70 percent) than the current rate (in thousands):

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
Miami Dade County's proportionate share of net pension liability allocated to the Department	\$ 332,756	\$ 189,177	\$ 68,899

PENSION PLAN FIDUCIARY NET POSITION

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

DEPARTMENT'S ALLOCATION

The Department's proportionate share of the FRS Plan's net pension liability, deferred outflow of resources and deferred inflow of resources, and pension expense/(income) adjustment for the fiscal year ended September 30, 2024 were allocated as follows (in thousands):

	FLORIDA RETIREMENT SYSTEM (FRS) PENSION				
	Percent Allocation	Net Pension Liability	Deferred Outflow of Resources	Deferred Inflow of Resources	Pension Expense Adjustment
Water and Sewer 2024	6.13 %	\$ 189,177	\$ 54,194	\$ (14,923)	\$ 5,274

THE RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM PLAN DESCRIPTION

The Retiree Health Insurance Subsidy Program (HIS Plan) is a non-qualified cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

BENEFITS PROVIDED

For the fiscal year ended September 30, 2024, eligible retirees and surviving beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$7.5, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

CONTRIBUTIONS

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2024, the HIS contribution rate was 2.00%. The County contributed 100 percent of its statutorily required contributions for the current year. The HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not

Notes to Financial Statements

guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or if available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

For the fiscal year ended September 30, 2024, the Department's contributions to the HIS Plan totaled \$3.5 million.

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At September 30, 2024, the Department reported a net pension liability of \$59.9 million for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability was determined by an actuarial valuation date as of July 1, 2024.

For the fiscal year ended September 30, 2024, the Department recognized a pension expense of \$1.2 million related to the HIS Plan. In addition, the Department reported, deferred outflows or resources and deferred inflows of resources related to the HIS Plan from the following sources (in thousands):

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 577	\$ (115)
Change of assumptions	1,060	(7,088)
Net difference between projected and actual earnings on HIS pension plan investments	—	(22)
Changes in proportion and differences between the Department HIS contributions and proportionate share of HIS contributions	1,478	(2,085)
The Department contributions subsequent to measurement date	823	—
Total	<u>\$ 3,938</u>	<u>\$ (9,310)</u>

For fiscal year ended September 30, 2024, the deferred outflows of resources related to pensions of approximately \$823 thousand, resulting from the Department's contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows (in thousands):

Fiscal Year Ending September 30,	Deferred Outflows/(Inflows), Net
2025	\$ (791)
2026	(1,063)
2027	(1,695)
2028	(1,382)
2029	(978)
Thereafter	(286)
Total	<u>\$ (6,195)</u>

Notes to Financial Statements

ACTUARIAL ASSUMPTIONS

The HIS pension as of July 1, 2024 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.40%
Salary increases	3.50% average, including inflation
Investment rate of return	N/A
Discount rate	3.93%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

The actuarial assumptions used in the June 30, 2024 valuations were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

DISCOUNT RATE

For fiscal year ended September 30, 2024, the discount rate used to measure the total pension liability for the HIS Plan was 3.93 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

SENSITIVITY OF THE DEPARTMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

For fiscal year ended September 30, 2024, the following represents the Department's proportionate share of the net pension liability calculated using the discount rate of 3.93 percent; as well as what the Department's proportionate share of the net pension liability would be if it is calculated using a discount rate that is one percentage point lower (2.93 percent) or one percentage point higher (4.93 percent) than the current rate (in thousands):

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Miami Dade County's proportionate share of the net pension liability allocated to the Department	\$ 68,156	\$ 59,871	\$ 52,994

PENSION PLAN FIDUCIARY NET POSITION

Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

DEPARTMENT'S ALLOCATION

The Department's proportionate share of the HIS Plan's net pension liability, deferred outflow of resources and deferred inflow of resources, and pension expense adjustment for the fiscal year ended September 30, 2024 were allocated as follows (in thousands):

	Percent Allocation	Net Pension Liability	HIS PLAN		
			Deferred Outflow of Resources	Deferred Inflow of Resources	Pension Expense Adjustment
Water and Sewer 2024	6.13%	\$ 59,871	\$ 3,938	\$ (9,310)	\$ 1,226

Notes to Financial Statements

The below table represents the Department's aggregate net pension liability, deferred outflow of resources related to pensions, deferred inflow of resources related to pensions, and the pension expense adjustments for FRS and HIS plans as of the end of the fiscal year.

	FRS & HIS PLAN				
	Percent Allocation	Net Pension Liability	Deferred Outflow of Resources	Deferred Inflow of Resources	Pension Expense Adjustment
Water and Sewer 2024	6.13%	\$ 249,048	\$ 58,132	\$ (24,233)	\$ 6,500

FRS – DEFINED CONTRIBUTION INVESTMENT PLAN

The Department contributes to the FRS Defined Contribution Investment Plan (Investment Plan). The Investment Plan is administered by the State Board of Administration (SBA) and is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Miami-Dade County employees participating in the DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member's accounts, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. At fiscal year ended September 30, 2024, the costs of administering the Investment Plan, including the FRS Financial Guidance Program, were funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. For fiscal year ended September 30, 2024, the information for forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be insignificant to Miami Dade County.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided under the Investment Plan if the member becomes permanently and totally disabled. The member must transfer the account balance to the FRS Trust Fund when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan.

For the fiscal year ended September 30, 2024, the Department's Investment Plan pension contributions totaled \$5.5 million.

Notes to Financial Statements

12. RISK MANAGEMENT

The Department is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; job-related injuries or illnesses to employees; natural disasters and employee health and accident. In the fiscal year ended September 30, 1987, the Department established a self-insurance program for general and automobile liability exposures as provided by Section 706 of County Ordinance 78-82, as amended. Ordinance 78-82 was amended and restated by Ordinance 93-134 and Section 609 continues to provide for such self-insurance program.

Claims are administered by the County's Risk Management Division, and the program is based upon an actuarial study performed annually by consulting actuaries. Liabilities are reported when it is possible that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities also include an amount for claims that have been incurred but not reported (IBNR). Because actual claims liability depends on such complex factors as inflation, change in legal doctrines and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors.

Changes in the balance of claim liabilities for the general and automobile self-insurance program during fiscal years 2024 and 2023 were as follows (in thousands):

	2024	2023
Balance at beginning of year	\$ 4,792	\$ 4,389
Claims and changes in estimates	2,508	1,609
Less: payments	(1,628)	(1,206)
Balance at end of year	<u>\$ 5,672</u>	<u>\$ 4,792</u>

The Department participates in the workers' compensation self-insurance program of the County, administered by the Risk Management Division. Risk Management charges a "premium" to each County department based on amounts necessary to provide funding for expected payments during the fiscal year. The estimate of IBNR losses is performed by an independent actuary. The Department maintained a liability in the amount of \$5.7 million at September 30, 2024 for possible funding of these IBNR losses. The County maintains no excess coverage with independent carriers for workers' compensation. The Department's total self-insurance liability was \$8 million as of September 30, 2024.

The Department also participates in the County's group health and life self-insurance program, administered by an independent administrator. The County charges a uniform "premium" per employee to each County department based on recent trends in actual claims experience and makes provisions for catastrophic losses. Current year premiums are adjusted for County-wide prior year actual claims experience.

The Department purchases a master property insurance policy which covers up to \$165,000,000 per occurrence for most perils. The Department also has selected properties covered under the National Flood Insurance Program (NFIP) and supplements the NFIP with excess flood policies. The named windstorm deductible is \$35,000,000 and the deductible for flood insurance is \$1,000,000.

The Department continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Notes to Financial Statements

13. CAPITAL CONTRIBUTIONS

Capital Contributions during fiscal year 2024 are presented as follows (in thousands):

	2024
Contributed facilities:	
Developers	\$ 21,651
Contributions - GOB	12,093
Contributions- OJUS	2,723
Contributions- C2P	66
Total additions	<u>\$ 36,533</u>

14. RELATED PARTY TRANSACTIONS

The Department provides water and wastewater services to other County departments as part of the normal course of business, based on regular retail rates. The Department also provides billing services to other County departments. The County provides various services to the Department which are charged using direct and indirect cost allocation methods. The Department reimburses the County (General Fund) for certain administrative services. The following table presents a list of providers of services and respective payments for the fiscal year ended September 30, 2024 (in thousands):

	2024
General Fund	\$ 25,010
Other County Departments	42,717
Regulatory	66,912
Information Technology	24,744
Internal Services Department	20,013
Solid Waste	18,379

In addition to the payments, the Department had related payables of \$23.6 million at September 30, 2024. The Department also has receivables from other County departments amounting to \$0.9 Million at September 30, 2024. The Department has every intention of paying the outstanding payables on a timely basis and is confident it will collect the outstanding receivables.

The Department has also entered other transactions with various County entities. These transactions arise from the normal course of business and in connection with the management of ongoing projects.

15. COMMITMENTS AND CONTINGENCIES

CONSTRUCTION

For fiscal year ended September 30, 2024, the Department had contractual commitments of \$815 million.

LEGAL CONTINGENCIES

The County is a defendant in various actions brought by parties in the normal course of business of the Department. Based on consultation with the County Attorney's Office, it is the opinion of management that the ultimate resolution of these suits would not significantly affect the financial position of the Department or its ability to conduct its business.

FEDERAL AND STATE GRANTS

Federal and state grant awards are audited under the provisions of the Single Audit Act to determine that the Department has complied with the terms and conditions of the grant awards. Federal and state grants received are also subject to audit by the grantor agency. It is management's opinion that no significant liabilities will result from any such audits.

Notes to Financial Statements

REBATABLE ARBITRAGE EARNINGS

Federal tax law requires that arbitrage interest earnings be remitted to the federal government, unless the local government qualifies for an exemption. As of September 30, 2024, the Department had no obligation to rebate and did not record any obligation of interest earned on bond proceeds invested in taxable securities in excess of interest costs. These arbitrage rebates are payable five years from the date of bond issuance and each five years thereafter. The amount of the obligation, if any, will be determined based on actual interest earned.

