



**FULFORD-BY-THE-SEA  
FOUNTAIN**

in 1925 during the Florida Land Boom, and  
Fulford-by-the-Sea subdivision, now the  
constructed at a cost of \$15,000, it was  
fountains that would mark the  
the Classical Revival Style.  
figures and a tile mosaic  
simulate the look of  
feet tall, one of  
of 1926, a  
th Florida,  
ature

**City of North Miami Beach, Florida**



**Annual  
Comprehensive  
Financial Report  
For Fiscal Year Ended  
September 30, 2023**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
OF THE  
CITY OF NORTH MIAMI BEACH, FLORIDA  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2023**



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# **I. INTRODUCTORY SECTION**

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October 30, 2024

To the Citizens, Mayor, and City Commission of the City of North Miami Beach:

We are pleased to submit the Annual Comprehensive Financial Report (“ACFR”) of the City of North Miami Beach, Florida, for the fiscal year ending September 30, 2023. The ACFR is issued pursuant to Florida Statute 218.39(1) which requires municipalities meeting certain criteria to have an annual financial audit of its accounts and records by an independent certified public accountant in accordance with rules of the Auditor General within nine months of the close of each fiscal year.

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

The City's financial statements have been audited by Caballero Fierman Llerena & Garcia, LLP, a licensed certified public accounting firm. The goal of the independent audit is to provide reasonable assurance that the City's financial statements for the fiscal year ended September 30, 2023, were free of material misstatement. An independent audit involves examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon their audit, the independent auditors concluded that there was a reasonable basis for rendering an unmodified opinion that the City of North Miami Beach's financial statements for the fiscal year ended September 30, 2023, are fairly presented in conformity with GAAP. The report of the independent certified public accountants is presented as the first component.

The ACFR is used to assist in making economic decisions, and to assist citizens in assessing accountability and transparency by:

- Assessing financial condition and results of operations
- Comparing actual financial results with legally adopted budgets, where appropriate
- Assisting in determining compliance with finance related laws, rules, and regulations; and
- Assisting in evaluating the efficiency and effectiveness of City operations.

This report includes all funds of the City as well as criteria for defining the financial reporting entity of the City as promulgated by the Governmental Accounting Standards Board (GASB). The GASB is the official standard setting body of the accounting principles generally accepted in the United States of America as it applies to local governmental units.

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

## PROFILE OF THE CITY

The City of North Miami Beach was incorporated on October 4, 1926 and operates under a Commission - Manager form of government. The City Commission is comprised of the Mayor and six Commission members. Together they are responsible for enacting ordinances, resolutions and regulations governing the City as well as appointing the members of various advisory boards, the City Manager, City Attorney and City Clerk. As Chief Administrative Officer, the City Manager is responsible for the enforcement of laws and ordinances; appointing and supervising the department directors of the City; submitting the proposed annual budget; advising Commission as to the financial condition of the City; and overseeing the day-to-day operations of the City.

The City of North Miami Beach is a first-tier suburb covering an area of five and one-third square miles located in northeastern Miami-Dade County, which is in the southeast part of Florida. The City is strategically located midway between Fort Lauderdale and Miami. 163rd Street is the most heavily traveled east to west corridor in Miami-Dade County as it is the gateway to both the Oleta River State Park and the beaches, and the Golden Glades Interchange: the convergence of five major roadways serving eastern and southern Florida, including Florida's Turnpike, the Palmetto Expressway (State Road 826), and Interstate 95 (I-95). 163rd Street also intersects with Biscayne Boulevard and U.S. Route 1 (US1). In the immediate vicinity of the City are two large higher education campuses: Florida International University's (FIU) Biscayne Bay Campus and Nova Southeastern University's Fischler Graduate School.

Based on the number of parcels, the City is primarily a residential and shopping community. Single- family and multi-family residential uses amount to 53.2% and 6.4%, respectively. Commercial uses and industrial development represent 15% and 3%, respectively, of the City's land parcels. Actual manufacturing activities are limited to a few small fabricating enterprises. Recreational uses and conservation lands represent 2.7% and 12.6% of the City's land parcels, respectively. The remaining land area is occupied by schools, churches, and other related establishments.

The City of North Miami Beach provides a full range of municipal services for its citizens. These include public safety (fire protection is provided by Miami-Dade County), water, sewer, and stormwater utilities, public works, parks and recreation facilities, public library, code compliance, planning and zoning, economic development, and general and administrative services. A franchise contractor provides the City's sanitation services.

The **North Miami Beach Community Redevelopment Agency (the CRA)** was created by the Mayor and City Commission on December 21, 2004, by adoption of Resolution R2004-86 accepting a delegation of powers from the Miami-Dade Board of County Commissioners and declaring the Mayor and City Commission to be the Agency in accordance with Section 163.357 of the Florida Statutes under the Community Redevelopment Act of 1969, enacted by the Florida Legislature. Miami-Dade County retains the final authority to approve the annual CRA budget, redevelopment plan and amendments, and the issuance of long-term debt. The City Commission serves as the CRA's Board of Directors, the Mayor serves as Chairman, and Adam Old, from Florida Strategic Partners, a consulting company, serves in the capacity of Executive Director. The purpose of the CRA is the elimination and prevention of blight conditions within the designated community redevelopment area. The CRA is a special revenue fund of the City of North Miami Beach and, therefore, has been included as a blended component unit and integral part of the attached financial statements. Additional information on this component unit can be found in the notes to the financial statements.

The annual budget serves as the foundation for the City of North Miami Beach's financial planning and control. All departments of the City submit requests for appropriation to the City Manager and these requests are the starting point for developing a proposed budget. The City Manager, thereafter, proposes a budget to the Commission for review. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30th, the close of the City's fiscal year. The appropriated budget is prepared by fund and department (e.g., Police). No department may legally expend more than amounts appropriated for that department within an individual fund. The City Manager may make transfers of appropriations within a department and to a department from the contingency account. The City Commission approves supplemental appropriations; however, the City Manager is granted authority to amend, modify, or otherwise adjust the annual budget to a maximum limit of \$50,000 per individual occurrence. Budget-to-actual comparisons are provided in this report for the general fund and for each non-major governmental fund for which an appropriate annual budget has been adopted. For the General Fund and CRA, this comparison is presented as part of the required supplementary information.

## **FACTORS AFFECTING FINANCIAL CONDITION**

Local economy. The information presented in the financial statement is perhaps best understood when it is considered from the broader perspective of the environment within which the City of North Miami Beach operates. From a global perspective, the Congressional Budget Office (CBO) projects much weaker growth of real GDP (gross domestic product) The financial conditions of North Miami Beach have demonstrated robust resilience and growth over recent years. The city has effectively diversified its revenue streams and invested in community development and infrastructure improvements. Property tax revenues have seen a consistent uptick, driven by rising property values and increased real estate development. Additionally, strategic initiatives to enhance public services and attract businesses have strengthened the city's economic base, ensured a stable financial outlook and fostering long-term economic growth.

Comparing the state of Florida's GDP since the pandemic to current times reveals a significant recovery and growth trajectory. During the pandemic, Florida's economy faced severe disruptions, with declines in tourism, hospitality, and consumer spending. However, the state has bounced back strongly, with its GDP not only recovering to pre-pandemic levels but also surpassing them. Key sectors such as tourism, real estate, and technology have been pivotal in driving this recovery. The latest data indicate continued economic expansion, reflecting the state's adaptive measures and resilience in the face of global economic challenges.

Personal income growth in Florida for the fiscal year 2022-2023 has been positive, buoyed by rising employment rates and wage increases across various sectors. The state's economic policies and business-friendly environment have attracted investments, leading to job creation and higher personal incomes. Looking ahead to the fiscal year 2023-2024, the growth in personal income is expected to persist, supported by ongoing economic development initiatives and a strong labor market. Sectors like healthcare, technology, and professional services are anticipated to contribute significantly to this growth, further enhancing the state's economic vitality.

Over the past four years, North Miami Beach has experienced sustained growth in total property values, reflecting the city's attractiveness and development initiatives. This growth in property values has bolstered property tax revenues, providing a reliable financial foundation for the city. In terms of long-term financial planning, North Miami Beach has emphasized prudent fiscal management, including the strategic use of unassigned fund balances to maintain financial flexibility. Discretionary spending has been managed carefully to support essential services, infrastructure projects, and community programs, ensuring a balanced budget and the ability to address unforeseen challenges. This approach has positioned North Miami Beach for continued economic stability and growth.

## LONG-TERM FINANCIAL PLANNING

Unassigned fund balance is a useful measure for the City's current financial resources available for discretionary spending. This will ensure the City will have sufficient funds for future expected and unexpected events. For the fiscal year ended September 30, 2023, the General Fund unassigned fund balance was \$27.8 million, an increase of 39% above the prior year of \$19.9 million. The City has also invested considerable resources into the implementation of a new Enterprise Resource Planning (ERP) System to increase the effectiveness of financial planning and reporting, automate services, streamline processes, and improve the customer experience.

Financial and strategic planning are of paramount importance to the City of North Miami Beach. The City Commission developed its inaugural Strategic Plan in 2014 which defined a Vision, a Mission, and Goals. Subsequently, in 2017, the Strategic Plan was updated. The current plan prioritizes policy and management agendas and guides the City's long-term financial strategies. In **2023**, goals of the Strategic Plan were expanded, and each goal contains guiding objectives designed to advance administration and staff in the delivery of city services. The goals of the Strategic Plan are as follows:

Our goal is to create a community that is safe, clean, and beautiful for our residents and visitors. To achieve this goal, we will:



Provide citywide sewer services to ensure sanitation and environmental protection, upgrade our city parks and leisure facilities to meet the diverse needs and preferences of our community, improve mobility and connectivity in North Miami Beach and the surrounding region by enhancing public transportation, bike lanes, and pedestrian paths, resurface our roadways to improve safety and comfort for drivers, cyclists, and walkers, beautify our streetscapes, waterways, tree canopy, and landscaping throughout the city to create a pleasant and attractive environment, and maintain a safe community.

We aim to *elevate the quality of life for residents by improving resilience, sustainable, and affordable placemaking*. To achieve this goal, we will:



Maintain our existing parks at high service levels to provide green spaces and recreational opportunities for our community, improve our city infrastructure to fortify against climate change occurrences such as flooding, storm surges, and heat waves, maintain a safe community by supporting our police, fire, and emergency services and fostering a culture of respect and inclusion, add new housing inventory to NMB to provide housing options for residents of different income levels and household sizes.

We strive to provide *innovative digital services* that enhance the convenience, efficiency, and transparency of our city operations. To achieve this goal, we will:



Streamline our city processes and systems focusing on service outcomes and customer satisfaction, evaluate our operations continuously and explore ways to increase productivity, reduce the cost-of-service delivery and enhance customer service, leverage technology to improve communication, collaboration, and data-driven decision making within our city organization and with our stakeholders.

Our objective is to *maintain a high performing city organization that is focused on excellent customer service* for our residents and businesses. To achieve this goal, we will:



Maintain a top-quality and engaged city workforce dedicated to serving the North Miami Beach community by providing competitive compensation, professional development, and recognition opportunities, enhance communications with residents and businesses by using various channels, formats, and languages to inform, educate, and engage them on city issues and initiatives, listen to and understand the service needs of residents and families by soliciting feedback, conducting surveys, and hosting forums, invest in the maintenance and upgrade of NMB infrastructure, technology, facilities, and buildings to ensure their functionality, reliability, and accessibility, foster

a sense of pride in NMB services and facilities by showcasing their achievements, impacts, and benefits for our community, respond timely to calls for services by setting clear standards, tracking performance, and resolving issues promptly, provide easy access to city services and staff to answer inquiries by creating user-friendly websites, portals, and phone systems.

We desire to *advance culture and the arts* in our city by supporting diverse forms of creative expression and entertainment. To achieve this goal, we will:



Attract more quality restaurants, entertainment venues, and expand Arts District including breweries and distillers to offer a variety of dining, cultural, and social experiences for our community, attract entertainment and special events that expose diversity and celebrate the rich heritage and identity of our community, activate entertainment districts by providing incentives, support, and infrastructure for businesses and artists to thrive and collaborate.

We endeavor to *revitalize our downtown and major corridors* by promoting mixed-use development, rehabilitation, and beautification. To achieve this goal, we will:



Upgrade West Dixie Highway corridor by improving streetscape design, safety features, and business attraction, encourage transit-oriented development (TOD) around transportation hubs by providing density bonuses, zoning flexibility, and parking reductions for developers who incorporate public transit access, housing diversity, and pedestrian amenities in their projects, revitalize the NE 19th Avenue corridor by enhancing landscaping, bike lanes, sidewalks, and lighting along the street and modernizing the gateway feature at the entrance of the city, widen and enhance NE 159th Street by adding lanes, sidewalks, bike paths, and landscaping along the street and improving traffic flow and signalization at intersections, revitalize Miami Gardens Drive Corridor by improving roadway design, safety features, and business attraction along the street and modernizing the gateway feature at the entrance of the city.

Our purpose is to *maintain a financially sound government* that is accountable, responsible, and sustainable. To achieve this goal, we will:



Deliver city services in the most cost-effective manner by implementing best practices, budget controls and performance measures. Maintain or improve our bond rating, AA- or better, by demonstrating sound financial management, strong fiscal policies, and healthy reserves. Explore revenue options to leverage city resources by pursuing grants, sponsorships, and partnerships with other entities. Use debt in a financially responsible manner and reduce debt liability wherever possible by prioritizing capital projects, paying off existing debts and refinancing when appropriate. We will also maintain effective financial planning and reporting systems by using modern technology, data analysis, and auditing tools. We will invest in well planned, well maintained, and upgraded city infrastructure, facilities, and buildings by allocating adequate funds, maintaining asset inventories, and conducting regular inspections and repairs. Lastly, we will build reserves and provide sufficient resources for City services at the desired standards.

## ACCOMPLISHMENTS AND INITIATIVES

The City of North Miami Beach's accomplishments and initiatives during FY22-23 met all seven pillars and have had a significant impact on the city.