16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

PLAN DESCRIPTION

Miami-Dade County administers a single-employer defined benefit healthcare plan (the Plan) that provides postemployment medical and dental coverage to retirees as well as their eligible spouses and dependents. Benefits are provided through the County's group health insurance plan, which covers both active and retired members. Benefits are established and may be amended by the Miami-Dade County Board of County Commissioners (BCC), whose powers derive from F.S. 125.01(3)(a). The Plan does not issue a publicly available financial report.

To be eligible to receive retiree medical and dental benefits, participants must be eligible for retirement benefits under the FRS or the Public Health Trust of Miami-Dade County, Florida, Defined Benefit Retirement Plan and pay required contributions. Refer to note 9, Pension Plan, for a description of eligibility requirements.

The medical plans offered provide hospital, medical and pharmacy coverage. Pre-65 retirees are able to select from four medical plans as follows:

- AvMed POS
- AvMed HMO High
- AvMed HMO Select
- Jackson First HMO

Post-65 retirees are able to select from three medical plans, as follows. The County only contributes to post-65 retirees electing an AvMed Medicare Supplement Plan.

- AvMed Medicare Supplement Low Option with prescription drug coverage
- AvMed Medicare Supplement High Option with prescription drug coverage
- AvMed Medicare Supplement High Option without prescription drug coverage

FUNDING POLICY

The County contributes to both the pre-65 and post-65 retiree medical coverage. Medical contributions vary based on plan and tier. Retirees pay the full cost of dental coverage. The postretirement medical is currently funded on a pay-as-you go basis. Contributions are required for both retiree and dependent coverage. Retirees contribute a portion of the full active premium equivalent rates for health coverage. The County subsidy is assumed to remain flat. The plan is funded on a pay-as-you-go basis and there are no assets accumulated in a qualifying trust.

The County's contribution is the actual pay-as-you-go postemployment benefit payments less participant contributions. No assets have been segregated and restricted to provide postretirement benefits.

TOTAL OPEB LIABILITY

The Department's total OPEB liability of \$40.4 million was measured as of September 30, 2024 and was determined by an actuarial valuation as of that date.

Notes to Financial Statements

ACTUAL ASSUMPTIONS AND OTHER INPUTS

The total OPEB liability in the September 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	September 30, 2024
Measurement date	September 30, 2024
Discount rate	3.81%
Salary increase rate	3.0% per annum
Actuarial cost method	Entry Age Normal based on level percentage of projected salary.
Amortization method	Experience/Assumptions gains and losses are amortized over a close period of 14.5 years starting October 1, 2023, equal to the average remaining service of active and inactive plan members (who have no future service).
Healthcare cost trend rates	Medical/Rx Select 7.75=% and Ultimate 4.0%
Retirees' share of benefit-related costs	24.60%
Mortality rates	Pub-2010, headcount weighted base mortality table, projected generationally using Scale MP-2021, applied on a gender-specific and job class basis (teacher, safety, or general, as applicable).

The discount rate was based on a Bond Buyer 20-Bond GO index.

The actuarial assumptions used in the September 30, 2024 valuation were based on the Florida Retirement System's valuation assumptions as of July 1, 2024 and Miami Dade County's claims experience as of June 2024.

CHANGES IN TOTAL OPEB LIABILITY

Changes in the Department's total OPEB liability for the fiscal year ended September 30, 2024 were as follows (in thousands):

	Total OPEB Liability
Balance at September 30, 2023	\$ 58,402
Changes for the year:	
Service cost	(19,495)
Interest	(17,589)
Change in assumptions	(4,489)
Difference between expected and actual experience	(3,861)
Change of Benefit Terms	7,759
Benefits payments	19,680
Balance at September 30, 2024	\$ 40,407

The decrease in the total OPEB liability is mostly due to changes in actuarial assumptions.

Notes to Financial Statements

SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

For fiscal year ended September 30, 2024, the following presents the total OPEB liability of the Department, as well as what the Department's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate (in thousands):

	1% Decrease 2.81	Current Discount Rate 3.81	1% Increase 4.81
Total OPEB Liability	\$ 44,738	\$ 40,407	\$ 36,616

SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES

For fiscal year ended September 30, 2024, the following presents the total OPEB liability of the Department, as well as what the Department's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates (in thousands):

	1% decrease (4.0% initial to 3.0%)	Current Trend (5.0% initial to 4.0%)	1% increase (6.0% initial to 5.0%)
Total OPEB Liability	\$ 36,598	\$ 40,407	\$ 44,964

OPEB EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES TO OPEB

For fiscal year ended September 30, 2024, the Department recognized OPEB expense of \$4.2 million. At September 30, 2024, the Department reported deferred outflow of resources and deferred inflow of resources related to OPEB from the following sources (in thousands):

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 1,720	\$ (882)
Changes in assumptions / inputs	6,182	(3,551)
Total	<u>\$ 7,902</u>	<u>\$ (4,433)</u>

Notes to Financial Statements

Amounts reported as deferred outflow of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

Fiscal Year Ending September 30,	Deferred Outflows/(Inflows), Net
2025	\$ 578
2026	578
2027	578
2028	578
2029	657
Thereafter	500
Total	<u>\$ 3,469</u>

17. SUBSEQUENT EVENTS

On September 19, 2024, the Board of County commissioners adopted County Budget Ordinance Number 24-02 authorizing a 6% rate increase to the Department's retail tiered-based structure that will generate enough revenues to support costs including fiscal requirements related to capital investments. Changes will be effective October 1, 2024. In addition, effective October 1, 2024, the County Budget Ordinance increased the water wholesale rate by \$0.2873 per thousand gallons to \$2.4003 from \$2.1130, the wastewater wholesale rate decreases by \$0.1320 to \$3.8094 from \$3.9414 per thousand gallons. Wholesale water and wastewater rates per thousand gallons rates are based on cost recovery. These rates will be in effect for FY 2024-25.

Required Supplementary Information

MIAMI-DADE WATER & SEWER DEPARTMENT SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (Dollars in thousands)

Total OPEB Liability	2024	2023	2022	2021	2020
Changes for the Year:					
Service Cost	\$(19,495)	\$ 6,182	\$ 16,870	\$ 1,116	\$ 914
Interest	(17,589)	5,227	9,044	584	1,371
Change of Benefit Terms	(4,489)	(764)	(35,019)	(119)	11,845
Difference Between Expected and Actual Experience	(3,861)	—	18,109	—	(2,677)
Changes of assumptions and other inputs	7,759	—	—	—	—
Benefits Payments	19,680	(5,709)	(14,332)	(1,221)	(2,365)
Net Change in Total OPEB Liability	(17,995)	4,936	(5,328)	360	9,088
Total OPEB Liability – Beginning	58,402	53,466	58,794	58,434	49,346
Total OPEB Liability – Ending	\$ 40,407	\$ 58,402	\$ 53,466	\$ 58,794	\$ 58,434
Covered – Employee Payroll	\$237,729	\$194,862	\$188,273	\$171,274	\$166,285
Total OPEB Liability as a Percentage of Covered – Employee Payroll	17.0 %	30.0 %	28.4 %	34.3 %	35.1 %

Changes in Assumptions: Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used each period:

2024	3.81 %
2023	4.09 %
2022	4.02 %
2021	2.26 %
2020	2.21 %

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits. The decrease in the total OPEB liability is mostly due to changes in actuarial assumptions and a reduction in the discount rate.

Note: Schedule is intended to show information for 10 years. Currently, only data for fiscal years ending September 30, 2018 thru 2024 are available. Additional years will be displayed as they become available.

Required Supplementary Information

MIAMI-DADE WATER & SEWER DEPARTMENT REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE DEPARTMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FLORIDA RETIREMENT SYSTEM PENSION PLAN (Dollars in thousands)

JUNE 30th,	2024	2023	2022	2021	2020	2019	2018	2017	2016
Department's proportion of the County's FRS net pension liability	6.13 %	5.94 %	5.76%	5.46%	5.16 %	5.07 %	5.26 %	5.29 %	5.65 %
Department's proportionate share of the County's FRS net pension liability	\$ 189,177	\$ 191,529	\$ 170,752	\$ 32,340	\$ 177,352	\$ 138,669	\$ 124,066	\$ 121,477	\$ 111,748
Department's covered payroll	\$ 261,403	\$ 245,798	\$ 217,650	\$ 191,779	\$ 193,464	\$ 185,240	\$ 179,491	\$ 168,335	\$ 168,798
Department's proportionate share of the County's FRS net pension liability as a percentage of its covered payroll	72.37 %	77.92 %	78.45 %	16.86 %	91.67 %	74.86 %	69.12 %	72.16 %	66.20 %
FRS Plan fiduciary net position as a percentage of the total pension liability	84.00 %	82.00 %	83.00 %	96.00 %	79.00 %	83.00 %	84.00 %	84.00 %	85.00 %

MIAMI-DADE WATER & SEWER DEPARTMENT REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE DEPARTMENT'S CONTRIBUTIONS- FLORIDA RETIREMENT SYSTEM PENSION PLAN (Dollars in thousands)

SEPTEMBER 30th,	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required FRS contribution	\$ 28,659	\$ 23,605	\$ 19,583	\$ 16,310	\$ 13,596	\$ 12,485	\$ 10,637	\$ 10,691	\$ 10,534
FRS contribution in relation to the contractually required contribution	28,659	23,605	19,583	16,310	13,596	12,485	10,637	10,691	10,534
FRS contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Department's covered payroll	\$270,643	\$242,217	\$218,982	\$201,497	\$192,766	\$186,248	\$183,327	\$169,397	\$174,697
FRS contribution as a percentage of covered payroll	10.59 %	9.75 %	8.94 %	8.09 %	7.05 %	6.70 %	5.80 %	6.31 %	6.03 %

Note: The schedules presented above illustrate the requirements of GASB Statement No. 68. However, until a full 10-year trend is compiled, information for those years for which information is available will be presented.