The Information Technology (IT) Department provides reliable and relevant technology systems and support to staff, citizens, and businesses of the City of North Miami Beach. In the previous fiscal year, IT implemented a Smart Bench Pilot Program at Victory Park and Highland Village Community Center. This program aimed to bridge the digital divide in our community by offering citizens access to wireless internet and charging stations during their visits to our city parks. In collaboration with the North Miami Beach Public Library, we equipped our residents with technological tools such as Smart Boards for interactive presentations, and an automated laptop self-checkout kiosk that allows laptop borrowing with minimal staff contact. Information Technology also acquired a Book Scanner capable of digitizing the library's historical books. This initiative not only preserves our city's rich history but also ensures compliance

with retention policies by transitioning from paper to digital format. IT enhanced communication with residents within our facilities by introducing an automated queuing system that allows residents to join the line before physically arriving to the facility. Additionally, IT deployed digital signage kiosks within city facilities. Kiosks can be used to intake information and provide timely communications to our residents via our digital displays.



The Parks and Recreation Department provides recreational opportunities and beautiful parks and facilities that enhance the quality of life to all who live, work, and play in our diverse, vibrant, and historic community. Our Parks and Recreation After-School and Summer Camp Program had a combined registration of 799 participants, a 27% increase from the previous year, and continue to offer a variety of educations and fun activities for youth of all diverse backgrounds and abilities.



One of the major accomplishments for the Parks and Recreation Department was the installation of a new playground at Highland Village Park. The playground was entirely upgraded with new ADA accessible equipment for ages 3 through 12-



year-olds, new poured-in-place safety surfacing, new walking path, and a new double bay swing set. In addition, the Martin Luther King, Jr. linear park was upgraded with a life size bronze statue of Dr. King. Parks and Recreation also replaced the pool heater at the Kevin R. Sims Aquatic Center at Victory Park.

All the above-mentioned accomplishments provide for an improved recreational and wellness space for the community, quality equipment and facilities, a safer environment for children to play, an improved quality of life, and an opportunity for residents and visitors to stay active.



North Miami Beach Police Department (NMBPD) is dedicated to ensuring the safety and security of the community. Over the past fiscal year, NMBPD has enhanced public safety throughout the city by hiring twelve (12) new police officers. Their presence on the streets has been instrumental in deterring crime and fostering a sense of security among residents.

NMBPD successfully provided security for 68 events, including signature events such as Snowfest, Monster Mash Bash, Bike305, and Heart Walk, all of which occurred without any incidents. These events play a crucial role in our community, imparting unity and offering opportunities for enjoyment and entertainment. NMBPD ensured that these events were safe and enjoyable for all attendees.

NMBPD hosted ten (10) Police and Community Together (PACT) meetings and four (4) Coffee with a Cop events. These forums allowed residents to express their concerns, propose ideas, and enhance communication between the police and the community. These events also provided NMBPD with an opportunity to discuss crime trends, educate residents on how to avoid becoming victims of property and personal crimes, and keep residents informed about community safety initiatives.

To maintain our fleet, NMBPD purchased and received six (6) new police vehicles. This acquisition reassures residents that we possess a modern fleet capable of responding to service calls without mechanical failures.

NMBPD Marine Patrol carried out 44 patrols within the waterways of North Miami Beach and participated in four (4) multi-jurisdictional efforts. These patrols and details ensure the safety of North Miami Beach's waterways for our residents. Additionally, NMBPD initiated the 9:00pm Routine Residential and Vehicle Burglary Program to educate residents about the importance of securing their homes and vehicles during nighttime hours.



Human Resources recruits and retains talented workforce, ensures optimal performance, and keeps human capital highly engaged by providing services in the areas of Talent and Organizational Development, Labor & Employee Relations, Compensation and Benefits, Wellness, and Risk Management.

The Human Resources Department maintained its commitment to recruiting and retaining a skilled workforce. Human Resources invested in programs and initiatives designed to enhance employee skills and career development, thereby fostering a culture of continuous learning and growth.

In collaboration with Evergreen Solutions, the department conducted a citywide salary study to ensure that compensation was competitive to other organizations in the area.

Human Resources/Risk Management promoted employee wellness through a variety of programs and initiatives aimed at enhancing physical, mental, and emotional well-being. Human Resources also organized several health fairs, providing opportunities for employees to interact with wellness professionals. These events offered insights on stress management and health eating habits.

### Community Development

The Department of Community Development includes three divisions: Planning & Zoning, Code Compliance, and Business Tax Receipts. These divisions work together to ensure compliance with planning and zoning codes, administer the business tax receipt program, and provide code enforcement citywide. The Community Development Department organizes and manages development and improvement of the City’s neighborhoods, engaging in planning efforts to shape, preserve, and enhance the existing urban fabric of the area while protecting the health, safety, and welfare of its citizens through the enforcement of City codes, policies, and ordinances.

Some of the developments in the pipeline during FY22-23, with projects either proposed or initiated, were:



**The Helios:** A proposed mixed-use development consisting of 378 residential units, approximately 15,600 square feet of ground floor commercial space and 485 parking spaces all designed within a 20-story building.

**Prestige Boardwalk:** A proposed mixed-use development consisting of a 15-story building with 370 residential dwellings and 33,008 square feet of ground floor retail, a parking facility, and related amenities.

**Palm Aire:** A proposed mixed-use multi-family project, with a total of 713 units and 800 square feet of ground floor retail.



The NMB Water Department delivers high-quality water to over 175,000 customers. This utility service extends to northern Miami-Dade County, including Aventura, Miami Gardens, Sunny Isles Beach, Golden Beach, and certain areas of unincorporated Miami-Dade County. Additionally, NMB Water provides wastewater collection services primarily to Miami Gardens and a portion of NMB.



Despite industry-wide supply chain shortages and cost increases, NMB Water successfully maintained uninterrupted water production, distribution, and wastewater collection.

On September 20, 2023, NMB Water participated in the annual “Best of the Best” Drinking Water Taste Test, sponsored by the American Water Works Association (Florida Chapter – Region VII). This friendly competition involved water utility departments from Miami-Dade and Monroe Counties. NMB Water won 1<sup>st</sup> place, reaffirming our commitment to not only making every drop count but also providing award-winning water to all our 175,000 customers across our extensive service area.



NMB Water is spearheading the septic-to-sewer conversion in the Community Redevelopment Area (CRA), specifically in the Corona del Mar neighborhood, as part of the \$106M Capital Improvement Program (CIP). Phase 1 of the project, completed in October 2023, included the installation of approximately 7,700 linear feet of 8-inch gravity mains, 350 feet of 6-inch force mains, 36 manholes, and a new state-of-the-art lift station. Phase 2 of the project, currently under construction, involves the installation of approximately 1,300 linear feet of 6-inch lateral lines, the abandonment of existing septic tank lines, and the connection of 130 private properties to the city’s mainline.

**Public Works**



The Public Works Division is proud to offer essential services to the residents of North Miami Beach. Public Works’ responsibilities include maintaining streets, roadways, alleys, public rights-of-way, stormwater drainage, and public facilities. Public Works also manages citywide beautification projects and Capital Improvement Projects (CIP).

Public Works has milled and resurfaced major thoroughfares, thereby creating safer streets and roads for travel throughout the city. These include NE 19<sup>th</sup> Avenue, NE 8<sup>th</sup> Avenue, NE 171<sup>st</sup> Street, and NE 179<sup>th</sup> Street. The implementation of the Transportation Master Plan has significantly improved traffic, particularly by addressing traffic calming measures and constructing infrastructure to support safe parking for neighborhoods and businesses.

The Facilities Maintenance Division of Public Works has expanded their services by assuming the maintenance of facilities previously handled by the water utility. This includes the Operations Center, Public Service Administration building, and several other City facilities. These facilities have been maintained successfully, resulting in cost savings. The fleet maintenance and landscaping components of the utility were also transitioned from the water utility vendor to the Public Works Division.

**Capital Improvement Projects (CIP)**

Our Capital Improvement Projects (CIP) Division provides a road map as well as a tracking tool for all capital projects, excluding water and sewer. A comprehensive and well-structured CIP Plan is essential to maintain a safe, attractive, and ultimately habitable environment for living, visiting, and conducting business. Some of the significant CIP projects that were either initiated or completing during FY22-23 were:

**State Road 860 Beautification Project:** This project revitalized a major city corridor, SR 860, also known as Miami Gardens Drive. In collaboration with the Florida Department of Transportation and their Highway Beautification Grant, we have not only improved the aesthetics of the thoroughfare but also established a barrier between our residents and the high traffic volume of SR 860.

**Drainage Improvements on NE 20<sup>th</sup> Lane:** This project managed water runoff along NE 20<sup>th</sup> Lane from Highland Drive to NE 137<sup>th</sup> Street. It mitigated the potential flooding rise that could impact homeowners and residents within this area.

**Washington Park Community Center:** The city has moved forward with the preliminary design and engineering phase of the Washington Park Community Center. Project design plans were presented to the City Commission and subsequently received the green light to proceed.



The NMB Discovery Library, a hub of knowledge and learning, attracts approximately 850 daily visitors and up to 800,000 annually, including those attending special events. The library's mission is to inspire lifelong learning, promote success, and to provide access to knowledge and technology. It achieves this by offering dynamic educational and cultural opportunities that strengthen various community aspects, including education, culture, history, finance, technology, health, democracy, entrepreneurship, intergenerational relationships, and diversity.

Around 50% of the library's early literacy education program graduates have earned scholarships or gained admission to reputable school programs. In collaboration with Miami-Dade College, the library hosts classes on-site, making education more accessible and reducing travel time and costs for students. The library empowers the community by offering language skills, high school diplomas, Google and Entrepreneurial certifications, resume writing workshops, and computer workshops. It acts as a catalyst for new Americans, providing free access to Citizenship and TPS applications and instruction. It also offers early literacy classes, pre-school programs, supports third graders' and seniors' quality of life through intergenerational, life skill, health, arts, and cognitive programming. By equipping residents with the skills and knowledge necessary for professional development and a diverse job market, the library



**U.S. Citizenship  
and Immigration  
Services**

supports economic development. Entrepreneurs can access free meeting and working spaces as well as data research to boost their businesses.

The NMB Discovery Library encourages community engagement and offers cultural programming that fosters understanding and wellbeing. Collaborations with local art groups, cultural exchange groups, and community organizations strengthen community ties and provide opportunities to appreciate our diverse community. The library's partnerships also deliver programs focused on Art, STEM, Health, Legal Services, and academic success, promoting sustained growth and prosperity for the community while maintaining fiscal responsibility.

These achievements, which represent only a portion of our successes during FY22-23, have significantly impacted the City of North Miami Beach. We take pride in the collective effort that our Team NMB and partners have made to achieve exemplary outcomes in investing in our infrastructure and enhancing the quality of life for our residents and businesses. We eagerly anticipate continuing these efforts in the upcoming fiscal year.



## Relevant Financial Policies

### Fund Balance Policy

The city's fund balance policy, in accordance with GASB Statement No. 54, classifies fund balances into non-spendable, restricted, committed, assigned, and unassigned categories. The policy requires a minimum unassigned general fund balance of at least 10% of budgeted revenues. The city's commitment to consistently adding to fund reserves was upheld in the previous year, contributing to financial stability and flexibility.

### Investment Policy

North Miami Beach administers a comprehensive cash management and investment program, aiming to maximize available cash for daily requirements while achieving the highest possible yields. This is done in compliance with Florida statutes and the city's investment policy, ensuring capital protection and optimal returns.

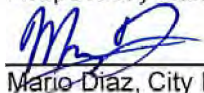
### Millage Rate Policy

Adopted in fiscal year 2018, the millage rate policy sets parameters for adjusting the operating millage rate during the annual budget process. The policy ensures compliance with the Fund Balance Policy, providing rate stability and options for managing excess unassigned fund balance in the General Fund.

### Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded North Miami Beach a Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2023. This marks the thirty-third consecutive year the city has received this award, reflecting its commitment to transparency, accuracy, and excellence in financial reporting. The city's finance staff, along with auditors Caballero Fierman Llerena + Garcia, LLP, played a crucial role in achieving this recognition. The City Commission's guidance and support have been instrumental in maintaining responsible and progressive financial management. The city is confident that its current ACFR meets the GFOA's standards and is being submitted for another certificate.

Respectfully submitted,



Mario Diaz, City Manager



Sophia Taylor, Finance Director

One Vision • One Mission  
One City



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of North Miami Beach  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2022

Executive Director/CEO

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
CITY OFFICIALS  
SEPTEMBER 30, 2023

**CITY COMMISSION**

Jay R. Chernoff

Daniela Jean

Fortuna Smukler

McKenzie Fleurimond

Phyllis Smith

Michael Joseph, Esq.