Required Supplementary Information

MIAMI-DADE WATER & SEWER DEPARTMENT REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE DEPARTMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY HEALTH INSURANCE SUBSIDY PENSION PLAN (Dollars in thousands)

JUNE 30th,	2024	2023	2022	2021	2020	2019	2018	2017	2016
Department's proportion of the County's HIS net pension liability	6.13 %	5.94 %	5.76%	5.46%	5.16 %	5.07 %	5.26 %	5.29 %	5.65 %
Department's proportionate share of the County's HIS net pension liability	\$ 59,871	\$ 63,634	\$ 40,733	\$ 43,774	\$ 39,829	\$ 36,069	\$ 35,055	\$ 35,033	\$ 42,010
Department's covered payroll	\$198,484	\$170,235	\$170,080	\$196,874	\$154,311	\$148,448	\$143,553	\$134,720	\$134,855
Department's proportionate share of the County's HIS net pension liability as a percentage of its covered payroll	30.16 %	37.38 %	23.95 %	22.23 %	25.81 %	24.30 %	24.42 %	26.00 %	31.15 %
HIS Plan fiduciary net position as a percentage of the total pension liability	4.80 %	4.12 %	4.81 %	3.56 %	3.00 %	2.63 %	2.15 %	1.64 %	0.97 %

MIAMI-DADE WATER & SEWER DEPARTMENT REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE DEPARTMENT'S CONTRIBUTIONS- HEALTH INSURANCE SUBSIDY PENSION PLAN (Dollars in thousands)

SEPTEMBER 30th,	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required HIS contribution	\$ 3,442	\$ 2,701	\$ 2,327	\$ 2,098	\$ 1,880	\$ 1,790	\$ 1,725	\$ 1,734	\$ 1,770
HIS contribution in relation to the contractually required contribution	3,442	2,701	2,327	2,098	1,880	1,790	1,725	1,734	1,770
HIS contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Department's covered payroll	\$204,526	\$183,887	\$170,235	\$157,567	\$153,512	\$148,970	\$146,648	\$135,685	\$139,403
HIS contribution as a percentage of covered payroll	1.68 %	1.47 %	1.37 %	1.33 %	1.22 %	1.20 %	1.18 %	1.28 %	1.27 %

Note: The schedules presented above illustrate the requirements of GASB Statement No. 68. However, until a full 10-year trend is compiled, information for those years for which information is available will be presented.

Supplementary Financial Data

Bond Ordinance 93-134 requires the Department to establish restricted accounts to be used in accounting for proceeds and collateral pledged as a result of the debt. In many cases, the bond ordinance refers to the restricted accounts as “funds”. Such accounts are not “funds” as defined by *NCGA Statement 1: Governmental Accounting and Financial Reporting Principles* and, therefore, are not funds for financial reporting purposes.

Similarly, the Water and Wastewater Systems do not meet the above-referenced definition and, therefore, combining statements are not presented. The following system schedules are furnished solely as supplementary information and are not required by GAAP.

Water System

SCHEDULE OF NET POSITION

	September 30,	2024
ASSETS		
<i>CURRENT ASSETS:</i>		
Cash and cash equivalents	\$	10,135
Investments		67,979
Accounts receivable		
(net of allowance for uncollectible accounts of \$22.8 million)		91,269
Inventory of materials and supplies		29,781
Other current assets		1,881
Restricted cash and cash equivalents		55,339
Total current assets		<u>256,384</u>
<i>NONCURRENT RESTRICTED ASSETS:</i>		
Restricted cash and cash equivalents		49,438
Investments		333,179
Long-term receivable		965
Total restricted assets		<u>383,582</u>
<i>CAPITAL ASSETS:</i>		
Land		28,312
Construction work in progress		277,158
Building and building improvements		20,812
Structures and improvements		2,468,727
Equipment		480,900
Intangible lease asset-equipment		264
SBITA's		6,193
Intangible assets- C51 Water Rights		69,000
Less accumulated depreciation		(1,521,092)
Less accumulated amortization		(3,578)
Total capital assets		<u>1,826,696</u>
Total noncurrent assets		<u>2,210,278</u>
Total assets		<u>2,466,662</u>
<i>DEFERRED OUTFLOWS OF RESOURCES:</i>		
Loss on refundings		31,127
Outflow related to pension		26,947
Outflow related to post-employment benefits		7,902
Total deferred outflows of resources		<u>65,976</u>
Total assets and deferred outflows of resources	\$	<u><u>2,532,638</u></u>

(Continued)

Water System

SCHEDULE OF NET POSITION

	September 30,	2024
(Continued)		(In thousands)
LIABILITIES		
<i>CURRENT LIABILITIES (PAYABLE FROM UNRESTRICTED CURRENT ASSETS):</i>		
Accounts payable and accrued expenses	\$	34,796
Customer and developer deposits		10,384
Current portion of lease/SBITA liability		706
Current portion of OPEB liability		1,226
Liability for compensated absences		2,488
Other liabilities		839
Total current liabilities (payable from unrestricted current assets)		<u>50,439</u>
<i>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED CURRENT ASSETS):</i>		
Accounts payable and accrued expenses		13,947
Retainage payable		4,557
Current portion of long-term debt		18,575
Accrued interest payable		16,948
Liability for self insurance		1,312
Total current liabilities (payable from restricted current assets)		<u>55,339</u>
Total current liabilities		<u>105,778</u>
<i>NONCURRENT LIABILITIES:</i>		
Revenue bonds payable, net		917,155
State loan obligations, net		34,790
Liability for self-insurance		4,360
Liability for compensated absences		28,270
Liability for post-employment benefits		39,181
Net pension liability		116,764
Lease/SBITA liability		4,819
Unearned revenues (LIHWAP)		7,620
Total noncurrent liabilities		<u>1,152,959</u>
Total liabilities		<u>1,258,737</u>
<i>DEFERRED INFLOWS OF RESOURCES:</i>		
Gain on Refundings		2,873
Inflow related to pension		11,941
Inflow related to post-employment benefits		4,433
Total deferred inflows of resources		<u>19,247</u>
Total liabilities and deferred inflows of resources		<u>1,277,984</u>
NET POSITION		
Net investment in capital assets		942,142
Restricted for:		
Capital projects		123,443
Debt service		71,230
Unrestricted		117,839
Total net position		<u>1,254,654</u>
Total liabilities, deferred inflows of resources and net position	\$	<u><u>2,532,638</u></u>

Water System

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the fiscal year ended September 30,	2024
	(In thousands)
OPERATING REVENUES:	
Retail	\$ 392,165
Wholesale	50,487
Other revenues	16,317
Total operating revenues	<u>458,969</u>
OPERATING AND MAINTENANCE EXPENSES:	
Source of supply	19,109
Power and pumping	1,919
Treatment	104,058
Transmission and distribution	60,255
Customer accounting	5,393
Customer service	17,704
General and administrative	47,216
Total operating and maintenance expenses	<u>255,654</u>
Operating income before depreciation/amortization	203,315
DEPRECIATION & AMORTIZATION EXPENSE	<u>83,033</u>
Operating income	120,282
NON-OPERATING REVENUES (EXPENSES):	
Investment income	25,243
Interest expense	(30,192)
Amortization of issuance costs	(2,956)
Operating disaster revenue	119
Customer connection fees	6,827
Other revenues	2,802
Other expenses	(1,539)
Income before contributions and transfers	120,586
Capital contributions	13,562
Transfer (to) Wastewater System	<u>(152,686)</u>
Decrease in net position	(18,538)
Net position at beginning of year	<u>1,273,192</u>
Net position at end of year	<u><u>\$ 1,254,654</u></u>

Water System

SCHEDULE OF CASH FLOWS

For the fiscal year ended September 30,

	2024
	(In thousands)
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 466,302
Cash paid to suppliers for goods and services	(165,919)
Cash paid to employees for services	(155,449)
Transfer to Wastewater System	(152,686)
Net cash used by operating activities	<u>(7,752)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Third party Meter installation and replacement costs	—
Long Term Receivable	1,131
Net cash provided by non-capital and financing activities	<u>1,131</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Proceeds from bond issues, loan agreements and Notes	158,291
Principal payments - bond and loans	(92,782)
Principal payments - Lease/SBITA	(812)
Bond premium and issue costs	18
Interest paid	(30,789)
Acquisition and construction of capital assets	(121,133)
Net cash used by capital and related financing activities	<u>(87,207)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of investment securities	(632,893)
Proceeds from sale and maturity of investment securities	690,101
Interest on investments	24,130
Net cash provided by investing activities	<u>81,338</u>
Net decrease in cash and cash equivalents	(12,490)
Cash and cash equivalents at beginning of year	<u>127,402</u>
Cash and cash equivalents at end of year	<u><u>\$ 114,912</u></u>

(Continued)

Water System

SCHEDULE OF CASH FLOWS

For the fiscal year ended September 30,

2024

(In thousands)

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:

Operating income	\$ 120,282
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	83,033
Provision for uncollectible accounts	(478)
Non-operating other, net	24,939
Transfer to Wastewater System	(152,686)
(Increase) decrease in assets and deferred outflows:	
Accounts Receivable	(464)
Inventory of materials and supplies	(1,243)
Other current assets	(35)
Contracts/Grants Receivable	—
Deferred outflows related to pension and OPEB	2,254
Increase (decrease) in liabilities and deferred inflows:	
Accounts payable and accrued expenses	(53,514)
Customer and developer deposits	(1,951)
Accrued interest payable	568
Liability for compensated absences	3,564
Other liabilities	(17,047)
Liability for other post-employment benefits	880
Liability for self-insurance	(17,995)
Net pension liability	(2,752)
Deferred inflows related to pension and OPEB	4,892
Net cash used by operating activities	<u>\$ (7,752)</u>

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

Property, plant and equipment contributions were received in amounts of \$13.6 million in fiscal year 2024.

The change in the fair value of investments was a \$1.2 million increase in fiscal year 2024.

RECONCILIATION OF CASH AND CASH EQUIVALENTS AT END OF YEAR

Unrestricted current cash and cash equivalents	\$ 10,135
Restricted current cash and cash equivalents	55,339
Restricted noncurrent cash and cash equivalents	49,438
Total cash and cash equivalents at end of year	<u>\$ 114,912</u>

Water System

SCHEDULE OF OPERATING AND MAINTENANCE EXPENSES

Budget and Actual
For the fiscal year ended September 30, 2024
(In thousands)

	Budget	Actuals	Variance under/(over)
Source of supply	\$ 23,977	\$ 19,109	\$ 4,868
Power and pumping	2,461	1,919	542
Treatment	98,465	104,058	(5,593)
Transmission and distribution	53,177	60,255	(7,078)
Customer accounting	6,286	5,393	893
Customer service	18,209	17,704	505
General and administrative	56,636	47,216	9,420
Totals	<u>\$ 259,211</u>	<u>\$ 255,654</u>	<u>\$ 3,557</u>

Wastewater System

SCHEDULE OF NET POSITION

	September 30,	2024
		(In thousands)
ASSETS		
<i>CURRENT ASSETS:</i>		
Cash and cash equivalents	\$	16,905
Investments		68,960
Accounts receivable		
(net of allowance for uncollectible accounts of \$23.2 million)		132,384
Inventory of materials and supplies		30,728
Restricted cash and cash equivalents		248,283
Total current assets		<u>497,260</u>
<i>NONCURRENT RESTRICTED ASSETS:</i>		
Restricted cash and cash equivalents		10,985
Investments		860,189
Total restricted assets		<u>871,174</u>
<i>CAPITAL ASSETS:</i>		
Land		59,660
Construction work in progress		2,058,058
Building and building improvements		20,812
Structures and improvements		4,018,139
Equipment		1,292,056
Intangible lease asset-equipment		396
SBITA's		9,290
Less accumulated depreciation		(2,820,252)
Less accumulated amortization		(1,672)
Total capital assets		<u>4,636,487</u>
Total noncurrent assets		<u>5,507,661</u>
Total assets		<u>6,004,921</u>
<i>DEFERRED OUTFLOWS OF RESOURCES:</i>		
Loss on refundings		91,620
Outflow related to pension		31,185
Total deferred outflows of resources		<u>122,805</u>
Total assets and deferred outflows of resources	\$	<u><u>6,127,726</u></u>

(Continued)

Wastewater System

SCHEDULE OF NET POSITION

(Continued)	September 30,	2024
		(In thousands)
LIABILITIES		
<i>CURRENT LIABILITIES (PAYABLE FROM UNRESTRICTED CURRENT ASSETS):</i>		
Accounts payable and accrued expenses	\$	58,856
Customer and developer deposits		6,063
Current portion of lease/SBITA liability		1,059
Liability for compensated absences		12,588
Other liabilities		380
Total current liabilities (payable from unrestricted current assets)		<u>78,946</u>
<i>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED CURRENT ASSETS):</i>		
Accounts payable and accrued expenses		57,805
Retainage payable		43,614
Current portion of long-term debt		87,408
Accrued interest payable		59,456
Total current liabilities (payable from restricted current assets)		<u>248,283</u>
Total current liabilities		<u>327,229</u>
<i>NONCURRENT LIABILITIES:</i>		
Revenue bonds payable, net		3,162,448
State loan obligations, net		157,290
Notes Payable		492,127
Liability for compensated absences		38,843
Net pension liability		132,284
Other Non-Current Liabilities - Restricted		13,708
Lease/SBITA liability		7,230
Total noncurrent liabilities		<u>4,003,930</u>
Total liabilities		<u>4,331,159</u>
<i>DEFERRED INFLOWS OF RESOURCES:</i>		
Gain on Refundings		7,748
Inflow related to pension		12,292
Total deferred inflows of resources		<u>20,040</u>
Total liabilities and deferred inflows of resources		<u>4,351,199</u>
NET POSITION		
Net investment in capital assets		882,344
Restricted for:		
Capital projects		607,462
Debt service		211,427
Unrestricted		75,294
Total net position		<u>1,776,527</u>
Total liabilities, deferred Inflows of resources and net position	\$	<u><u>6,127,726</u></u>

Wastewater System

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the fiscal year ended September 30,

2024

(In thousands)

OPERATING REVENUES:

Retail	\$ 404,323
Wholesale	145,871
Other revenues	18,769
Total operating revenues	<u>568,963</u>

OPERATING AND MAINTENANCE EXPENSES:

Collection system	46,363
Pumping	71,613
Treatment	164,838
Customer accounting	4,307
Customer service	13,910
General and administrative	57,708
Total operating and maintenance expenses	<u>358,739</u>

Operating income before depreciation/amortization	210,224
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DEPRECIATION & AMORTIZATION EXPENSE

167,237

Operating income	42,987
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NON-OPERATING REVENUES (EXPENSES):

Investment income	41,695
Interest expense	(107,383)
Amortization of issuance costs	(9,244)
Customer connection fees	29,082
Other revenues	640
Other expenses	<u>(2,594)</u>

Income (loss) before contributions and transfers	(4,817)
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Capital contributions	22,971
Transfer from Water System	<u>152,686</u>

Increase in net position	170,840
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Net position at beginning of year	<u>1,605,687</u>
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Net position at end of year	<u><u>\$ 1,776,527</u></u>
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Wastewater System

SCHEDULE OF CASH FLOWS

For the fiscal year ended September 30,

	2024
	(In thousands)
<i>CASH FLOWS FROM OPERATING ACTIVITIES:</i>	
Cash received from customers	\$ 594,502
Cash paid to suppliers for goods and services	(151,576)
Cash paid to employees for services	(199,313)
Transfer from Water System	152,686
Net cash provided by operating activities	<u>396,299</u>
<i>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</i>	
Proceeds from bond issues, loan agreements and notes	937,853
Principal payments - bond and loans	(257,044)
Principal payments - Lease/SBITA	(1,217)
Bond premium and issue costs	18
Interest paid	(115,182)
Acquisition and construction of capital assets	(477,479)
Net cash provided by capital and related financing activities	<u>86,949</u>
<i>CASH FLOWS FROM INVESTING ACTIVITIES:</i>	
Purchase of investment securities	(1,220,651)
Proceeds from sale and maturity of investment securities	921,750
Interest on investments	(185,369)
Net cash used by investing activities	<u>(484,270)</u>
Net decrease in cash and cash equivalents	(1,022)
Cash and cash equivalents at beginning of year	<u>277,195</u>
Cash and cash equivalents at end of year	<u><u>\$ 276,173</u></u>

(Continued)

Wastewater System

SCHEDULE OF CASH FLOWS

For the fiscal year ended September 30,

(Continued)

2024

(In thousands)

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:

Operating income	\$ 42,987
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	167,237
Provision for uncollectible accounts	(306)
Non-operating other, net	47,804
Transfer from Water System	152,686
(Increase) decrease in assets and deferred outflows:	
Accounts Receivable	(3,620)
Inventory of materials and supplies	(4,602)
Deferred outflows related to pension and OPEB	(2,757)
Increase (decrease) in liabilities and deferred inflows:	
Accounts payable and accrued expenses	5,964
Customer and developer deposits	(563)
Accrued interest payable	1,098
Liability for compensated absences	5,816
Other liabilities	(21,775)
Net pension liability	(3,363)
Deferred Inflows related to pension and OPEB	9,694
Net cash provided by operating activities	<u>\$ 396,299</u>

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

Property, plant and equipment contributions were received in amounts of \$22.9 million in fiscal year 2024.

The change in the fair value of investments was a \$41.9 million increase in fiscal year 2024.

RECONCILIATION OF CASH AND CASH EQUIVALENTS AT END OF YEAR

Unrestricted current cash and cash equivalents	\$ 16,905
Restricted current cash and cash equivalents	248,283
Restricted noncurrent cash and cash equivalents	10,985
Total cash and cash equivalents at end of year	<u>\$ 276,173</u>

Wastewater System

SCHEDULE OF OPERATING AND MAINTENANCE EXPENSES

Budget and Actual
For the fiscal year ended September 30, 2024
(In thousands)

	Budget	Actuals	Variance under/(over)
Collection system	\$ 39,731	\$ 46,363	\$ (6,632)
Pumping	57,244	71,613	(14,369)
Treatment	129,803	164,838	(35,035)
Customer accounting	5,046	4,307	739
Customer service	13,737	13,910	(173)
General and administrative	69,221	57,708	11,513
Totals	<u>\$ 314,782</u>	<u>\$ 358,739</u>	<u>\$ (43,957)</u>

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Statistical Section

Statistical Section

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

Contents

Financial Trends

These schedules, found on pages 87-90, contain trend information to help the reader understand how the Department's financial performance and well-being have changed over time.

Revenue Capacity

These schedules, found on pages 91-93, contain information to help the reader assess the factors affecting the Department's ability to generate revenue.

Debt Capacity

These schedules, found on pages 94-95, present information to help the reader assess the affordability of the Department's current levels of outstanding debt and the Department's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules, found on pages 96-101, offer demographic and economic indicators to help the reader understand the environment within which the Department's financial activities take place.

Operating and Capital Information

These schedules, found on pages 102-104, contain service and infrastructure data to help the reader understand how the information in the Department's financial report related to the services the Department provides and the activities it performs.