**CITY MANAGER**

Mario Diaz

**CITY ATTORNEY**

Joseph Gellar, Greenspoon Marder PA

**CITY CLERK**

Andrise Bernard, MMC

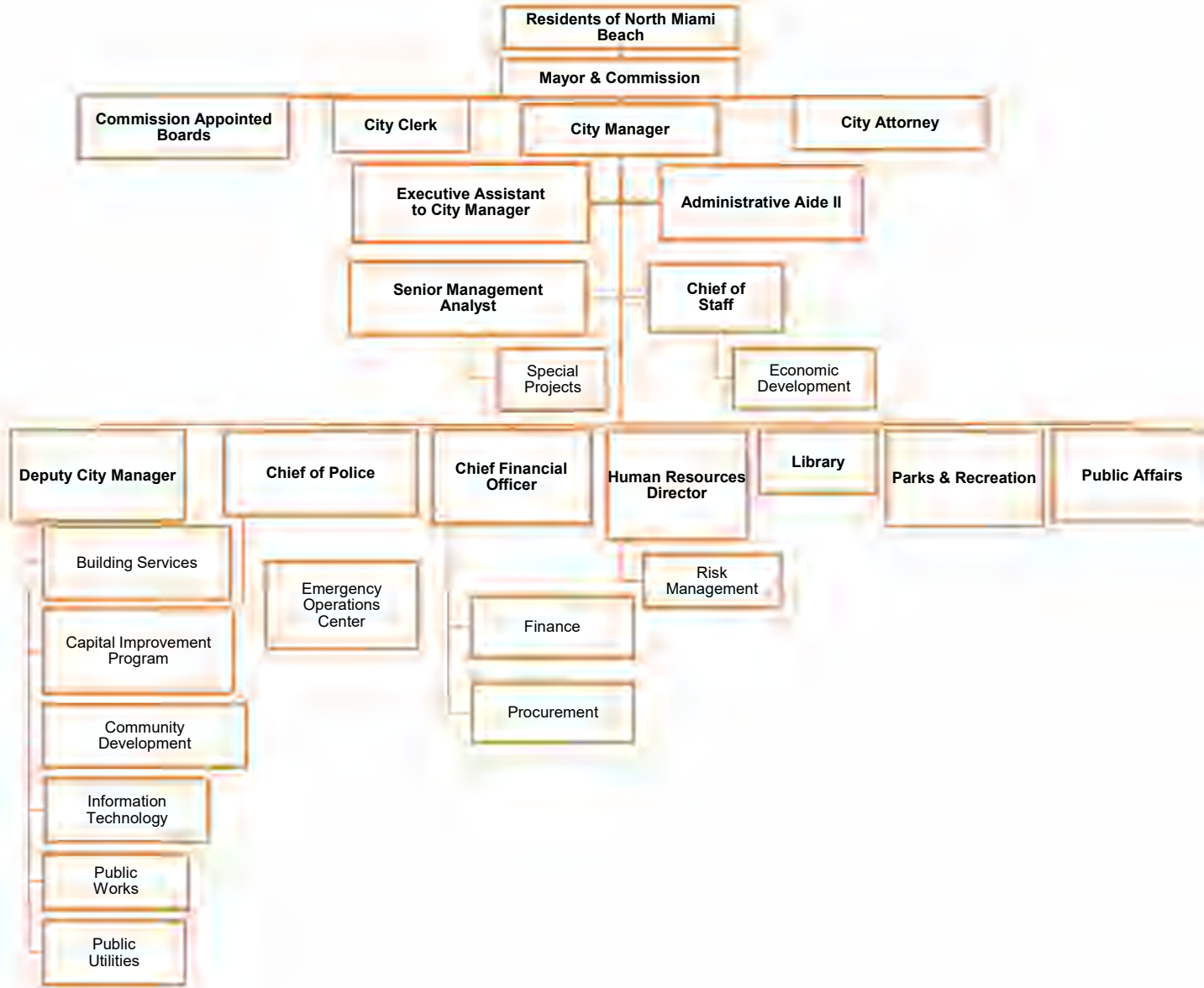
**FINANCE DIRECTOR**

Sophia Taylor, CPFO

**INDEPENDENT AUDITORS**

Caballero Fierman Llerena & Garcia, LLP

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**ORGANIZATIONAL CHART**  
 September 30, 2023



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## **II. FINANCIAL SECTION**

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# **INDEPENDENT AUDITORS' REPORT**

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Accountants  
Advisors

## INDEPENDENT AUDITORS' REPORT

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

### Report on the Audit of the Financial Statements

#### **Opinions**

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

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

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Emphasis of Matters**

As described in Note 1 to the financial statements, in 2023, the City adopted new accounting guidance, GASB Statement No. 96, *Subscriptions*. Our opinion is not modified with respect to this matter.

As discussed in Note 16 to the basic financial statements, the City reported a prior period adjustment to the opening balances of fund balance for certain governmental funds and the net position of the Water Fund and Internal Service Funds, Business-type Activities, and Governmental Activities. Our opinion is not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

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

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. We did not audit the financial statements of the Retirement Plan for the General Employees of the City of North Miami Beach, which represent 18 percent, 37 percent, and 9 percent, respectively, of the assets, net position/fund balance, and revenues/additions of the aggregate remaining fund information. Also we did not audit the financial statements of the Retirement Plan for the Police Officers and Firefighters of the City of North Miami Beach, which represent 22 percent, 44 percent, and 14 percent, respectively, of the assets, net position/fund balance, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Retirement Plan for the General Employees of the City of North Miami Beach and the Retirement Plan for the Police Officers and Firefighters of the City of North Miami Beach, are based solely on the report of the other auditors. 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 the 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Revenues Expenditures and Changes in Fund Balance – Budget to Actual – General Fund and Community Redevelopment Agency Fund, and Pension and Other Post-Employment Benefits schedules as listed in the table of contents on pages 17-30 and 82-94, 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 City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 the 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 auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Caballero Fierman Llerena & Garcia, LLP*

Miami, Florida  
October 10, 2024

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**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(MD&A)**

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**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

As management of the City of North Miami Beach, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal, which can be found on pages 1 to 10 of this report.

**Financial highlights**

*Total net position* of the City of North Miami Beach increased by \$25 million or 12.2% more than the prior fiscal year net position to \$230.4 million. The increase noted was primarily attributed to the result of the current year's operations as discussed in more details below.

*Total deferred outflows of resources* increased by \$24.2 million or 140%. Deferred outflows of resources, as it relates to the pension plans, are a function of various factors, inclusive of investment income, plan experience and changes in assumptions between fiscal years as determined through the actuarial valuation. Refer to Note 12 for additional information.

*Total liabilities* increased by \$32.8 million or 13.3% primarily due to the implementation of the requirements under GASB Statement No. 96, which provides guidance on accounting and reporting for governmental entities. Refer to Note 10 for additional information.

*Total Deferred inflows of resources* decreased by \$12.9 million or 73.7%. Deferred inflows of resources, as it relates to the pension plans, are a function of various factors, inclusive of investment income, plan experience and changes in assumptions between fiscal years as determined through the actuarial valuation. Refer to Note 12 for additional information.

*Total governmental activities revenue* increased by approximately \$2.2 million, or 3.1%. The increase was primarily due to an increase in investment income and taxes.

- Compared to the prior fiscal year, there was an increase of \$.5 million in property taxes revenue, primarily due to an increase in ad valorem taxes receipts, compared to the prior fiscal year. Ad valorem revenue is a function of assessed property values, new construction, changes in personal incomes and the City's operating millage rates.
- Intergovernmental revenues were \$.2 million higher in comparison to the prior year due to receipts for state revenue sharing and half-cent sales tax revenue. Both sources are a function of sales and the City's population compared to other jurisdictions which participate in these State of Florida revenue sources.
- Other taxes overall were \$2.0 million or 8.4% higher compared to the prior year due to an increase in franchise fees collected as well as an increase in user surcharges and impact fees for water and sewer. The surcharges are a function of user consumption for various services. The franchise fee for solid waste is a function of the amounts billed by the City of North Miami Beach which increased slightly in comparison to the prior year.
- *Total business-type activities revenues* decreased by approximately \$1.1 million or 1.5%. The decrease is primarily due to a decrease in charges for services related to building permits. *Total business-type activities expenses* increased by \$2.1 million or 4.1% primarily due to increased operating costs in the Water Utility Fund & Wastewater Utility, and capital improvement costs due to the increase costs of building and construction materials.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$58.5 million, a decrease of \$9.6 million from the prior fiscal year. Approximately 47.4% or \$27.7million of this amount is available for spending at the City's discretion (*unassigned fund balance*).
- The City's Water Utility Fund had a positive change in net position of \$6.9 million. The Wastewater Utility Fund had a positive change in net position of \$.9 million. The other enterprise funds had a positive change in net position of approximately \$5.4 million.

**Overview of the financial statements**

This annual report follows a format consisting of four parts – Management's Discussion and Analysis (this section), the Basic Financial Statements, Required Supplementary Information, and an additional section that presents combining statements for non-major governmental funds, non-major enterprise funds, internal service funds and fiduciary funds. The basic financial statements include two types of statements that present different views of the City.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

**Overview of the financial statements** (continued)

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
- The governmental fund statements show how general government services such as public safety, and parks and recreation were financed in the short-term, as well as what remains for future spending.
- Proprietary fund statements offer short and long-term financial information about the activities the government operates like businesses, such as the water and sewer utility.
- Fiduciary fund statements provide information about the financial relationships – such as the retirement plans for the City's employees, in which the city acts solely as trustee or agent for the benefit of others to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of Required Supplementary Information that further explains and supports the information in the financial statements. These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board (GASB).

**Government-wide financial statements:**

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

The statement of net position presents information on all the City's assets plus deferred outflows of resources, and liabilities plus deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the City is improving or deteriorating.

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

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the city include public safety, public services, parks and recreation services, code compliance, planning and zoning, economic development, and general and administrative services. The business-type activities of the city include water, sewer, and stormwater operations, sanitation services and building permitting.

The government-wide financial statements include not only the City of North Miami Beach (known as the primary government), but also a legally separate community redevelopment agency for which the City is financially accountable. This component unit functions for all practicable purposes as a department and special revenue fund of the City and has been included as an integral part of the primary government.

**Fund financial statements:**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

**Overview of the financial statements** (continued)

**Governmental funds:**

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

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

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is a major fund. Data from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

*The basic governmental fund financial statements can be found on pages 33-36 of this report.*

**Proprietary funds:**

Proprietary funds are used when fees are charged to customers for the use of specific goods or services. The proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The City maintains two different types of proprietary funds:

*Enterprise funds* provide separate information for the water and wastewater operations and solid waste services, which are major funds of the City. Data from the other enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of *combining statements* elsewhere in this report.

*Internal service funds* are used to accumulate and allocate costs for goods and services provided internally among the City's various funds and functions. Any net increase or deficiency in net position in the internal service fund is allocated back to the participating funds.

*The basic proprietary fund financial statements can be found on pages 37-39 of this report.*

**Fiduciary funds:**

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Fiduciary funds are accounted for in a manner like proprietary funds.

*The basic fiduciary fund financial statements can be found on pages 40-41 of this report.*

**Notes to the financial statements:**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Note 15 includes information regarding the Community Redevelopment Agency.

*The notes to the basic financial statements can be found on pages 42-81 of this report.*

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

**Overview of the financial statements (continued)**

**Other information:**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI). The City adopts an annual appropriated budget for its General Fund and Community Redevelopment Agency. A budgetary comparison schedule has been provided for these funds to demonstrate compliance with this budget. Additional RSI displays the City's changes in net pension and OPEB liabilities and employer contributions to the various plans.

*Required supplementary information can be found on pages 82-94 of this report.*

The combining statements referred to earlier in connection with non-major funds are presented immediately following the required supplementary information. Budgetary comparison schedules are included for non-major governmental funds that legally adopt budgets.

*Combining statements and budgetary schedules can be found on pages 95-114 of this report.*

**Government-Wide Financial Analysis**

**Net investment in capital assets** - The largest portion of the City's net position (86.7%) reflects its investment in capital assets (e.g., land, buildings, and equipment) less any outstanding debt used to acquire those assets. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

**Restricted net position** - Some of the City's net position (16.2%) is subject to external restrictions on how it may be used. These resources have been set aside for capital projects, debt service payments, and other contractual obligations.

**Unrestricted net position** - On September 30, 2023, the City's governmental activities reported a negative balance in the unrestricted category primarily due to the Net pension liability for the City's General Employees and Police Officers and Firefighters Pension Plans. The city reports positive balances in the remaining categories of net position for its Governmental activities and Business-type activities.

The following chart displays the City's **total net position** over the last ten fiscal years (in millions).



**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

**Government-Wide Financial Analysis (continued)**

The following chart provides a condensed statement of government-wide net position with comparative balances between the current and last fiscal year (in millions).

**Condensed Government-wide Statement of Net Position**

	2023			2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
<b>Assets and Deferred</b>						
<b><u>Outflows of Resources</u></b>						
Current	\$ 48.9	\$ 68.1	\$ 117.0	\$ 76.3	\$ 52.6	\$ 128.9
Non-current	-	0.2	0.2	-	0.2	0.2
Restricted assets	31.2	57.1	88.3	-	67.4	67.4
Capital assets, net	81.0	185.8	266.8	77.7	177.2	254.9
Total assets	<u>\$ 161.1</u>	<u>\$ 311.2</u>	<u>\$ 472.3</u>	<u>\$ 154.0</u>	<u>\$ 297.4</u>	<u>\$ 451.4</u>
Deferred outflows of resources	<u>\$ 34.1</u>	<u>\$ 7.4</u>	<u>\$ 41.5</u>	<u>\$ 12.3</u>	<u>\$ 5.0</u>	<u>\$ 17.3</u>
<b>Liabilities and Deferred</b>						
<b><u>Inflows of Resources</u></b>						
Long-term liabilities	\$ 112.6	\$ 129.2	\$ 241.8	\$ 79.8	\$ 116.1	\$ 195.9
Other liabilities	19.2	17.8	37.0	24.8	25.3	50.1
Total liabilities	<u>\$ 131.8</u>	<u>\$ 147.0</u>	<u>\$ 278.8</u>	<u>\$ 104.6</u>	<u>\$ 141.4</u>	<u>\$ 246.0</u>
Deferred inflows of resources	<u>\$ 3.4</u>	<u>\$ 1.2</u>	<u>\$ 4.6</u>	<u>\$ 14.6</u>	<u>\$ 2.9</u>	<u>\$ 17.5</u>
<b>Net Position</b>						
Net investment in capital assets	\$ 70.2	\$ 129.6	\$ 199.8	\$ 66.1	\$ 126.6	\$ 192.7
Restricted	12.4	25.0	37.4	10.4	23.0	33.4
Unrestricted	(22.6)	15.8	(6.8)	(29.4)	8.5	(20.9)
Total net position	<u>\$ 60.0</u>	<u>\$ 170.4</u>	<u>\$ 230.4</u>	<u>\$ 47.1</u>	<u>\$ 158.1</u>	<u>\$ 205.2</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

**Government-Wide Financial Analysis (continued)**

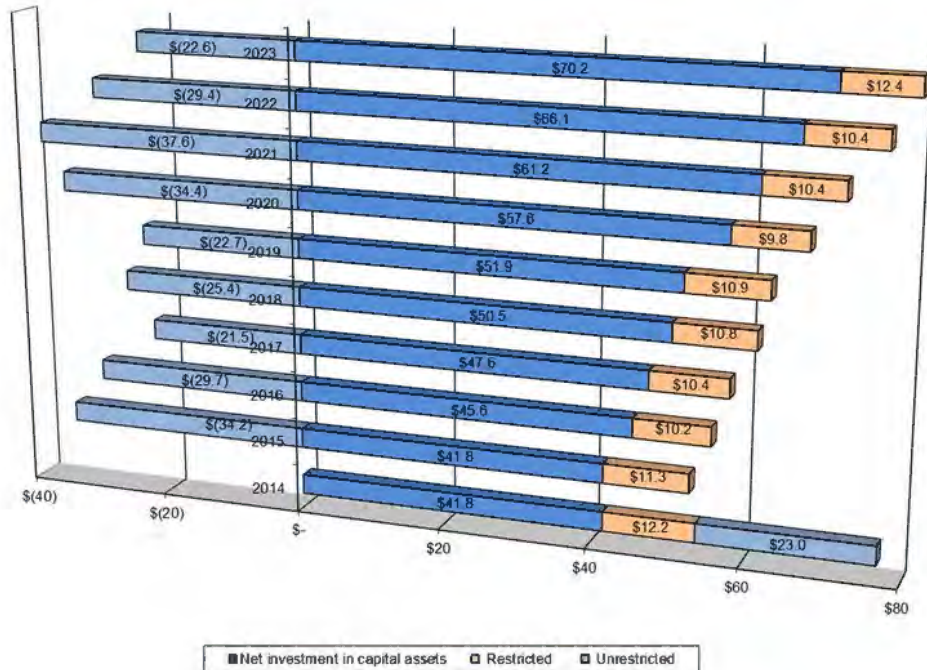
**Governmental activities:**

The Net position of the City's governmental activities increased by \$12.9 million resulting in a balance of \$60.0 million at the end of the current fiscal year. The increase is primarily due to the net effect of the following:

- Favorable results from operations for the General Fund. See budgetary comparison schedule on page 83 and 85 for more information.
- Timing of capital outlays for the Community Redevelopment Agency that were budgeted but not expended as of September 30, 2023. See the budgetary comparison schedule on page 84 for more information.
- Expenses for the Library, City Attorney, and Debt Service Funds decreased net position.

**Governmental activities Net Position (in millions)**

Fiscal Year 2023



**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

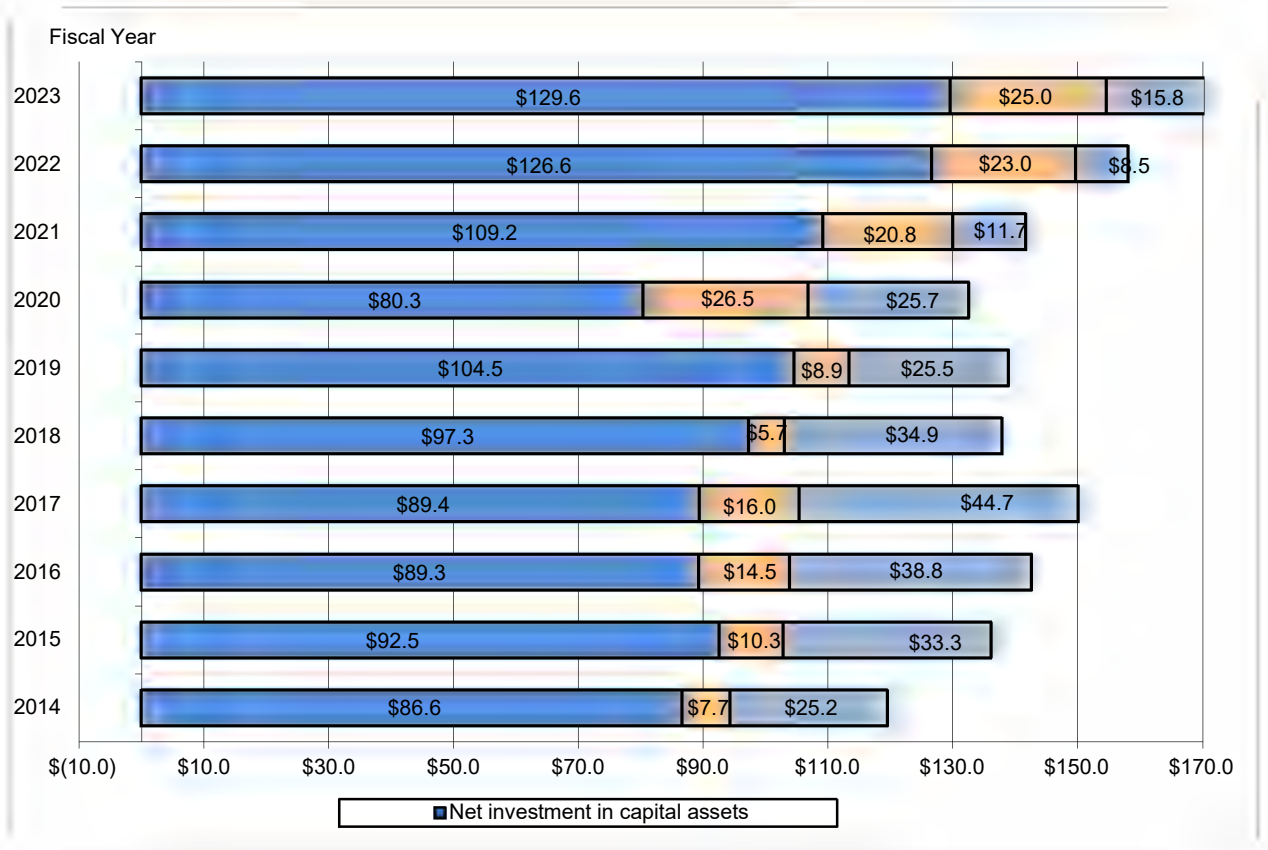
**Government-Wide Financial Analysis (continued)**

**Business-type activities:**

The City's net position of the business-type activities increased by approximately \$12.2 million or (8.1%) above the prior fiscal year amount. The increase is primarily due to the net effect of the following:

- Increased service revenues in the Water Utility Fund funds due to opening of new customer accounts during the fiscal year.
- Increase in service revenue in the Nonmajor Enterprise funds due to an increase in Building fund attributed to increase building permit revenue from new construction projects that are currently underway.

**Business-type Activities**  
**Net Position (in millions)**



**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

**Government-Wide Financial Analysis (continued)**

The following table provides a summary comparison of the government-wide statement of changes in net position between the current and last fiscal year as restated (in millions).

**Government-wide Statement of Changes in Net Position**

	2023			2022		
	Governmental Activities	Business- type Activities	Total	Governmental Activities	Business- type Activities	Total
Revenues:						
Program Revenues:						
Charges for Services	\$ 9.1	\$ 64.6	\$ 73.7	\$ 6.9	\$ 71.6	\$ 78.5
Operating grants & contributions	5.1	-	5.1	4.6	-	4.6
Capital grants & contributions	4.9	-	4.9	9.1	-	9.1
General Revenues:						
Property taxes	24.2	-	24.2	23.7	-	23.7
Other taxes	25.8	2.0	27.8	23.8	2.2	26.0
Intergovernmental	3.3	-	3.3	3.1	-	3.1
Other miscellaneous	1.8	5.6	7.4	0.8	(0.5)	0.3
Total revenues	<u>74.2</u>	<u>72.2</u>	<u>146.4</u>	<u>72.0</u>	<u>73.3</u>	<u>145.3</u>
Expenses:						
General government	25.3	-	25.3	24.4	-	24.4
Public safety	26.6	-	26.6	25.7	-	25.7
Parks and Recreation	5.8	-	5.8	6.8	-	6.8
Public services	8.8	-	8.8	7.5	-	7.5
Library	1.6	-	1.6	-	-	-
Interest on long-term debt	0.3	-	0.3	0.5	-	0.5
Water	-	36.1	36.1	-	29.8	29.8
Sewer	-	9.9	9.9	-	7.5	7.5
Solid Waste	-	3.1	3.1	-	11.1	11.1
Stormwater	-	0.9	0.9	-	0.9	0.9
Building permits	-	2.8	2.8	-	1.4	1.4
Total Expenses	<u>68.4</u>	<u>52.8</u>	<u>121.2</u>	<u>64.9</u>	<u>50.7</u>	<u>115.6</u>
Increase (decrease) in net position before transfers	5.8	19.4	25.2	7.1	22.6	29.7
Transfers	7.1	(7.1)	-	6.0	(6.0)	-
Change in net position	<u>12.9</u>	<u>12.3</u>	<u>25.2</u>	<u>13.1</u>	<u>16.6</u>	<u>29.7</u>
Net position - beginning, as restated	47.1	158.1	205.2	34.0	141.5	175.5
Net position - ending	<u>\$ 60.0</u>	<u>\$ 170.4</u>	<u>\$ 230.4</u>	<u>\$ 47.1</u>	<u>\$ 158.1</u>	<u>\$ 205.2</u>

**Financial Analysis of the City's Funds**

The City of North Miami Beach uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the fund financial statements is on major funds, rather than fund types. Traditional users of the fund financial statements will find the fund financial statements presentation more familiar.

**Governmental funds:** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. The Governmental Funds presentation is designed to show the sources and uses of liquid resources. This is the way the budget is typically developed. Such information is useful in assessing the City's financing requirements. Unassigned *fund balance* may serve as a useful measure of the City's current financial resources available for discretionary spending.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

**Financial Analysis of the City's Funds (continued)**

**Governmental funds: (continued)**

As of the end of the current fiscal year, the City's *governmental funds* reported combined ending fund balances nonspendable, restricted, committed, assigned, and unassigned) of \$58.5 million, an increase of \$5.5 million more than the prior year. Approximately 1.7% of the fund balance of the governmental funds was in nonspendable form. In other words, the assets are not cash and will not be converted into cash. This classification includes items such as prepaid costs and inventory. The use of 21.1% of fund balance is restricted by third parties such as grantors, creditors, or other governmental entities for specific types of expenditures and for mitigation of the effect of development on parks and public safety. The City Commission through ordinance or resolution has committed 5.5% of the fund balance to be used for the specific purposes of alley restoration and disaster recovery. The City Manager has assigned approximately 24.3% of the fund balance to be used for capital projects and equipment, land acquisition, liability and workers' compensation claims and expenditures for the next fiscal year. *Unassigned fund balance* is the portion of fund balance that is available for spending at the City's discretion 47.4% of fund balance (\$27.7 million) constitutes unassigned fund balance.

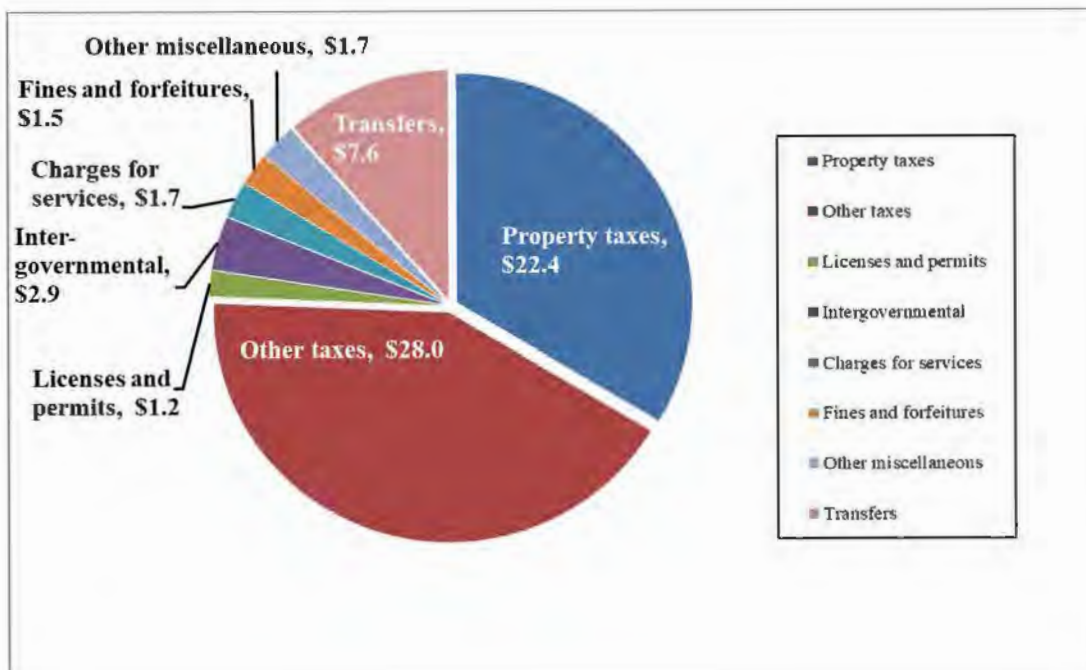
The General Fund is the chief operating fund of the City. All revenues and other receipts and expenditures, fixed charges and capital improvement costs that are not required by law or contractual agreement to be accounted for in another fund are accounted for in this fund. At the end of the current fiscal year, the fund balance in the general fund is \$48.6 million. The unassigned fund balance of \$28.3 million constitutes 58.4% of total general fund balance which represents an increase of \$8.4 million or 29.8% above the prior year.

The Unassigned Fund balance increased by \$8.4 million in comparison to the prior year. The difference is a mainly attributed to approximately \$7.6 million of Assigned appropriations for the FY2023 budget remained unspent at the end of the FY2023 fiscal year, these funds were not appropriated for spending for the FY2024 budget year and therefore reflects a significant positive increase in the Unassigned Fund balance in the current year.

*Total General Fund revenues* increased \$4.8 million or 9.0% above last fiscal year due to higher receipts for Ad valorem revenue, intergovernmental revenue, other taxes revenues, and investment income. The following graphics display (in millions) the classifications of revenues relative to the total fiscal year 2022 General Fund revenues and relative to the fiscal year 2023 General Fund revenues.

The CRA is a blended component unit. Its fund balance increased by \$0.3 million which is attributed to an increase in TIF revenue and the timing of capital projects (mainly land acquisition).