Net Position

BY COMPONENTS – LAST TEN FISCAL YEARS

(In thousands)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
COMBINED WATER AND WASTEWATER SYSTEMS:										
Net investment in capital assets	\$1,824,486	\$2,120,422	\$1,841,503	\$1,967,212	\$1,967,658	\$1,962,557	\$1,941,144	\$1,851,041	\$1,730,528	\$1,590,653
Restricted	1,013,562	589,321	745,174	564,710	491,735	419,134	342,400	356,540	330,257	340,066
Unrestricted	<u>193,133</u>	<u>169,136</u>	<u>160,071</u>	<u>167,838</u>	<u>192,058</u>	<u>218,794</u>	<u>237,744</u>	<u>260,899</u>	<u>266,833</u>	<u>266,597</u>
Total net position	<u>\$3,031,181</u>	<u>\$2,878,879</u>	<u>\$2,746,748</u>	<u>\$2,699,760</u>	<u>\$2,651,451</u>	<u>\$2,600,485</u>	<u>\$2,521,288</u>	<u>\$2,468,480</u>	<u>\$2,327,618</u>	<u>\$2,197,316</u>
WATER SYSTEM:										
Net investment in capital assets	\$ 942,142	\$ 938,491	\$ 834,166	\$ 851,796	\$ 931,597	\$ 989,270	\$ 986,573	\$ 975,646	\$ 965,055	\$1,013,229
Restricted	194,673	232,976	238,014	225,148	210,526	141,881	108,344	111,646	80,115	80,841
Unrestricted	<u>117,839</u>	<u>101,725</u>	<u>105,574</u>	<u>88,089</u>	<u>84,910</u>	<u>108,306</u>	<u>123,265</u>	<u>139,835</u>	<u>137,622</u>	<u>146,403</u>
Total net position	<u>\$1,254,654</u>	<u>\$1,273,192</u>	<u>\$1,177,754</u>	<u>\$1,165,033</u>	<u>\$1,227,033</u>	<u>\$1,239,457</u>	<u>\$1,218,182</u>	<u>\$1,227,127</u>	<u>\$1,182,792</u>	<u>\$1,240,473</u>
WASTEWATER SYSTEM:										
Net investment in capital assets	\$ 882,344	\$1,181,931	\$1,007,337	\$1,115,416	\$1,036,061	\$ 973,287	\$ 954,571	\$ 875,395	\$ 765,473	\$ 577,424
Restricted	818,889	356,345	507,160	339,562	281,209	277,253	234,056	244,894	250,142	259,225
Unrestricted	<u>75,294</u>	<u>67,411</u>	<u>54,497</u>	<u>79,749</u>	<u>107,148</u>	<u>110,488</u>	<u>114,479</u>	<u>121,064</u>	<u>129,211</u>	<u>120,194</u>
Total net position	<u>\$1,776,527</u>	<u>\$1,605,687</u>	<u>\$1,568,994</u>	<u>\$1,534,727</u>	<u>\$1,424,418</u>	<u>\$1,361,028</u>	<u>\$1,303,106</u>	<u>\$1,241,353</u>	<u>\$1,144,826</u>	<u>\$ 956,843</u>

Combined Water and Wastewater Systems

SCHEDULE OF REVENUES AND EXPENSES – LAST TEN FISCAL YEARS

(In thousands)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<i>OPERATING REVENUES:</i>										
Retail	\$ 796,488	\$ 748,003	\$ 703,749	\$ 674,875	\$ 627,340	\$ 586,158	\$ 563,839	\$ 554,546	\$ 520,146	\$ 486,201
Wholesale	196,358	165,790	140,654	132,092	118,383	118,260	117,735	123,854	110,951	98,810
Other	35,086	40,619	26,530	20,158	23,758	30,033	30,275	28,932	28,685	28,305
Total operating revenues	<u>1,027,932</u>	<u>954,412</u>	<u>870,933</u>	<u>827,125</u>	<u>769,481</u>	<u>734,451</u>	<u>711,849</u>	<u>707,332</u>	<u>659,782</u>	<u>613,316</u>
<i>OPERATING AND MAINTENANCE EXPENSES:</i>										
Source of supply	19,109	17,140	15,462	14,291	14,179	13,966	9,578	14,193	14,284	10,931
Collection system	46,363	39,252	36,064	36,695	33,169	32,481	34,049	33,457	26,866	27,634
Pumping	73,533	66,727	58,477	55,962	52,228	50,162	45,426	44,519	41,532	39,384
Treatment	268,896	228,090	208,393	178,812	165,021	169,240	163,435	152,734	160,186	156,229
Transmission and distribution	60,255	49,186	44,619	37,825	40,328	39,058	35,783	31,228	30,554	30,892
Customer accounting and service	41,314	23,190	43,183	59,626	49,731	33,422	34,787	34,160	30,239	28,068
General and administrative	104,924	158,574	103,316	93,828	124,023	103,896	100,250	88,239	84,827	75,769
Total operating and maintenance expense	<u>614,393</u>	<u>582,158</u>	<u>509,513</u>	<u>477,038</u>	<u>478,679</u>	<u>442,225</u>	<u>423,308</u>	<u>398,530</u>	<u>388,488</u>	<u>368,907</u>
Operating income before depreciation/amortization	413,539	372,254	361,420	350,087	290,802	292,226	288,541	308,802	271,294	244,409
DEPRECIATION/AMORTIZATION EXPENSE	250,270	241,630	234,800	226,059	206,311	201,173	199,694	187,921	184,424	188,909
Operating income (loss)	163,269	130,624	126,620	124,028	84,491	91,053	88,847	120,881	86,870	55,500
<i>NON-OPERATING REVENUES (EXPENSES):</i>										
Investment income (loss)	66,938	60,925	(9,349)	1,445	14,559	27,954	1,407	(9,649)	(4,853)	20,557
Interest expense	(137,575)	(133,581)	(140,947)	(129,755)	(122,239)	(111,875)	(42,861)	(25,978)	(46,369)	(75,728)
Other income	23,137	33,374	38,856	14,203	16,207	38,358	16,075	20,499	41,043	36,186
Income (loss) before contributions and transfers	115,769	91,342	15,180	9,921	(6,982)	45,490	63,468	105,753	76,691	36,515
Capital contributions	36,533	40,789	31,808	38,388	57,949	33,707	28,330	35,109	53,611	46,692
Increase in net position	<u>\$ 152,302</u>	<u>\$ 132,131</u>	<u>\$ 46,988</u>	<u>\$ 48,309</u>	<u>\$ 50,967</u>	<u>\$ 79,197</u>	<u>\$ 91,798</u>	<u>\$ 140,862</u>	<u>\$ 130,302</u>	<u>\$ 83,207</u>

Water System

SCHEDULE OF REVENUES AND EXPENSES – LAST TEN FISCAL YEARS

(In thousands)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<i>OPERATING REVENUES:</i>										
Retail	\$ 392,165	\$ 368,375	\$ 346,854	\$ 331,651	\$ 302,360	\$ 277,305	\$ 268,275	\$ 265,636	\$ 247,088	\$ 233,464
Wholesale	50,487	41,475	38,292	34,682	27,779	34,810	39,310	34,916	28,572	37,008
Other	16,317	20,626	12,729	9,476	11,820	15,937	16,159	15,493	15,383	14,966
Total operating revenues	458,969	430,476	397,875	375,809	341,959	328,052	323,744	316,045	291,043	285,438
<i>OPERATING AND MAINTENANCE EXPENSES:</i>										
Source of supply	19,109	39,252	15,462	14,291	14,179	13,966	9,578	14,193	14,284	10,931
Pumping	1,919	64,514	2,139	2,106	2,040	2,224	1,927	1,976	1,982	2,054
Treatment	104,058	137,878	83,524	71,767	64,517	68,717	62,707	60,387	68,272	63,921
Transmission and distribution	60,255	9,105	44,619	37,825	40,328	39,058	35,783	31,228	30,554	30,892
Customer accounting and service	23,097	87,205	23,714	31,771	26,719	18,850	19,300	19,066	16,859	15,651
General and administrative	47,216	—	46,492	42,207	55,875	46,754	45,077	39,683	37,983	34,078
Total operating and maintenance expenses	255,654	337,954	215,950	199,967	203,658	189,569	174,372	166,533	169,934	157,527
Operating income before depreciation/amortization	203,315	185,982	181,925	175,843	138,301	138,483	149,372	149,512	121,109	127,911
DEPRECIATION & AMORTIZATION EXPENSE	83,033	160,215	83,474	82,330	76,720	73,078	74,858	74,142	72,180	66,642
Operating income	120,282	25,767	98,451	93,513	61,581	65,405	74,514	75,370	48,929	61,269
<i>NON-OPERATING REVENUES (EXPENSES):</i>										
Investment income (loss)	25,243	33,447	(3,311)	557	6,218	12,535	5	(5,178)	(2,650)	10,127
Interest expense	(30,192)	(103,790)	(31,634)	(31,598)	(30,133)	(26,497)	(16,158)	(17,434)	(16,290)	(19,169)
Other income	5,252	25,385	13,838	4,541	9,191	7,161	7,161	2,463	11,843	9,812
Income (loss) before contributions and transfers	120,584	(19,191)	77,344	67,013	46,857	58,604	65,522	55,221	41,832	62,039
Capital contributions	13,562	20,176	15,173	21,995	19,804	21,115	16,895	21,632	28,860	27,918
Transfer (to) from Wastewater System	(152,686)	35,708	(79,795)	(151,009)	(79,085)	(58,444)	(71,867)	(32,520)	(128,373)	(67,666)
Increase (decrease) in net position	\$ (18,540)	\$ 36,693	\$12,722	\$ (62,001)	\$ (12,424)	\$ 21,275	\$ 10,550	\$ 44,333	\$ (57,681)	\$ 22,291