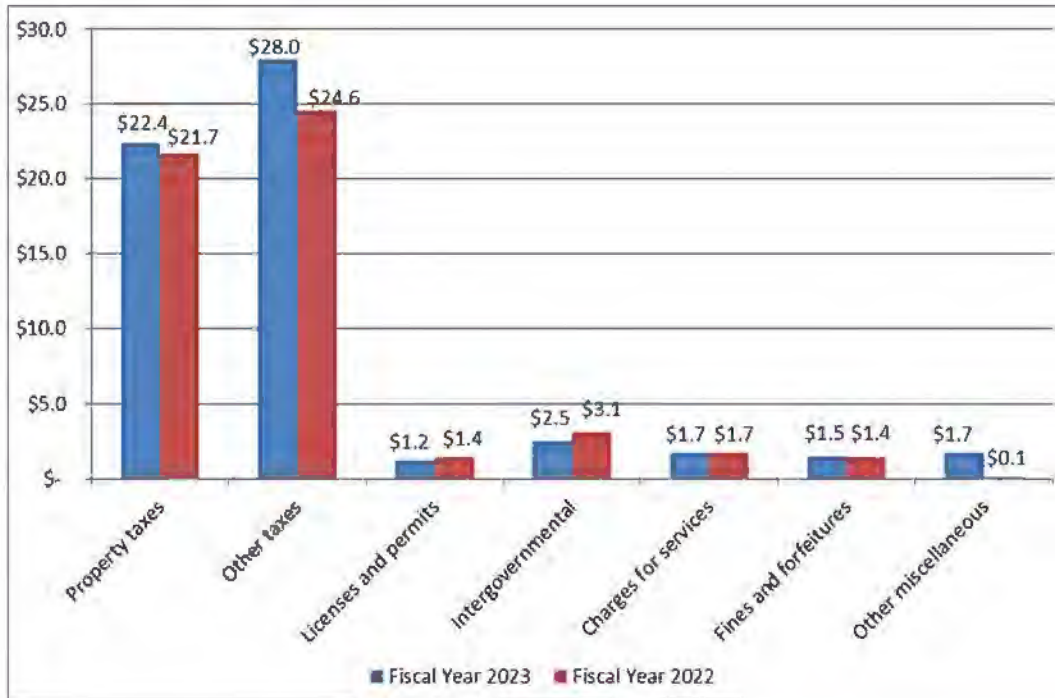
**General Fund Revenues by Source (in millions)**



**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

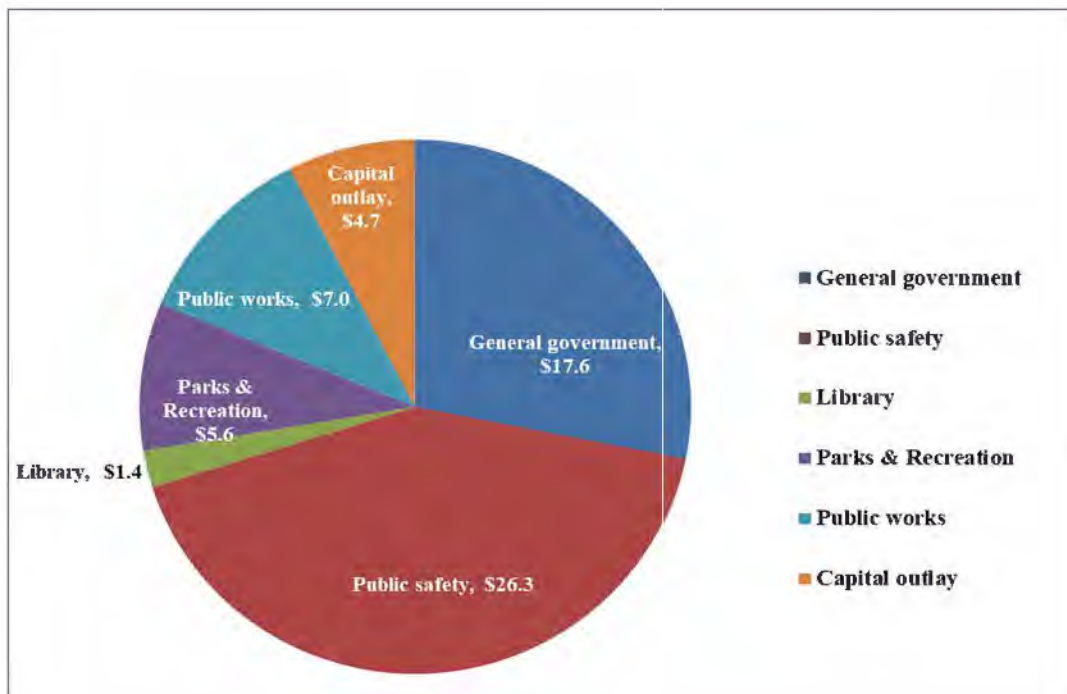
**Financial Analysis of the City's Funds (continued)**

**Current Year vs. Prior Year General Fund Revenues (in millions)**



Total General Fund expenditures increased by \$4.2 million or 7.2% as compared to the prior year. The following graphic displays (Expenditures in millions) comparing FY22 vs FY23 general fund expenditures.

**General Fund Expenditures (in millions)**



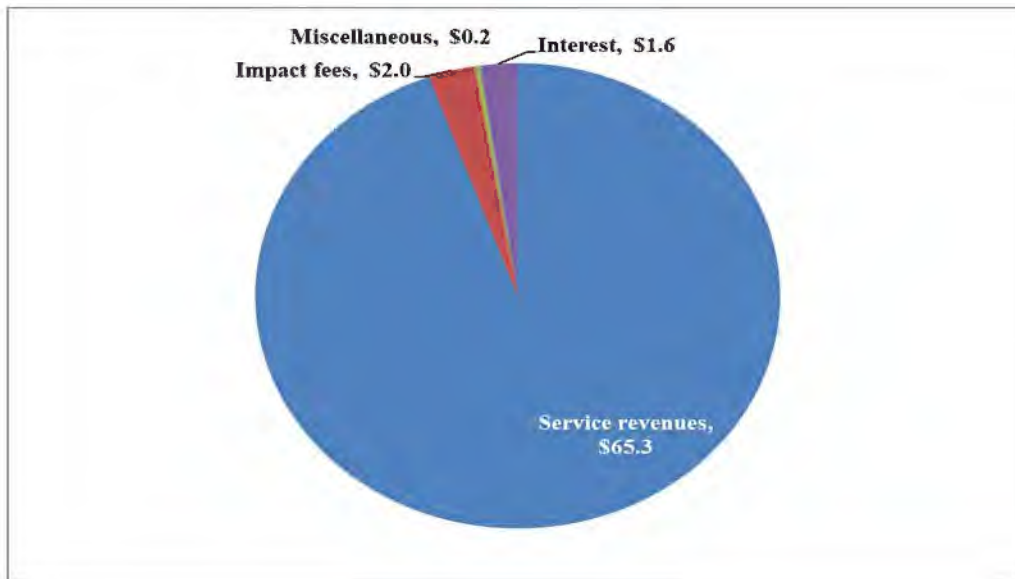
**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

**Financial Analysis of the City's Funds (continued)**

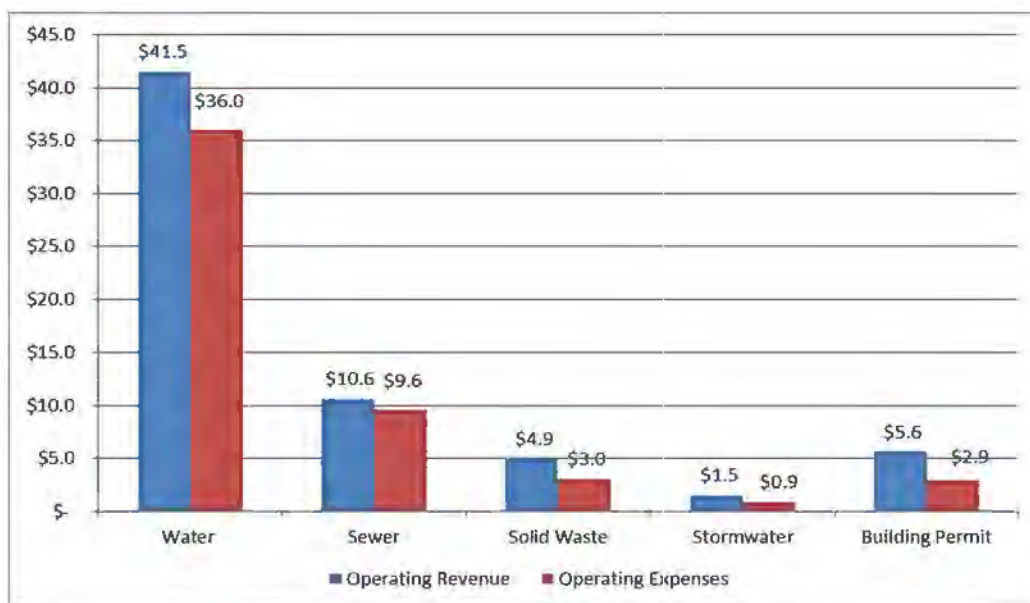
**Proprietary funds:** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Proprietary funds account for services that are generally supported by user fees charged to customers. Proprietary funds are presented on a total economic resource basis. Proprietary fund statements, like government-wide statements, provide both short- and long-term financial information.

The following graphics display (Revenues in millions) comparing FY22 vs FY23 general fund revenues.

**Proprietary Fund Revenues by Source (in millions)**



**Proprietary Fund Operating Revenues and Expenses (in millions)**



Water Utility Fund and Wastewater Utility Fund (Sewer) operating costs increased during the fiscal year due mainly to costs relating to capital projects and filling vacancies that existed in the prior year as part of the transition from outsourcing to insourcing of the Water and Sewer services two years previously. Additionally, the city is currently undertaking several capital projects relating to the improvement of the water and sewer building and infrastructure.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

**General Fund Budgetary Highlights**

A budgetary comparison schedule for the General Fund is part of the required supplementary information and can be found on pages 82-83 of this report.

Differences between the *original budget* and the *final amended budget* amounted to an increase of approximately \$7.9 million during the current fiscal year. The difference was primarily due to an increase in the original budget to provide for amounts encumbered for capital projects at the end of the prior fiscal year as well as an amendment to increase the Legal Department Budget.

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

- Fuel taxes and Intergovernmental revenues were higher than the final budget. These are a function of current consumer spending patterns which were significantly higher than we had conservatively budgeted.
- User surcharges and Franchise fees were higher than the final budget. These are also a function of current consumer spending. In addition, these amounts are affected by rate increases.
- Parks & Recreation fees were lower than the final budget. This is primarily due to the closure of many of the City's parks and recreation facilities while the city continues to recover from the COVID pandemic.
- Fines and forfeitures were lower than the final budget primarily due to a decrease in fines related to red light cameras and parking fines.
- All expenditures exhibited positive variances except operating expenditures for the Public Safety, and Legislative Departments. The negative variance is attributed to an increase in costs for overtime for Public Safety personnel, and for outside legal services.
- The positive variance in Capital Outlay is primarily due to the timing of expenditure relating to projects. A significant portion of this amount has been appropriated for next year's budget.

**Capital Assets and Debt Administration**

**Capital Assets**

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to \$199.8 million (net of accumulated depreciation).

This investment in capital assets includes land, buildings, improvements other than buildings, and machinery and equipment, leases, and subscription arrangements. The City's investment in capital assets for the current fiscal year increased by \$7.7 million or 3.8%.

A significant amount of construction projects was in progress during the fiscal year in both the business-type and governmental activities resulting in an increase in the construction in progress, buildings and plants, subscriptions, and leases categories, as well as an increase in overall assets. All other categories, except for land, which does not depreciate, have declined due to depreciation.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

**Capital Assets and Debt Administration** (continued)

**Capital Assets** (continued)

The following chart provides a condensed schedule of government-wide capital assets with comparative balances between the current and last fiscal year.

**Capital Assets, net of accumulated depreciation (in millions)**

	Governmental Activities		Business-type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 6.3	\$ 6.3	\$ 5.9	\$ 5.9	\$ 12.2	\$ 12.2
Buildings and plant	0.8	0.8	104.9	109.8	105.7	110.6
Improvements other than buildings	8.7	9.9	-	-	8.7	9.9
Furniture, fixtures, machinery and equipment	5.2	6.4	3.1	2.5	8.3	8.9
Infrastructure	13.1	13.8	-	-	13.1	13.8
Subscription assets	2.1	-	0.1	-	2.2	-
Lease assets	-	0.2	0.8	0.1	0.8	0.3
Construction in progress	44.8	40.3	71.0	58.9	115.8	99.2
Total capital assets	<u>\$ 81.0</u>	<u>\$ 77.7</u>	<u>\$ 185.8</u>	<u>\$ 177.2</u>	<u>\$ 266.8</u>	<u>\$ 254.9</u>

Additional information on the City's capital assets can be found in Note 9 of this report.

**Long-term Debt**

Fitch Ratings upgraded the bond rating to "AA-" with a stable outlook during 2016. S&P and Fitch affirmed the City's ratings in January 2020. On October 15, 2021, after the close of the fiscal year, the city received Fitch Ratings Services rating to 'A+' from 'AA-' with an outlook to negative. The downgraded of the bond rating reflects unexpected weakening in fiscal year 2020 as revenues were impacted by the pandemic and related moratoriums and the city taking control back from the private management company. On September 28, 2023, Fitch Ratings affirmed the City of North Miami Beach (the city) obligations at an A+ rating for the following:

- Approximately \$63.4 million water utility system revenue and refunding bonds.
- \$44.2 million Water Infrastructure Finance and Innovation Act (WIFIA) loan.

In addition, Fitch has assessed the standalone credit profile (SCP) at 'a+'. The SCP represents the credit profile of the system on a stand-alone basis irrespective of its relationship with, and the credit quality of, the city of North Miami Beach. The Rating Outlook is revised to stable from Negative Outlook.

At the end of the current fiscal year, the city had total debt outstanding, net of bond premiums of \$108.7 million, revenue bonds of \$87.5 million, and State Revolving loans outstanding of \$14.1 million. Of this amount, \$7.3 million was approved by referendum of the City's voters. The remaining \$101.6 million of the bonds, notes and loans has been secured by specified revenue sources of the water and sewer utility operating income.

The following chart provides information on the City's outstanding long-term debt with comparative balances between the current and last fiscal year.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**  
**SEPTEMBER 30, 2023**

**Capital Assets and Debt Administration (continued)**

**Long-term Debt (continued)**

**Denominated Long-Term Debt Outstanding (in millions)**

	Governmental activities		Business-type activities		Total	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ 9.0	\$ 10.7	\$ -	\$ -	\$ 9.0	\$ 10.7
Revenue bonds	-	-	92.2	96.8	92.2	96.8
Notes payable	-	0.7	10.7	-	10.7	0.7
State Revolving Loans	-	-	4.6	16.6	4.6	16.6
<b>Total</b>	<b>\$ 9.0</b>	<b>\$ 11.4</b>	<b>\$ 107.5</b>	<b>\$ 113.4</b>	<b>\$ 116.5</b>	<b>\$ 124.8</b>

This chart indicates that the city continues to make steady progress in paying down its debt obligations. Additional information on the City's long-term debt can be found in Note 10 of this report.

**Economic Factors and Next Year's Budgets and Rates**

The City's property tax is levied every October 1st, on the assessed value listed as of the prior January 1, for all real and personal property located in the City. Property taxes are based on a millage rate (one mil is the equivalent of \$1 per \$1,000 of assessed value or 0.001), which is applied to the total taxable value of all real property and certain tangible personal property. The Miami-Dade County Property Appraiser establishes assessed values and delivers the Certified Taxable Value of each property to the City on or before July 1st of each year. The gross taxable value on January 1, 2022, upon which the 2022-2023 levy was based, is approximately \$4.11 billion.