Wastewater System

SCHEDULE OF REVENUES AND EXPENSES – LAST TEN FISCAL YEARS

(In thousands)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<i>OPERATING REVENUES:</i>										
Retail	\$ 404,323	\$ 379,628	\$ 356,895	\$ 343,224	\$ 324,980	\$ 308,853	\$ 295,564	\$ 288,910	\$ 273,058	\$ 252,737
Wholesale	145,871	124,315	102,362	97,410	90,604	83,450	78,425	88,938	82,380	61,802
Other	18,769	19,993	13,801	10,682	11,938	14,096	14,116	13,439	13,301	13,339
Total operating revenues	<u>568,963</u>	<u>523,936</u>	<u>473,058</u>	<u>451,316</u>	<u>427,522</u>	<u>406,399</u>	<u>388,105</u>	<u>391,287</u>	<u>368,739</u>	<u>327,878</u>
<i>OPERATING AND MAINTENANCE EXPENSES:</i>										
Collection system	46,363	39,252	36,064	36,695	33,169	32,481	34,049	33,457	26,866	27,634
Pumping	71,613	64,514	56,337	53,855	50,188	47,938	43,499	42,543	39,549	37,330
Treatment	164,838	137,878	124,869	107,045	100,504	100,523	100,728	92,347	91,915	92,308
Customer accounting and service	18,217	9,105	19,469	27,855	23,012	14,572	15,487	15,094	13,380	12,417
General and administrative	57,708	87,205	56,824	51,623	68,148	57,142	55,173	48,556	46,844	41,691
Total operating and maintenance expenses	<u>358,739</u>	<u>337,954</u>	<u>293,563</u>	<u>277,073</u>	<u>275,021</u>	<u>252,656</u>	<u>248,936</u>	<u>231,997</u>	<u>218,554</u>	<u>211,380</u>
Operating income before depreciation/amortization	210,224	185,982	179,495	174,243	152,501	153,743	139,169	159,290	150,185	116,498
DEPRECIATION & AMORTIZATION EXPENSE	<u>167,237</u>	<u>160,215</u>	<u>151,326</u>	<u>143,729</u>	<u>129,591</u>	<u>128,095</u>	<u>124,836</u>	<u>113,779</u>	<u>112,244</u>	<u>122,267</u>
Operating income (loss)	42,987	25,767	28,169	30,514	22,910	25,648	14,333	45,511	37,941	(5,769)
<i>NON-OPERATING REVENUES (EXPENSES):</i>										
Investment income (loss)	41,695	33,447	(6,038)	888	8,341	15,419	1,402	(4,471)	(2,203)	10,430
Interest expense	(107,383)	(103,790)	(109,313)	(98,157)	(92,106)	(85,378)	(26,703)	(8,544)	(30,079)	(56,559)
Other income	17,884	25,385	25,019	9,662	7,017	31,197	8,914	18,034	29,200	26,374
Income (loss) before contributions and transfers	(4,817)	(19,191)	(62,163)	(57,093)	(53,838)	(13,114)	(2,054)	50,530	34,859	(25,524)
Capital contributions	22,971	20,176	16,635	16,393	38,145	12,592	11,435	13,477	24,751	18,774
Transfer (to) from Water System	<u>152,686</u>	<u>35,708</u>	<u>79,795</u>	<u>151,009</u>	<u>79,085</u>	<u>58,444</u>	<u>71,867</u>	<u>32,520</u>	<u>128,373</u>	<u>67,666</u>
Increase in net position	<u>\$ 170,840</u>	<u>\$ 36,693</u>	<u>\$ 34,267</u>	<u>\$ 110,309</u>	<u>\$ 63,392</u>	<u>\$ 57,922</u>	<u>\$ 81,248</u>	<u>\$ 96,527</u>	<u>\$ 187,983</u>	<u>\$ 60,916</u>

Water and Wastewater System Rates

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
WATER RATES:										
Meter Size Rate										
5/8"	\$ 3.63	\$ 3.49	\$ 3.32	\$ 3.20	\$ 3.20	\$ 3.20	\$ 3.20	\$ 3.20	\$ 3.20	\$ 3.20
1"	15.42	14.83	14.12	13.62	12.38	12.38	12.38	12.38	11.42	10.77
1.5"	30.84	29.65	28.24	27.24	24.76	24.76	24.76	24.76	22.84	21.55
2"	49.32	47.42	45.16	43.56	39.60	39.60	39.60	39.60	36.53	34.46
3"	98.65	94.86	90.34	87.13	79.21	79.21	79.21	79.21	73.07	68.93
4"	154.14	148.21	141.15	136.14	123.76	123.76	123.76	123.76	114.17	107.71
6"	308.24	296.38	282.27	272.25	247.50	247.50	247.50	247.50	228.32	215.40
8"	493.20	474.23	451.65	435.62	369.02	396.02	396.02	396.02	365.33	344.65
10"	708.98	681.71	649.25	626.21	569.28	569.28	569.28	569.28	525.16	495.43
12"	1,325.48	1,274.50	1,213.81	1,170.73	1,064.30	1,064.30	1,064.30	1,064.30	981.83	926.25
14"	2,465.99	2,371.14	2,258.23	2,178.08	1,980.07	1,980.07	1,980.07	1,980.07	1,826.63	1,723.24
16"	3,390.74	3,260.33	3,105.08	2,994.87	2,722.61	2,722.61	2,722.61	2,722.61	2,511.63	2,369.46
20"	5,290.16	—								
24"	11,891.16	—								
Composite rate (revenues/flows)	6.04	5.81	5.53	5.28	4.86	4.47	4.30	4.09	3.85	3.66

WASTEWATER RATES:

Base rate (per 1,000 gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Meter Size Rate										
5/8"	\$ 5.50	\$ 5.50	\$ 5.24	\$ 5.05	\$ 5.05	\$ 5.05	\$ 3.25	\$ 3.25	\$ 3.25	\$ 3.25
1"	21.26	20.44	19.47	18.78	17.07	17.07	12.57	12.53	11.60	10.94
1.5"	42.52	40.88	38.93	37.55	34.14	34.14	25.14	25.05	23.19	21.88
2"	68.04	65.42	62.30	60.09	54.63	54.63	40.23	40.08	37.11	35.01
3"	136.03	130.80	124.57	120.15	109.23	109.23	80.43	80.14	74.20	70.00
4"	212.57	204.39	194.66	187.75	170.68	170.68	125.68	125.22	115.94	109.38
6"	425.16	408.81	389.34	375.52	341.38	341.38	251.38	250.46	231.90	218.77
8"	680.24	654.08	622.93	600.82	546.20	546.20	402.20	400.72	371.03	350.03
10"	977.84	940.23	895.46	863.68	785.16	785.16	578.16	576.03	533.36	503.17
12"	1,828.15	1,757.84	1,674.13	1,614.00	1,467.92	1,467.92	1,080.92	1,076.93	997.16	940.72
14"	3,401.22	3,270.40	3,114.67	3,004.12	2,731.02	2,731.02	2,011.02	2,003.59	1,855.18	1,750.17
16"	4,676.68	4,496.81	4,282.68	4,130.67	3,755.15	3,755.15	2,765.15	2,754.95	2,550.88	2,406.49
20"	7,296.46	—	4,282.68	4,130.67	3,755.15	3,755.15	2,765.15	2,754.95	2,550.88	2,406.49
24"	10,512.21	—								
Composite rate (revenues/flows)	8.01	7.65	7.29	7.01	6.70	6.41	6.10	5.74	5.51	5.16

Increases in Water and Wastewater rates must be approved by the Board of County Commissioners.

Water Treatment

LAST TEN FISCAL YEARS

(millions of gallons)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<i>WATER PUMPED:</i>										
Water treatment plants:										
Alexander Orr, Jr.	63,673	63,629	65,187	66,281	67,283	66,620	66,096	66,190	65,968	62,566
John E. Preston	39,586	37,609	39,227	38,102	31,791	30,138	26,555	27,891	26,789	27,044
Hialeah	12,747	15,354	10,522	10,283	14,531	16,939	20,467	20,093	20,142	19,488
South Dade Water System	—	2,620	3,599	3,765	3,845	3,790	3,920	3,752	3,921	3,570
Interim Plants	2,583	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RO Hialeah	1,169	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Purchase water	328	94	116	88	89	99	116	116	192	164
Total water pumped	120,086	119,306	118,651	118,519	117,539	117,586	117,154	118,042	117,012	112,832
<i>WATER SOLD:</i>										
Wholesale:										
Miami Beach	7,590	8,568	6,351	6,926	7,195	8,109	8,381	8,566	8,249	8,346
Hialeah	6,988	6,140	5,643	6,263	6,146	6,376	6,566	7,040	6,857	6,623
North Miami	3,054	2,758	2,295	2,218	2,318	2,792	3,468	2,313	1,538	2,096
Opa-Locka	774	747	757	771	861	998	909	894	993	950
Hialeah Gardens	702	801	731	743	766	764	703	742	768	694
Homestead ¹	864	877	856	888	810	668	723	668	684	520
Bal Harbor	471	457	457	415	454	437	455	487	506	503
North Bay Village	392	371	399	419	423	404	419	435	419	430
Medley	510	501	459	405	403	368	389	378	381	365
Bay Harbor Islands	330	299	329	414	317	319	338	319	291	328
Surfside	345	277	335	337	340	358	386	389	325	326
West Miami	401	364	330	328	347	321	334	344	319	251
Indian Creek Village	234	235	219	167	195	179	154	143	119	134
Virginia Gardens	80	84	83	78	82	86	80	80	84	82
North Miami Beach	4	6	7	—	—	—	—	83	—	3
Total wholesale	22,739	22,485	19,251	20,372	20,657	22,179	23,305	22,881	21,533	21,651
Retail	64,974	63,456	62,723	62,860	62,243	62,051	62,421	64,968	64,108	63,783
Total water sold	87,713	85,941	81,974	83,232	82,900	84,230	85,726	87,849	85,641	85,434
Non-account water	32,373	33,365	36,677	35,284	34,632	33,357	31,428	30,193	31,373	27,398
Non-account water as a percentage of total water pumped	26.96%	27.97%	30.91%	29.77%	29.46%	28.37%	26.83%	25.58%	26.81%	24.28%
Unaccounted for water as a percentage of total water pumped	11.82%	9.33%	10.83%	8.37%	10.15%	9.18%	5.65%	6.69%	10.10%	8.37%

¹ Homestead usage of water is limited to an as needed basis. Their usage is not consistent to that of a wholesale customer.

Wastewater Treatment

LAST TEN FISCAL YEARS

(millions of gallons)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
WASTEWATER PLANT FLOWS:										
North District Plant	36,712	39,006	35,499	37,867	37,190	32,998	32,785	34,251	30,734	32,745
Central District Plant	36,144	33,244	32,731	32,841	36,495	41,449	40,344	40,000	46,432	40,662
South District Wastewater Treatment Plant	39,591	43,104	37,265	37,950	35,735	34,515	36,415	38,207	38,115	33,413
Total wastewater plant flows	112,447	115,354	105,495	108,658	109,420	108,962	109,544	112,458	115,281	106,820
WASTEWATER TREATED:										
Wholesale:										
Miami Beach	8,140	8,459	7,242	7,813	7,694	8,058	8,082	8,054	8,797	8,399
Hialeah	14,091	13,903	11,850	11,705	10,636	8,994	9,144	9,203	8,943	7,169
North Miami	3,464	3,545	3,424	3,679	3,607	3,400	3,544	3,654	3,711	3,722
Coral Gables	1,492	1,344	1,241	1,195	1,443	1,074	906	1,477	1,432	1,231
Homestead	1,899	1,689	1,568	1,311	1,202	1,117	1,106	1,763	1,643	938
Opa-Locka	871	899	831	909	876	893	703	702	729	861
Hialeah Gardens	812	725	717	761	703	661	679	704	700	757
North Miami Beach	1,255	1,277	1,097	1,061	1,241	1,258	1,250	580	510	505
Medley	557	568	403	573	602	464	438	456	617	477
Florida City	645	572	488	483	445	449	458	425	458	464
North Bay Village	349	354	331	353	315	322	353	409	457	433
West Miami	239	238	214	196	196	199	184	169	185	147
Homestead Air Force Base	72	63	99	99	85	79	73	86	98	78
Total wholesale	33,886	33,636	29,505	30,138	29,045	26,968	26,920	27,683	28,280	25,181
Retail	50,489	49,620	48,943	48,937	48,523	48,167	48,492	50,334	49,550	48,998
Unaccounted for wastewater	28,072	32,098	27,047	29,582	31,841	33,827	34,131	34,442	37,450	32,641
Total wastewater treated	112,447	115,354	105,495	108,657	109,409	108,963	109,543	112,459	115,280	106,820
Unaccounted for wastewater as a percentage of total wastewater treated	24.96%	27.83%	25.64%	27.23%	29.10%	31.04%	31.16%	30.63%	32.49%	30.56%
ANNUAL RAINFALL (inches): ¹	79.38	81.29	66.96	73.85	75.49	61.28	73.02	78.33	75.11	47.22

¹ Source: National Weather Service Forecast Office in Miami for rainfall recorded in inches at Miami International Airport.