Depending upon policies established by the City Commission, revenue from Ad Valorem taxes may be used to fund both operating costs and capital projects. The City is permitted by state law to levy taxes up to 10 mils of assessed valuation for the General Fund. State constitutional provisions exist for raising the millage rate above the 10-mil cap by local referendum and for debt service or provision of municipal-type services within the City. The adopted operating millage rate for Fiscal Year 2023 is .6.1000 per \$1,000 of taxable value. The adopted debt service millage rate is 0.4111 per \$1,000 of taxable value which is a reduction of 0.1629 from Fiscal Year 2022 debt service millage rate of 0.5740.

The city was allocated a total of \$10.78 million from the American Rescue Plan Act (ARPA) and in September 2021, the City Commission approved staff's ARPA allocation, which laid out the proposed major expenditure categories of the projected ARPA funding. The first distribution of the proceeds in the amount of \$10.78 million was received in October 2021 and the second half in the amount of \$10.78 was received in September 2022 and allocated in FY2023. As of the end of the fiscal year, the entire \$21.56 million of ARPA funds have been allocated, and will be used towards economic stabilization, infrastructure and various other programs approved by the City Commission.

**Requests for Information**

This financial report is designed to provide a general overview of the City of North Miami Beach's finances for all those with an interest in the City's finances and to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

**Sophia Taylor**  
**Finance Department**  
**City of North Miami Beach**  
**17011 NE 19<sup>th</sup> Avenue**  
**North Miami Beach, Florida 33162**

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## **BASIC FINANCIAL STATEMENTS**

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**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2023**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets			
Pooled cash and investments	\$ 39,458,190	\$ 61,474,443	\$ 100,932,633
Receivables	6,407,310	7,599,973	14,007,283
Internal balances	1,933,950	(1,933,950)	-
Prepaid costs	838,739	80,074	918,813
Inventory	251,235	863,990	1,115,225
Other assets	10,016	-	10,016
Restricted assets			
Pooled cash and investments	31,195,713	4,885,524	36,081,237
Revenue bond proceeds	-	52,179,553	52,179,553
Total current assets	<u>80,095,153</u>	<u>125,149,607</u>	<u>205,244,760</u>
Non-Current assets			
Loan receivable	-	219,121	219,121
Capital assets, non-depreciable	51,132,390	76,917,382	128,049,772
Capital assets, net of accumulated depreciation	29,912,652	108,872,040	138,784,692
Total non-current assets	<u>81,045,042</u>	<u>186,008,543</u>	<u>267,053,585</u>
Total assets	<u>161,140,195</u>	<u>311,158,150</u>	<u>472,298,345</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Pension	33,074,857	7,199,601	40,274,458
Other post-employment benefits	1,049,454	199,897	1,249,351
Total deferred outflows of resources	<u>\$ 34,124,311</u>	<u>\$ 7,399,498</u>	<u>\$ 41,523,809</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 4,974,369	\$ 12,674,994	\$ 17,649,363
Customer/vendor deposits	775,655	5,094,520	5,870,175
Accrued interest payable	83,359	-	83,359
Unearned revenue	13,422,266	-	13,422,266
Total current liabilities	<u>19,255,649</u>	<u>17,769,514</u>	<u>37,025,163</u>
Non-Current liabilities			
Portion due within one year:			
Compensated absences	685,702	187,644	873,346
Leases	12,747	266,598	279,345
Subscriptions	952,180	81,038	1,033,218
General obligation bonds payable	1,700,000	-	1,700,000
Claims payable	1,182,000	-	1,182,000
Revenue bonds payable	-	4,677,850	4,677,850
Notes payable	-	1,284,456	1,284,456
Portion due in more than one year:			
Other post-employment benefits	3,935,706	749,659	4,685,365
Net pension liability	91,091,040	19,247,149	110,338,189
Compensated absences	2,766,691	603,921	3,370,612
Leases	19,377	527,124	546,501
Subscriptions	796,097	34,220	830,317
Claims payable	2,124,000	-	2,124,000
Revenue bonds payable	-	87,493,591	87,493,591
Notes payable	-	14,056,443	14,056,443
General obligation bonds payable	7,310,000	-	7,310,000
Total non-current liabilities	<u>112,575,540</u>	<u>129,209,693</u>	<u>241,785,233</u>
Total liabilities	<u>131,831,189</u>	<u>146,979,207</u>	<u>278,810,396</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Taxes received in advance	625,125	-	625,125
Pension	943,399	845,399	1,788,798
Other post-employment benefits	1,830,509	348,669	2,179,178
Leases	-	7,029	7,029
Total deferred inflows of resources	<u>3,399,033</u>	<u>1,201,097</u>	<u>4,600,130</u>
<b>NET POSITION</b>			
Net investment in capital assets	70,254,641	129,547,662	199,802,303
Restricted for:			
Community Redevelopment	5,061,220	-	5,061,220
Debt service	790,190	-	790,190
Interlocal agreements	1,725,625	-	1,725,625
Special taxing district	156,492	-	156,492
Public safety	2,587,061	-	2,587,061
Impact fees	2,048,511	25,038,660	27,087,171
Unrestricted	(22,589,456)	15,791,022	(6,798,434)
Total net position	<u>\$ 60,034,284</u>	<u>\$ 170,377,344</u>	<u>\$ 230,411,628</u>

See notes to basic financial statements

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position - Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 25,304,801	\$ 5,419,604	\$ 3,490,078	\$ 1,939,225	\$ (14,455,894)	\$ -	\$ (14,455,894)
Public safety	26,686,694	2,595,655	461,532	-	(23,629,507)	-	(23,629,507)
Parks and recreation	5,836,082	1,095,161	258,797	-	(4,482,124)	-	(4,482,124)
Public works	8,849,970	-	807,105	2,955,949	(5,086,916)	-	(5,086,916)
Library	1,619,240	3,212	102,392	-	(1,513,636)	-	(1,513,636)
Interest on long-term debt	266,731	-	-	-	(266,731)	-	(266,731)
Total governmental activities	<u>68,563,518</u>	<u>9,113,632</u>	<u>5,119,904</u>	<u>4,895,174</u>	<u>(49,434,808)</u>	<u>-</u>	<u>(49,434,808)</u>
<b>Business-type activities:</b>							
Water	36,067,905	41,581,181	-	-	-	5,513,276	5,513,276
Sewer	9,942,644	10,923,440	-	-	-	980,796	980,796
Solid waste	3,050,112	4,971,059	-	-	-	1,920,947	1,920,947
Building permits	2,852,972	5,565,411	-	-	-	2,712,439	2,712,439
Stormwater	902,801	1,520,654	-	-	-	617,853	617,853
Total business-type activities	<u>52,816,434</u>	<u>64,561,745</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,745,311</u>	<u>11,745,311</u>
Total	<u>\$ 121,379,952</u>	<u>\$ 73,675,377</u>	<u>\$ 5,119,904</u>	<u>\$ 4,895,174</u>	<u>(49,434,808)</u>	<u>11,745,311</u>	<u>(37,689,497)</u>

**General revenues:**

Property taxes	24,229,861	-	24,229,861
Utility taxes	4,492,272	-	4,492,272
Communication service taxes	1,894,961	-	1,894,961
Franchise fees on gross receipts	4,816,272	-	4,816,272
Sales taxes	4,667,282	-	4,667,282
State revenue sharing and other	-	-	-
unrestricted intergovernmental revenue	3,309,732	-	3,309,732
Investment income (loss)	1,592,585	4,647,370	6,239,955
User surcharges	9,969,338	1,998,728	11,968,066
Miscellaneous	287,156	959,586	1,246,742
Loss on disposal of lease	(4,093)	-	(4,093)
Transfers	<u>7,114,100</u>	<u>(7,114,100)</u>	<u>-</u>
Total general revenues and transfers	<u>62,369,466</u>	<u>491,584</u>	<u>62,861,050</u>
Change in net position	12,934,658	12,236,895	25,171,553
Net position, beginning	<u>62,085,118</u>	<u>157,548,886</u>	<u>219,634,004</u>
Prior period adjustment (Note 16)	(14,985,492)	591,563	(14,393,929)
Net position, beginning as restated	<u>47,099,626</u>	<u>158,140,449</u>	<u>205,240,075</u>
Net position, ending	<u>\$ 60,034,284</u>	<u>\$ 170,377,344</u>	<u>\$ 230,411,628</u>

See notes to basic financial statements

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2023**

	General Fund	Community Redevelopment Agency	American Rescue Plan Act (ARPA)	Total Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>					
Pooled cash and investments	\$ 44,909,351	\$ 5,161,158	\$ 13,487,852	\$ 5,558,949	\$ 69,117,310
Accounts receivable	5,672,309	-	-	735,001	6,407,310
Due from other funds	2,791,414	-	-	-	2,791,414
Prepaid costs	717,413	9,214	4,800	399	731,826
Inventory	251,235	-	-	-	251,235
Other assets	10,016	-	-	-	10,016
Total assets	<u>\$ 54,351,738</u>	<u>\$ 5,170,372</u>	<u>\$ 13,492,652</u>	<u>\$ 6,294,349</u>	<u>\$ 79,309,111</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued liabilities	\$ 4,378,285	\$ 109,152	\$ 70,386	\$ 282,718	\$ 4,840,541
Vendor deposits	775,655	-	-	-	775,655
Due to other funds	-	-	-	857,464	857,464
Unearned revenue	-	-	13,422,266	-	13,422,266
Total liabilities	<u>5,153,940</u>	<u>109,152</u>	<u>13,492,652</u>	<u>1,140,182</u>	<u>19,895,926</u>
Deferred inflows of resources:					
Taxes received in advance	625,125	-	-	-	625,125
Unavailable revenue	-	-	-	270,750	270,750
Total deferred inflows of resources	<u>625,125</u>	<u>-</u>	<u>-</u>	<u>270,750</u>	<u>895,875</u>
Fund balances:					
Nonspendable:					
Inventory	251,236	-	-	-	251,236
Prepaid costs	717,413	9,214	4,800	399	731,826
Restricted:					
Community redevelopment	-	5,052,006	-	-	5,052,006
Debt service	-	-	-	790,190	790,190
Impact fees	2,048,511	-	-	-	2,048,511
Interlocal agreement	-	-	-	1,725,625	1,725,625
Public safety	-	-	-	2,587,061	2,587,061
Special taxing districts	-	-	-	156,492	156,492
Committed:					
Alley restoration	-	-	-	220,961	220,961
Disaster recovery	3,000,000	-	-	-	3,000,000
Assigned:					
Capital projects and equipment	10,452,478	-	-	-	10,452,478
Land acquisition	68,574	-	-	-	68,574
Liability claims	852,538	-	-	-	852,538
Workers' compensation claims	2,838,994	-	-	-	2,838,994
Unassigned:	28,342,929	-	(4,800)	(597,311)	27,740,818
Total fund balances	<u>48,572,673</u>	<u>5,061,220</u>	<u>-</u>	<u>4,883,417</u>	<u>58,517,310</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 54,351,738</u>	<u>\$ 5,170,372</u>	<u>\$ 13,492,652</u>	<u>\$ 6,294,349</u>	<u>\$ 79,309,111</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2023**

Total governmental fund balances (page 33) \$ 58,517,310

Amounts reported for governmental activities in the Government-wide Statement of Net Position are different because:

Capital assets, (excluding those reported in the internal service funds) used in governmental activities are not current financial resources and therefore are not reported in the funds 78,890,665

Long-term liabilities, (excluding those reported in the internal service funds) including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Compensated absences	(3,336,580)
Leases	(24,050)
Subscriptions	(604,297)
General obligation bonds payable	(9,010,000)
Claims payable	(3,306,000)
Accrued interest on long term debt	(83,359)
Net pension activity:	
Deferred outflows of resources	32,301,820
Deferred inflows of resources	(943,399)
Net pension liability	(89,583,003)
Other post-employment Benefits Obligation (OPEB):	
OPEB liability	(3,935,706)
Deferred outflows of resources	1,049,454
Deferred inflows of resources	(1,830,509)

Revenue collected outside of the period of availability is not available to pay for current period expenditures, and therefore, is a deferred inflow in the funds. 270,750

The internal service funds are used by management to charge the cost of information technology to other funds. The assets and liabilities of the internal service funds are included in governmental activities in the Government-wide Statement of Net Position. 1,661,188

Net position of governmental activities (page 31) \$ 60,034,284

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	General Fund	Community Redevelopment Agency	American Rescue Plan Act (ARPA)	Total Nonmajor Funds	Total Governmental Funds
<b>REVENUES:</b>					
Property taxes	\$ 22,374,087	\$ -	\$ -	\$ 1,855,774	\$ 24,229,861
User surcharges	9,969,338	-	-	-	9,969,338
Franchise fees	4,816,272	-	-	-	4,816,272
Utility taxes	4,512,847	-	-	-	4,512,847
Impact fees	563,618	-	-	-	563,618
Communication service taxes	1,894,961	-	-	-	1,894,961
Other taxes	6,238,203	-	-	-	6,238,203
Licenses and permits	1,163,990	-	-	-	1,163,990
Intergovernmental revenue	2,510,473	3,483,970	-	2,685,199	8,679,642
Charges for services	1,620,945	-	-	-	1,620,945
Fines and forfeitures	1,544,017	-	-	256,260	1,800,277
Non-Ad valorem assessments	-	-	-	833,251	833,251
Grant revenue	-	-	1,939,225	572,570	2,511,795
Investment income (loss)	1,384,470	199,183	-	8,932	1,592,585
Miscellaneous revenue	240,365	-	-	-	240,365
<b>Total revenues</b>	<b>58,833,586</b>	<b>3,683,153</b>	<b>1,939,225</b>	<b>6,211,986</b>	<b>70,667,950</b>
<b>EXPENDITURES:</b>					
Current operating:					
General government	17,502,062	2,133,424	855,542	12,472	20,503,500
Public safety	26,362,651	-	12,290	1,054,990	27,429,931
Parks and recreation	5,601,050	-	-	269,406	5,870,456
Public works	6,966,618	-	291,631	1,546,352	8,804,601
Library	1,473,385	-	88	89,188	1,562,661
Capital outlay	4,716,051	38,440	779,674	435,150	5,969,315
Debt service:					
Principal	319,832	836,307	-	1,685,000	2,841,139
Interest and other fiscal charges	43,508	20,849	-	170,842	235,199
<b>Total expenditures</b>	<b>62,985,157</b>	<b>3,029,020</b>	<b>1,939,225</b>	<b>5,263,400</b>	<b>73,216,802</b>
Excess (deficiency) of revenues over expenditures	(4,151,571)	654,133	-	948,586	(2,548,852)
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of debt - subscription	898,064	-	-	-	898,064
Transfers in	7,647,863	-	-	-	7,647,863
Transfers out	-	(388,371)	-	(144,081)	(532,452)
<b>Total other financing sources (uses)</b>	<b>8,545,927</b>	<b>(388,371)</b>	<b>-</b>	<b>(144,081)</b>	<b>8,013,475</b>
Net change in fund balance	4,394,356	265,762	-	804,505	5,464,623
Fund balances, beginning	44,022,049	4,784,311	15,357,267	3,954,747	68,118,374
Prior period adjustment (Note 16)	156,268	11,147	(15,357,267)	124,165	(15,065,687)
Fund balances, beginning as restated	44,178,317	4,795,458	-	4,078,912	53,052,687
<b>Fund balances, ending</b>	<b>\$ 48,572,673</b>	<b>\$ 5,061,220</b>	<b>\$ -</b>	<b>\$ 4,883,417</b>	<b>\$ 58,517,310</b>