Debt Services Coverage

LAST TEN FISCAL YEARS

(In thousands)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
SENIOR OBLIGATIONS DEBT SERVICE COVERAGE:										
Net operating revenues	\$ 413,539	\$ 372,254	\$ 361,419	\$ 350,086	\$ 290,802	\$ 292,225	\$ 288,541	\$ 308,801	\$ 271,482	\$ 244,409
Investment earnings ¹	43,768	30,789	3,784	1,870	10,413	15,355	9,566	3,144	1,823	1,198
Net transfers from (to) Rate Stabilization Fund	—	—	—	—	—	—	—	—	—	—
Net revenues available for debt service	\$ 457,307	\$ 403,043	\$ 365,203	\$ 351,956	\$ 301,215	\$ 307,580	\$ 298,107	\$ 311,945	\$ 273,305	\$ 245,607
Debt service requirements ²	\$ 223,449	\$ 225,057	\$ 223,846	\$ 202,029	\$ 188,003	\$ 173,198	\$ 164,449	\$ 161,194	\$ 157,036	\$ 153,211
Actual coverage	2.05	1.79	1.63	1.74	1.60	1.78	1.81	1.94	1.74	1.60
Required coverage	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
SUBORDINATE OBLIGATIONS DEBT SERVICE COVERAGE:										
Net revenues available for debt service	\$ 457,307	\$ 403,043	\$ 365,203	\$ 351,956	\$ 301,215	\$ 307,580	\$ 298,107	\$ 311,945	\$ 273,305	\$ 245,607
Less: Maximum principal and interest ³	239,811	225,057	225,057	225,057	202,029	182,569	171,345	161,195	161,195	161,195
Adjusted net revenues	\$ 217,496	\$ 177,986	\$ 140,146	\$ 126,899	\$ 99,186	\$ 125,011	\$ 126,762	\$ 150,750	\$ 112,110	\$ 84,412
Debt service requirements ⁴	\$ 22,752	\$ 23,038	\$ 23,883	\$ 16,910	\$ 16,934	\$ 15,589	\$ 15,822	\$ 15,973	\$ 16,819	\$ 18,081
Actual coverage	9.61	7.73	5.87	7.50	5.86	8.02	8.01	9.44	6.67	4.67
Required coverage	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL OBLIGATIONS DEBT SERVICE COVERAGE: ⁶										
Net revenues available for debt service	457,307	403,043	365,203	351,956	301,215	307,580	298,107	311,945	273,305	245,607
Senior debt service requirements	223,449	225,057	223,846	202,029	188,003	173,198	164,449	161,194	157,036	153,211
Subordinate debt service requirements ⁴	22,752	23,038	23,883	16,910	16,934	15,589	15,822	15,973	16,819	18,081
Total debt service requirements	246,201	248,095	247,729	218,939	204,937	188,787	180,271	177,167	173,855	171,292
Actual coverage	1.86	1.62	1.47	1.61	1.47	1.63	1.65	1.76	1.57	1.43
Required coverage	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
STATE REVOLVING FUND LOANS DEBT SERVICE COVERAGE:										
Net revenues available for debt service	\$ 457,307	\$ 403,043	\$ 365,203	\$ 351,956	\$ 301,215	\$ 307,580	\$ 298,107	\$ 311,945	\$ 273,305	\$ 245,607
Less: revenue required for primary debt service coverage ⁵	279,311	281,321	279,808	252,536	235,004	216,498	205,561	201,493	196,295	191,514
Adjusted net revenues	\$ 177,996	\$ 172,060	\$ 85,397	\$ 99,421	\$ 66,212	\$ 91,083	\$ 92,546	\$ 110,453	\$ 76,821	\$ 54,093
Debt service requirements ⁴	\$ 22,752	\$ 12,504	\$ 16,187	\$ 16,910	\$ 16,934	\$ 15,589	\$ 15,822	\$ 15,973	\$ 16,819	\$ 18,081
Actual coverage	7.87	13.76	5.28	5.88	3.91	5.84	5.85	6.92	4.57	—
Required coverage	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15

Note: Debt Service requirements are on "Cash" basis.

¹ Excludes interest income from Construction Fund

² Represents debt service requirements on outstanding Bonds for such fiscal year

³ Maximum principal and interest requirements on the Bonds for such fiscal year

⁴ Represents debt service requirements on outstanding State Revolving Fund Loans and Subordinate Bonds for such fiscal year.

⁵ Represents 125% of primary debt service requirements. This rule applies only to SRL as per agreement.

⁶ Total obligations debt service coverage is required for Subordinate Bonds.

Ratio of Outstanding Debt by Types

LAST TEN FISCAL YEARS (IN THOUSANDS)

Fiscal Year	Revenue Bonds	Loans	Notes Payable	Commercial Paper ¹	Lease Liability	SBITA Liability	Total Outstanding Debt	Total Per Customer
2024	\$ 4,183,959	\$ 204,328	\$ 492,127	\$ —	\$ 411	\$ 13,405	\$ 4,894,228	\$ 5.80
2023	3,943,732	194,488	1,359	—	—	—	4,139,579	4.93
2022	4,046,347	204,830	1,321	—	—	—	4,252,498	5.09
2021	4,146,417	197,807	1,284	—	—	—	4,345,508	4.18
2020	3,236,961	185,282	1,229	—	—	—	3,423,472	3.41
2019	2,548,020	160,430	—	300,000	—	—	3,008,450	3.16
2018	2,366,854	156,833	—	200,000	—	—	2,723,687	2.90
2017	1,980,348	165,449	—	375,000	—	—	2,520,797	2.77
2016	2,053,731	161,272	—	100,000	—	—	2,315,003	2.95
2015	2,024,019	164,698	—	—	—	—	2,188,717	3.03

¹

Financing from Commercial Paper/Line of Credit to provide interim financing for the Department's Capital Improvement Program.

Customer Statistics

LARGEST SYSTEM CUSTOMERS – CURRENT YEAR AND NINE YEARS AGO

Name	Dollar Amount ¹ (In thousands)	Percent of System Gross Revenues
WATER SYSTEM:		
City of Miami Beach	\$ 16,864	3.5 %
City of Hialeah	15,627	3.2 %
Miami Int'l Airport	15,283	3.3 %
City of North Miami	6,753	1.4 %
Fl Dep't of Corrections	5,664	1.2 %
Miami Dade Public Schools	4,550	1.0 %
University of Miami	2,446	0.5 %
City of Homestead	1,936	0.4 %
Jackson Memorial Hospital	1,774	0.4 %
City of Opa-Locka	1,736	0.4 %
WASTEWATER SYSTEM:		
City of Hialeah	\$ 60,638	9.9 %
City of Miami Beach	34,692	5.7 %
City of North Miami	14,965	2.4 %
City of Homestead	8,162	1.3 %
City of Coral Gables	6,385	1.1 %
City of North Miami Beach	5,429	0.9 %
Miami Int'l Airport	4,276	0.8 %
City of Opa-Locka	3,479	0.6 %
City of Hialeah Gardens	3,500	0.6 %
City of Florida City	2,751	0.5 %

October 2014 - September 2015

Name	Dollar Amount ¹ (In thousands)	Percent of System Gross Revenues
WATER SYSTEM:		
City of Miami Beach	\$ 14,869	5.2 %
City of Hialeah	11,799	4.1 %
Dade County Aviation	5,862	2.1 %
City of North Miami	2,096	0.7 %
Florida Power & Light Company	1,767	0.6 %
Hialeah Gardens	1,237	0.4 %
City of Opa Locka	950	0.3 %
Bal Harbour	896	0.3 %
North Bay Village	765	0.3 %
Medley	650	0.2 %
WASTEWATER SYSTEM:		
City of Miami Beach	\$ 21,510	6.6 %
City of Hialeah	18,413	5.6 %
City of North Miami	9,544	2.9 %
City of Homestead	3,378	1.0 %
Dade County Aviation	3,184	1.0 %
City of Opa-Locka	2,532	0.8 %
City of Coral Gables	2,249	0.7 %
Hialeah Gardens	1,930	0.6 %
Medley	1,302	0.4 %
City of North Miami Beach	1,249	0.4 %

¹ Using billed flows in place of net amount

Retail Customer Statistics

NUMBER OF CUSTOMERS AT FISCAL YEAR-END – LAST TEN FISCAL YEARS

Fiscal Year	Number of Customers		Ratio of Wastewater Customers to Water
	Water	Wastewater	
2024	463,459	378,626	81.7 %
2023	462,214	377,496	81.7 %
2022	459,962	375,345	81.6 %
2021	457,286	372,681	81.5 %
2020	451,509	367,618	81.4 %
2019	449,985	366,069	81.4 %
2018	447,209	363,444	81.3 %
2017	443,615	361,055	81.4 %
2016	441,059	357,882	81.1 %
2015	436,862	354,006	81.0 %

Population

MIAMI-DADE COUNTY, FLORIDA – LAST TEN FISCAL YEARS

Fiscal Year	Annual Resident Population	Increase (Decrease)	Percent Change
2024 ¹	2,774,841	11,475	0.4%
2023	2,763,366	5,774	0.2%
2022	2,757,592	25,653	0.9%
2021	2,731,939	(91,364)	(3.2)%
2020	2,823,303	11,173	0.4%
2019	2,812,130	32,808	1.2%
2018	2,779,322	36,227	1.3%
2017	2,743,095	46,742	1.7%
2016	2,696,353	42,419	1.6%
2015	2,653,934	67,644	2.5%

Source: Annual Estimates of the Resident Population for Counties in Florida: April 1, 2010 to July 1, 2019 (CO-EST2019-ANNRES-12) - Release Date: March 2020

¹ U.S. Census Bureau, Population Division

Construction Activity

MIAMI-DADE COUNTY, FLORIDA – LAST TEN FISCAL YEARS

Fiscal Year	Commercial Construction		Residential Construction	
	Number of Buildings	Value (In thousands)	Number of Units	Value (In thousands)
2024 ¹	82	\$ 286,001	1,935	\$ 437,929
2023	132	189,670	3,654	1,200,703
2022	118	375,294	3,823	1,068,887
2021	120	151,835	3,427	790,771
2020	118	232,844	2,686	394,876
2019	132	133,329	3,195	460,048
2018	117	173,258	2,886	638,408
2017	92	408,257	2,259	467,543
2016	83	176,969	2,064	324,500
2015	94	74,157	3,472	451,617

Source: Miami-Dade County Building Department. Includes only Unincorporated Area.

¹ For FY 2024, Real Property Value, total actual and assessed values reflect the Final 2023 Tax Roll certified on June 28, 2024.

Principal Employers

MIAMI-DADE COUNTY, FLORIDA – CURRENT YEAR AND NINE YEARS AGO

Employer	2024			2015		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Miami-Dade County Public Schools	35,497	1	2.55 %	31,000	1	2.35 %
Miami-Dade County	29,495	2	2.12 %	24,692	2	1.87 %
University of Miami	22,566	3	1.62 %	13,864	5	1.05 %
Jackson Health System	14,249	4	1.02 %	8,163	8	0.62 %
Publix Super Markets	14,146	5	1.01 %			
American Airlines	11,297	6	0.81 %	11,773	7	0.89 %
Amazon Airlines	7,383	7	0.53 %			
Walmart	7,373	8	0.53 %			
Florida International University	6,597	9	0.47 %	4,951	9	0.37 %
Miami-Dade College	5,958	10	0.43 %	2,572	15	0.19 %
United States Postal Service	5,843	11	0.42 %			
Baptist Hospital of Miami	5,469	12	0.39 %			
Department of Homeland Security	5,356	13	0.38 %			
City of Miami	5,000	14	0.36 %	3,820	10	0.29 %
Baptist Health South Florida	4,919	15	0.35 %	13,369	6	1.01 %
U.S. Federal Government				19,300	3	1.46 %
Florida State Government				19,200	4	1.45 %
Miami Children's Hospital				2,991	13	0.23 %
Mount Sinai Medical Center				3,402	11	0.26 %
Homestead Air Force Base				2,810	14	0.21 %
Florida Power & Light Company				3,011	12	0.23 %
	<u>181,148</u>		<u>12.99 %</u>	<u>164,918</u>		<u>12.89 %</u>

Source: Florida Department of Commerce (FloridaCommerce), Bureau of Workforce Statistics & Economic Research
The Beacon Council, Miami, Florida, Miami Business Profile

Economic Statistics

MIAMI-DADE COUNTY UNEMPLOYMENT RATE AND LABOR FORCE LAST TEN FISCAL YEARS

Fiscal Year	Total Personal Income	Per Capita Personal Income	Unemployment Rate	Labor Force
2024	(1)	(1)	3.30 %	1,402,145
2023	202,003,477	75,182	1.80	1,385,768
2022	183,105,933	68,481	2.60	1,371,121
2021	172,678,816	64,849	5.20	1,307,815
2020	154,891,958	57,213	12.60	1,396,663
2019	149,166,155	54,902	2.90	1,463,774
2018	138,138,976	50,022	3.60	1,363,766
2017	126,715,595	46,048	4.70	1,386,660
2016	123,276,064	45,440	5.80	1,334,404
2015	116,553,169	43,278	6.20	1,321,033

Source: Economic Information System, Florida Agency for Workforce Innovation, Labor Market Statistics, Miami-Dade County Department of Regulatory and Economic Resources, Research Section University of Florida, Bureau of Economic and Business Research

⁽¹⁾ Information unavailable as of the date of this report.

Employees by Identifiable Activity

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
WATER:										
Water Distribution	280	226	237	228	240	224	222	222	230	221
Water Production and Maintenance	249	237	236	240	231	232	224	231	243	240
Laboratory Services	65	62	61	59	60	55	57	57	59	59
Meter ¹	98	96	96	95	94	97	96	—	—	—
SEWER:										
Sewer Collection	234	226	212	213	221	217	217	210	206	194
Wastewater Treatment and Maintenance	449	393	382	376	366	362	372	370	367	358
Pump Station Maintenance	245	232	229	227	241	226	228	230	208	195
SCADA ²	52	52	48	49	43	46	48	—	—	—
ENGINEERING:										
Utility Pipeline and Plant Engineering & Construction	41	36	35	75	74	78	77	66	71	71
Surveying	29	24	25	19	15	14	16	14	—	—
Utilities Development	145	136	126	120	113	110	111	107	105	104
Capital Improvements Program	78	80	83	32	25	27	26	29	55	50
ADMINISTRATION:										
Office of Director	3	7	6	3	3	29	20	21	24	17
Office of Deputy Director of Regulatory Compliance and Capital Improvements	12	13	27	20	17	11	15	16	21	9
Office of Deputy Director of Operations	3	4	4	4	3	12	14	3	4	47
Office of Assistant Director of Utility Engineering and Construction	7	6	4	4	4	4	3	2	1	1
Office of Chief Financial Officer	147	141	43	41	40	42	42	40	41	66
Office of Deputy Director of Internal and Administrative Services and Assistant Director of Customer Initiatives	32	31	94	97	89	76	79	73	77	114
Office of Assistant Director of Water	1	1	1	1	1	2	2	104	108	108
Office of Assistant Director of Wastewater	1	1	1	1	1	1	—	41	43	46
Office of Assistant Director of Regulatory Compliance and Planning	4	10	11	12	16	9	8	9	5	5
Office of Senior Advisor of Capital Projects sand Compliance ³	—	0	—	—	10	—	—	—	—	—
Attorney's Office	4	4	4	4	4	4	4	4	4	4
Controller	116	117	116	125	117	114	119	118	125	106
Information Technology	—	—	—	—	—	—	—	—	76	71
Retail Customer Service	245	241	241	238	242	247	248	219	238	255
Planning	21	16	19	23	22	23	22	25	25	19
Regulatory Compliance and Monitoring	16	14	15	12	14	14	15	15	17	17
General Maintenance	137	132	131	132	128	122	127	112	124	114
Human Resources Division	46	45	53	51	41	46	46	44	44	—
Security and Communications Division	38	37	34	34	39	40	40	43	44	—
Office of Assistant Contracts Compliance and Quality Assurance	2	3	3	2	2	3	3	3	4	—
Quality Assurance and Control Division	14	14	12	13	12	13	14	4	13	—
Performance Improvements & Management Division	10	11	11	13	10	12	12	13	17	—
Contract Compliance and Monitoring Division	25	24	20	19	21	22	26	20	27	—
Total	2,849	2,672	2,620	2,582	2,559	2,534	2,553	2,465	2,626	2,491

¹ Previously included in the Office of Assistant Director of Water

² Previously included in the Office of Assistant Director of Wastewater

³ Previously included in the Office of Director and Deputy Director of Operations

Capital Indicators

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
WATER:										
Water mains ¹ (miles)	6,412	6,376	6,345	6,316	6,288	6,271	6,269	6,264	6,131	6,035
Water treatment plants	9	9	9	9	9	9	9	9	9	9
Permitted water treatment capacity (million gallons per day)	464	464	464	464	464	464	464	461	461	464
Water supply wells	100	100	100	100	100	100	100	100	100	100
WASTEWATER:										
Sanitary sewers ¹ (miles)	4,291	4,267	4,253	4,225	4,214	4,191	4,191	4,184	4,165	4,110
Wastewater treatment plants	3	3	3	3	3	3	3	3	3	3
Permitted wastewater treatment capacity (million gallons per day)	376	376	376	376	376	376	376	376	376	376
Wastewater pump stations	1,041	1,041	1,041	1,041	1,041	1,041	1,052	1,049	1,049	1,047

¹ Does not include laterals.

Insurance in Force

Type of Coverage and Insurance Company	Policy Period	Details of Coverage	Limits of Liability
<i>Crime Policy:</i> Fidelity & Deposit Co. of Maryland	08/19/23 – 08/19/24	Employee Dishonesty	\$1,000,000
<i>Money and Securities:</i> Fidelity & Deposit Co. of Maryland	11/25/23 – 11/25/24	Theft of money and securities	Values scheduled per location
<i>Accidental Death:</i> Minnesota Life	01/01/24 – 01/01/25	Accidental death and dismemberment	\$25,000
<i>Property Insurance:</i> Ace American Ins. Co. AEGIS Electric & Gas Ins Services Underwriters at Lloyd's, London (Helvetia) Underwriters at Lloyd's, London (HDI) Underwriters at Lloyd's, London (Aspen)	03/02/24 – 03/02/25	"All risk" coverage on real and personal property and outfalls	\$165,000,000
<i>Automobile Liability:</i>	Continuous	Self-Insured	\$200,000 per person/ \$300,000 per occurrence pursuant to F.S. 768.28 (certain claims may not fall with the parameters of FS)
<i>General Liability:</i>	Continuous	Self-Insured	\$200,000 per person/ \$300,000 per occurrence pursuant to F.S. 768.28 (certain claims may not fall with the parameters of FS)
<i>Workers' Compensation:</i>	Continuous	Self-Insured	Statutory coverage pursuant to F.S. 440



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Miami-Dade County provides equal access and equal opportunity in employment and services and does not discriminate on the basis of disability. It is the policy of Miami-Dade County to comply with all the requirements of the Americans with Disabilities Act.