**CITY OF NORTH MIAMI BEACH, FLORIDA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances - total governmental funds (page 35) \$ 5,464,623

Amounts reported for governmental activities in the Government-wide Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while the Statement of Activities reports depreciation expense on capital assets. This is the amount by which capital outlays exceeded depreciation in the current period. The details of the difference (excluding the internal service fund) are as follows:

Expenditures for capital outlay	5,969,315	
Capital outlays not meeting threshold for capitalization	(202,116)	
Less current year depreciation	<u>(3,889,852)</u>	
Net adjustment		1,877,347

Net effect of various miscellaneous transactions involving capital assets (i.e.: sales, trade-ins, capital outlay not meeting threshold) (4,093)

The issuance of long-term debt provides current financial resources to governmental funds. Repayment of the principal consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The details of the difference (excluding the internal service fund) are as follows:

Debt issued - Subscription	(898,063)	
Principal payments:		
General obligation and capital improvement bonds	1,685,000	
Lease liability	114,006	
Subscription liability	293,770	
Notes payable	<u>749,999</u>	
Net adjustment		1,944,712

Under the modified accrual basis of accounting used in the governmental funds, revenues are not recognized until funds are measurable and available to finance current expenditures. However, in the Statement of Activities, revenues are reported when earned. 270,750

Internal service funds are used by management to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are included included in the governmental activities in the Statement of Net Position. 2,560,145

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in:		
Compensated absences	(315,476)	
Estimated claims	(494,000)	
Net pension activity:		
Net pension liability	(30,373,692)	
Deferred outflow of resources	22,258,176	
Deferred inflow of resources	9,814,193	
Other post-employment Benefits Obligation (OPEB) activity:		
OPEB liability	212,187	
Deferred outflow of resources	(840,574)	
Deferred inflow of resources	<u>560,360</u>	
Net adjustment		<u>821,174</u>

Change in net position of governmental activities (page 32) \$ 12,934,658

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2023**

	Business-type Activities				Governmental Activities
	Enterprise Funds				
	Major Funds				
	Water Utility	Sewer Utility	Other Enterprise Funds	Total	
<b>ASSETS</b>					
Current assets:					
Pooled cash and investments	\$ 31,292,034	\$ 11,671,618	\$ 16,608,184	\$ 59,571,836	\$ 3,439,200
Accounts receivable, net	5,744,516	1,232,852	622,605	7,599,973	-
Prepaid expenses	79,482	-	592	80,074	106,913
Inventory	863,990	-	-	863,990	-
Restricted assets:					
Customer deposits	4,380,264	505,260	-	4,885,524	-
Revenue bond proceeds	39,410,243	12,769,310	-	52,179,553	-
Total current assets	<u>81,770,529</u>	<u>26,179,040</u>	<u>17,231,381</u>	<u>125,180,950</u>	<u>3,546,113</u>
Non-current assets:					
Loan receivable	-	219,121	-	219,121	-
Capital assets:					
Capital assets, non-depreciable	65,880,405	9,513,947	1,518,971	76,913,323	751,281
Capital assets, net of accumulated depreciation	88,327,570	15,861,044	4,552,632	108,741,246	1,537,949
Total non-current assets	<u>154,207,975</u>	<u>25,594,112</u>	<u>6,071,603</u>	<u>185,873,690</u>	<u>2,289,230</u>
Total assets	<u>235,978,504</u>	<u>51,773,152</u>	<u>23,302,984</u>	<u>311,054,640</u>	<u>5,835,343</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension	4,270,774	671,065	1,773,582	6,715,421	1,257,217
Other post-employment benefits	99,948	12,494	87,455	199,897	-
Total deferred outflows of resources	<u>\$ 4,370,722</u>	<u>\$ 683,559</u>	<u>\$ 1,861,037</u>	<u>\$ 6,915,318</u>	<u>\$ 1,257,217</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 10,196,691	\$ 2,030,441	\$ 393,874	\$ 12,621,006	\$ 187,816
Customer deposits	4,380,166	505,260	209,094	5,094,520	-
Total current liabilities	<u>14,576,857</u>	<u>2,535,701</u>	<u>602,968</u>	<u>17,715,526</u>	<u>187,816</u>
Non-current liabilities:					
Portion due within one year:					
Compensated absences	130,486	-	57,158	187,644	28,953
Leases	262,226	-	4,372	266,598	-
Subscriptions	81,038	-	-	81,038	683,950
Revenue bonds payable	4,027,850	650,000	-	4,677,850	-
Notes payable	857,825	426,631	-	1,284,456	-
Portion due in more than one year:					
Other post-employment benefits	374,829	46,854	327,976	749,659	-
Net pension Liability	11,359,057	1,953,131	3,527,243	16,839,431	3,915,755
Compensated absences	391,455	-	171,476	562,931	127,850
Leases	514,886	-	12,238	527,124	8,074
Subscriptions	34,220	-	-	34,220	460,030
Revenue bonds payable	78,993,591	8,500,000	-	87,493,591	-
Notes payable	9,882,236	4,174,207	-	14,056,443	-
Total non-current liabilities	<u>106,909,699</u>	<u>15,750,823</u>	<u>4,100,463</u>	<u>126,760,985</u>	<u>5,224,612</u>
Total liabilities	<u>121,486,556</u>	<u>18,286,524</u>	<u>4,703,431</u>	<u>144,476,511</u>	<u>5,412,428</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension	402,967	28,407	414,025	845,399	-
Other post-employment benefits	174,334	21,792	152,543	348,669	-
Leases	7,029	-	-	7,029	-
Total deferred inflows of resources	<u>584,330</u>	<u>50,199</u>	<u>566,568</u>	<u>1,201,097</u>	<u>-</u>
<b>NET POSITION</b>					
Net investment in capital assets	98,964,353	24,393,464	6,054,993	129,412,810	1,137,174
Restricted for:					
Impact fees	22,967,944	2,070,716	-	25,038,660	-
Unrestricted	(3,653,957)	7,655,808	11,905,079	15,906,930	542,958
Total net position	<u>\$ 118,278,340</u>	<u>\$ 34,119,988</u>	<u>\$ 17,960,072</u>	<u>170,358,400</u>	<u>\$ 1,680,132</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				18,944	
Net position of business-type activities				<u>\$ 170,377,344</u>	

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Business-type Activities				Governmental Activities
	Enterprise Funds				
	Major Funds		Nonmajor Enterprise Funds	Total	
Water Utility	Sewer Utility				
<b>REVENUES</b>					
Service revenues	\$ 41,440,978	\$ 10,923,440	\$ 12,968,093	\$ 65,332,511	\$ 7,466,095
Total operating revenues	<u>41,440,978</u>	<u>10,923,440</u>	<u>12,968,093</u>	<u>65,332,511</u>	<u>7,466,095</u>
<b>OPERATING EXPENSES</b>					
Personnel services	13,677,634	2,420,353	639,207	16,737,194	2,879,306
Other operating costs	12,449,579	6,202,705	5,851,161	24,503,445	2,257,814
Depreciation	6,336,220	942,428	315,517	7,594,165	625,566
Total operating expenses	<u>32,463,433</u>	<u>9,565,486</u>	<u>6,805,885</u>	<u>48,834,804</u>	<u>5,762,686</u>
Operating revenue (loss)	<u>8,977,545</u>	<u>1,357,954</u>	<u>6,162,208</u>	<u>16,497,707</u>	<u>1,703,409</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Impact fees	1,965,131	33,597	-	1,998,728	-
Investment income (losses)	3,137,457	966,445	543,466	4,647,368	-
Miscellaneous income	165,366	12,876	10,583	188,825	-
Interest and other fiscal charges	(2,713,255)	(377,158)	(3)	(3,090,416)	(33,165)
Total non-operating revenue (loss)	<u>2,554,699</u>	<u>635,760</u>	<u>554,046</u>	<u>3,744,505</u>	<u>(33,165)</u>
Income (loss) before transfers	11,532,244	1,993,714	6,716,254	20,242,212	1,670,244
Transfers out	<u>(4,641,695)</u>	<u>(1,110,895)</u>	<u>(1,347,111)</u>	<u>(7,099,701)</u>	<u>(15,715)</u>
Change in net position	<u>6,890,549</u>	<u>882,819</u>	<u>5,369,143</u>	<u>13,142,511</u>	<u>1,654,529</u>
Net position, beginning	110,796,228	33,237,169	12,590,929		(54,592)
Prior period adjustment (Note 16)	591,563	-	-		80,195
Net position beginning, as restated	<u>111,387,791</u>	<u>33,237,169</u>	<u>12,590,929</u>		<u>25,603</u>
Net position, ending	<u>\$ 118,278,340</u>	<u>\$ 34,119,988</u>	<u>\$ 17,960,072</u>		<u>\$ 1,680,132</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(905,616)	
Net position of business-type activities				<u>\$ 12,236,895</u>	

See notes to basic financial statements

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Business-type Activities				Governmental Activities
	Enterprise Funds				
	Major Funds		Other Enterprise Funds	Total Enterprise Funds	
Water Utility	Sewer Utility				
Cash flows from operating activities:					
Cash received from customers	\$ 41,991,138	\$ 11,088,618	\$ 13,340,574	\$ 66,420,330	\$ 7,466,095
Cash payments to suppliers	(13,239,732)	(5,768,386)	(6,345,418)	(25,353,536)	(2,386,919)
Cash payments to and on behalf employees	(6,884,419)	(1,631,679)	(2,344,415)	(10,860,513)	(2,690,618)
Net cash provided by operating activities	<u>21,866,987</u>	<u>3,688,553</u>	<u>4,650,741</u>	<u>30,206,281</u>	<u>2,388,558</u>
Cash flows used in non-capital financing activities:					
Transfers to other funds	(4,641,695)	(1,110,895)	(1,347,111)	(7,099,701)	(15,717)
Net cash used in non-capital financing activities:	<u>(4,641,695)</u>	<u>(1,110,895)</u>	<u>(1,347,111)</u>	<u>(7,099,701)</u>	<u>(15,717)</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(11,474,787)	(1,654,400)	(1,732,442)	(14,861,629)	(2,022,525)
Impact fees	1,965,131	33,597	-	1,998,728	-
Capital lease acquisition	(24,486)	-	-	(24,486)	-
Principal paid on long-term debt	(5,244,213)	(1,053,216)	13,711	(6,283,718)	1,150,425
Interest paid on long-term debt	(2,713,246)	(377,160)	(3)	(3,090,409)	(33,164)
Net cash used in capital and related financing activities	<u>(17,491,601)</u>	<u>(3,051,179)</u>	<u>(1,718,734)</u>	<u>(22,261,514)</u>	<u>(905,264)</u>
Cash flows from investing activities:					
Investment income	3,137,458	966,445	543,466	4,647,369	-
Net cash provided by investing activities	<u>3,137,458</u>	<u>966,445</u>	<u>543,466</u>	<u>4,647,369</u>	<u>-</u>
Net increase in pooled cash and investments	2,871,149	492,924	2,128,362	5,492,435	1,467,577
Pooled cash and investments, beginning	<u>72,211,392</u>	<u>24,453,264</u>	<u>14,479,822</u>	<u>111,144,478</u>	<u>1,971,623</u>
Pooled cash and investments, ending	<u>\$ 75,082,541</u>	<u>\$ 24,946,188</u>	<u>\$ 16,608,184</u>	<u>\$ 116,636,913</u>	<u>\$ 3,439,200</u>
Reported in statement of net position as follows:					
Cash and cash equivalents	\$ 31,292,034	\$ 11,671,618	\$ 16,608,184	\$ 59,571,836	\$ 3,439,200
Restricted:					
Customer deposits	4,380,264	505,260	-	4,885,524	-
Revenue bonds proceeds	39,410,243	12,769,310	-	52,179,553	-
	<u>\$ 75,082,541</u>	<u>\$ 24,946,188</u>	<u>\$ 16,608,184</u>	<u>\$ 116,636,913</u>	<u>\$ 3,439,200</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:					
Operating revenue (loss)	\$ 8,977,545	\$ 1,357,954	\$ 6,162,208	\$ 16,497,707	\$ 1,703,409
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	6,336,219	942,428	315,517	7,594,164	625,568
Other income	165,366	12,876	10,583	188,825	-
(Increase) decrease in assets:					
Accounts receivable	142,436	145,067	152,804	440,307	-
Due from other funds	-	-	20,198	20,198	-
Inventories	(531,225)	-	-	(531,225)	-
Prepaid costs	(79,482)	-	4,782	(74,700)	(8,674)
Deferred outflows of pension resources - pension	(1,765,020)	(540,979)	64,716	(2,241,283)	(672,415)
Deferred outflows of resources - OPEB	80,055	10,006	70,047	160,108	-
Increase (decrease) in liabilities:					
Accounts payable and accrued liabilities	(179,445)	434,319	(2,142,377)	(1,887,503)	(120,432)
Compensated absences	125,357	-	98,811	224,168	49,304
Customer deposits	242,358	7,235	209,094	458,687	-
Due to other funds	-	-	1,623,136	1,623,136	-
Deferred inflows of resources - pension	(647,080)	(88,858)	(862,099)	(1,598,037)	(495,577)
Deferred inflows of resources - OPEB	(53,369)	(6,671)	(46,697)	(106,737)	-
Net OPEB liability	(20,209)	(2,526)	(17,682)	(40,417)	-
Net pension liability	9,073,481	1,417,702	(1,012,300)	9,478,883	1,307,375
Total adjustments	<u>12,889,442</u>	<u>2,330,599</u>	<u>(1,511,467)</u>	<u>13,708,574</u>	<u>685,149</u>
Net cash provided by operating activities	<u>\$ 21,866,987</u>	<u>\$ 3,688,553</u>	<u>\$ 4,650,741</u>	<u>\$ 30,206,281</u>	<u>\$ 2,388,558</u>

See notes to basic financial statements

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2023**

	<u>Trust Funds</u>	<u>Police Holding Account Custodial Fund</u>
<b>ASSETS</b>		
Cash	\$ 261,987	\$ 525,166
Investments:		
Equity securities	118,269,099	-
Money market funds	5,388,987	-
Government securities	38,831,776	-
Corporate bonds	8,020,505	-
Real estate	15,916,852	-
Mutual funds	24,741,660	-
Hedge funds	22,126	-
Total Investments	<u>211,191,005</u>	<u>525,166</u>
Accrued interest receivable	378,414	-
Other receivables	665,930	-
Total assets	<u>\$ 212,497,336</u>	<u>\$ 525,166</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 826,296	\$ -
Total liabilities	<u>826,296</u>	<u>-</u>
<b>NET POSITION</b>		
Net position restricted for:		
Pensions	206,471,759	-
OPEB	5,199,281	-
Police custodial funds	-	525,166
Total net position	<u>\$ 211,671,040</u>	<u>\$ 525,166</u>

See notes to basic financial statements

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Trust Funds	Police Holding Account Custodial Fund
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 10,907,707	\$ -
Employee	1,987,954	-
State of Florida	927,541	-
Total contributions	13,823,202	-
Investment income (expense):		
Net appreciation in fair value of investment	17,655,224	-
Interest and dividends	5,845,407	-
Investment expenses	(1,064,552)	-
Net investment income	22,436,079	-
Other income	39,668	-
Total additions	36,298,949	-
<b>DEDUCTIONS</b>		
Pension benefit payments	23,281,119	-
Administrative expenses	840,804	-
Police funds released from custody	-	124,500
Total deductions	24,121,923	124,500
Change in net position	12,177,026	(124,500)
Net position, beginning	199,494,014	-
Prior period adjustment (Note 16)	-	649,666
Net position, beginning as restated	199,494,014	649,666
Net position, ending	\$ 211,671,040	\$ 525,166

See notes to basic financial statements

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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 1 – Summary of Significant Accounting Policies**

The City of North Miami Beach (the city) was incorporated in 1926. The city operates under a Commission-Manager form of government. In addition to general government services including police, library, parks and recreation, code compliance and public works provided to its residents, the City operates water, sewer, stormwater and solid waste utilities, provides building permitting and inspection services and maintains various trust, agency, and custodial funds in a fiduciary capacity. The city does not provide educational, fire or hospital facilities. Those services are provided by the Miami-Dade County School Board and Miami-Dade County, respectively.

***Financial Reporting Entity***

The financial statements were prepared in accordance with Governmental Accounting Standards. Those standards establish definitions for reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the primary government, organizations for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City is financially accountable for a component unit if it appoints a voting majority of the organization's governing board and can impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.

The North Miami Beach Community Redevelopment Agency (the CRA) was created by the Mayor and City Commission on December 21, 2004, by adoption of Resolution R2004-86 accepting a delegation of powers from the Miami-Dade Board of County Commissioners and declaring the Mayor and City Commission to be the Agency in accordance with Section 163.357 of the Florida Statutes under the Community Redevelopment Act of 1969, enacted by the Florida Legislature. Miami-Dade County retains the final authority to approve the annual CRA budget, redevelopment plan and amendments, and the issuance of long-term debt. The purpose of the CRA is the elimination and prevention of blight conditions within the designated community redevelopment area. Since the CRA area is entirely within City limits, CRA activities benefit the city almost exclusively. The City Commission acts as the CRA's Board of Directors, the Mayor is the Chairman, and the City Manager is the Executive Director. The governance structure allows the city to exert significant influence over the activities of the CRA. Considering these parameters, the CRA meets the criteria of a blended component unit and has been included as an integral part of the attached financial statements as a special revenue fund of the City of North Miami Beach. Additional information on the CRA can be found in Note 15 to the financial statements.

***Government-wide and Fund Financial Statements***

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The basic financial statements consist of the government-wide and fund financial statements. Each set of statements distinguishes between the governmental and business-type activities of the city. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the non-fiduciary activities of the primary government and its component units. The statement of net position reports financial and capital resources of the City's governmental and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services provided. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. The primary exception is charges between the City's various utility functions and administrative functions of the city.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 1 – Summary of Significant Accounting Policies** (continued)

**Government-wide and Fund Financial Statements** (continued)

Elimination of these charges would distort the costs reported for the business-type activities and incurred by the administrative departments.

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

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

**Government-Wide Financial Statements**

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Agency funds are fiduciary funds that are also reported using the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are deemed available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the city considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Certain taxes, and franchise fees are susceptible to accrual and have been recognized as revenues of the current fiscal period. Revenue for expenditure driven grants is recognized when the qualifying expenditures are incurred. All other revenue items are deemed measurable and available only when cash is received by the city.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major governmental funds:

- The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for separately.
- The *Community Redevelopment Agency* is used to account for the operations of the North Miami Beach Community Redevelopment Agency (CRA) as a blended component unit. The agency is funded by tax increment financing from the City and Miami-Dade County.

The *ARPA Fund* is used to account for restricted revenues and expenditures for capital projects associated with funds received from American Recovery Plan Act.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 1 – Summary of Significant Accounting Policies** (continued)

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

**Fund Financial Statements** (continued)

The City reports the following major proprietary funds:

- The *Water Utility System Fund* accounts for the activities of providing water treatment and distribution service to the utility's customers.
- The *Wastewater Utility System Fund* accounts for the operation of the sewage pumping stations and collection systems to customers both inside and outside the City's boundaries.

Additionally, the City reports the following fund types:

Internal Service Funds – The *Information Technology Fund* is classified as a governmental activity because it provides City-wide services on a cost reimbursement basis. The *Customer Service Fund* provides services specifically for the Enterprise Funds and is therefore included with the Business-type activities for reporting purposes.

Fiduciary Funds – The City acts in a fiduciary capacity within regard to the *Pension Trust Funds, OPEB Trust Fund and Police Holding Account Custodial Fund*, which is used to segregate, and hold seized assets until adjudication orders are received and distribution is determined by the courts.

**Assets, Deferred outflows of resources, Liabilities and Deferred inflows of resources**

**1. Pooled Cash and Investments**

Resources of all funds, except for the fiduciary funds and certain other investment accounts, have been combined into a pooled cash and investment system for the purpose of maximizing earnings. Interest earned on pooled cash and investments is allocated monthly based upon equity balances of the participating funds. Cash and cash equivalents include pooled cash and investments and are defined as short-term, highly liquid investments with original maturities of three months or less. Restricted assets include resources subject to externally imposed restrictions such as creditors, grantors, laws and regulations. Assets are restricted for customer deposits and funds provided by debt issuance to finance the cost of capital equipment and improvement projects.

Surplus funds are invested in accordance with the provisions of the City's adopted investment policy. City investments are recorded in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, which establishes a hierarchy based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are based on quoted prices in active markets for identical assets; Level 2 inputs are based on significant other observable inputs; Level 3 inputs are based on unobservable inputs.

**2. Receivables and Payables**

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

**3. Inventories and Prepaid Items**

Inventories are stated at average cost on a specific identification basis and are recorded as an asset when purchased and as an expense when consumed (consumption method). Prepaid costs are payments that are applicable to future accounting periods and are recorded as an asset when purchased and as an expense when consumed (consumption method) in both government-wide and fund financial statements.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 1 – Summary of Significant Accounting Policies** (continued)

**Assets and Liabilities** (continued)

**4. Capital Assets**

Capital assets, including property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks) are reported in the applicable government or business-type activities columns in the government-wide financial statements. Capital assets are defined by the city as assets with an initial, individual cost of more than \$1,000 for tangible capital assets, \$30,000 for software, and \$75,000 for easements, and an estimated useful life in excess of one year.

Outlays for capital assets and improvements, including design, engineering, installation and similar costs are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets of the city are depreciated using the straight-line method over the following estimated useful lives:

Asset	Years
Buildings and utility plant	30-50
Improvements other than buildings	20
Furniture, fixtures, machinery and equipment	5-10
Infrastructure	30

**5. Revenue Received in Advance, Deferred Inflows and Deferred Outflows of Resources**

Grants received in advance are recorded as a liability in the Statement of Net Position and the Governmental Funds Balance Sheet until the eligibility criteria required to recognize the revenue has been completed. Business tax receipts collected in advance, and deferred pension and OPEB income represent acquisition of net position that applies to future periods and are recorded as deferred inflows of resources. Deferred pension and OPEB expense represent the consumption of net assets applicable to future periods and is recorded as deferred outflows of resources. Because of their long-term attributes, deferred pension inflows and outflows are not included in the governmental fund financial statements.

**6. Compensated Absences**

It is the City's policy to permit full-time employees to accumulate limited amounts of earned vacation and sick leave. Upon separation from service, employees receive payment for a portion of unused vacation time and sick leave subject to length of service and contract classification. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The fund in which the employee's payroll expense has been recorded is used to liquidate such amounts. Typically, the General Fund, Transit Surtax Fund and the Community Redevelopment Agency are used for liquidation of the liability in the governmental funds.

**7. Long-term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. In the governmental fund financial statements, bond premiums, discounts and bond issuance costs are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 1 – Summary of Significant Accounting Policies** (continued)

**Assets and Liabilities** (continued)

**8. Pensions**

Net pension liability, deferred outflows and inflows of resources, pension expense, fiduciary net position and changes to fiduciary net position have been determined and reported on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Liability liquidation occurs in the CRA, Transit Surtax and General Fund.

**Fund Equity**

The City reports the following fund equity classifications:

*Non-spendable fund balance* non-spendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form—such as inventory or prepaid amounts or (b) legally or contractually required to be maintained intact—such as a perpetual trust.

*Restricted fund balance* this classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. For example, governmental and proprietary funds collect impact fees as imposed under local ordinances 2005-16, 2005-17 and 2006-20. The intent of these ordinances is to assist in the implementation of the City's state-required comprehensive plan and to assure that new development bears a proportionate share of the cost of capital expenditures necessary to provide improvements to infrastructure.

*Committed fund balance* these amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the City Commission (which are both equal and the government's highest level of decision-making authority). Committed amounts cannot be used for any other purpose unless the City Commission removes the specified use by taking the same type of action (resolution or ordinance) imposing the commitment. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance reflects the amounts constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. The City Commission and City Manager have the authority to assign amounts to be used for specific purposes at will.

*Unassigned fund balance* is the residual classification for the General Fund. It is the City's policy to maintain an amount equal to at least ten percent of total budgeted revenues of the General Fund as originally adopted as unassigned fund balance. This fund balance classification is also used to report negative fund balances in other governmental funds. When both restricted and unrestricted resources are available for use, it is the City's policy to use externally restricted resources first, then unrestricted resources, committed, assigned, and unassigned, in order as needed.

**Property Taxes**

Under Florida law, the assessment of all properties and the collection of all counties, municipal, school district and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. Property taxes (ad valorem taxes) are assessed on January 1 (the lien date) and are billed and payable November 1, with discounts of one to four percent if paid prior to March 1 of the following calendar year. All unpaid taxes on real and personal property become delinquent on April 1 and accrue interest charges from April 1 until June 1, when tax certificates are sold at auction.

The City is permitted by Article 7, Section 8 of the Florida Constitution to levy taxes up to \$10 (10 mills) per \$1,000 of assessed valuation for governmental operations. In addition, unlimited amounts may be levied for the payment of principal and interest on general obligation long-term debt, subject to a limitation on the amount of debt outstanding. The millage rate to finance general governmental services for the year ended September 30, 2023, was 6.1000 mills per \$1,000 of assessed valuation; the millage rate for bonded debt service was 0.4743 mills.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 2 – Change in Accounting Principle and Restatement**

For 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-based Information Technology Arrangements (SBITA). GASB Statement No. 96. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases as amended. A lessee is required to recognize a subscription liability and an intangible right-to-use subscription asset, and a lessor is required to recognize a subscription receivable and deferred inflow of resources. These changes were incorporated in the City's 2023 financial statements and had no effect on the beginning net position to the City. The City recognized \$3,059,082 in subscription assets and a subscription liability of \$2,964,815 for subscriptions.

**Note 3 – Stewardship, Compliance and Accountability**

The City's contractual agreement with Waste Management officially ended on December 1, 2020. Due to unforeseen circumstances, the City entered into an extended month-to-month service agreement with them. For the first three (3) months, the Residential and Commercial billing monthly costs increased by 75%. An additional increase of 5% per month was imposed for the remaining seven (7) months of the 2021 fiscal year. As a result of the added costs, the City's Solid Waste Fund for FY2023 showed a deficit of 1.5 million.

To recoup and provide additional revenue, the City imposed a rate increase in May 2021 of 25% for Residential and approximately 140% for Commercial customers.

The City received ARPA funds and has allocated \$1.175 million to offset some of the deficit. In addition, Solid Waste fees for multi-family and commercial customers will be increased by 10% over the next 6 years and franchise fees will be increased by a nominal amount.

**Note 4 – Deposits and Investments**

GASB Statement No. 40 *Deposit and Investment Risk Disclosure* (GASB Statement No. 40) is designed to inform financial statement users about deposit and investment risks that could affect a government's ability to provide services and meets its obligations as they become due. GASB Statement No. 40 addresses common deposit and investment risks related to credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk and requires that deposit and investment policies related to the risks be disclosed, as applicable.

In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are deemed as insured or collateralized with securities held by the entity or its agent in the entity's name.

The State Board of Administration (SBA) administers the Florida PRIME Fund which is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME. The Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a 2a-7 fund, which permits money market funds to use amortized cost to maintain a constant NAV of \$1 per share. The Florida PRIME is a Local Governmental Investment Pool (LGIP), and therefore considered an external investment pool for GASB reporting purposes.

The fair value of the position in the Florida PRIME is equal to the value of the pool shares. The investments in the Florida PRIME are not insured by FDIC or any other governmental agency.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 4 – Deposits and Investments** (continued)

The investment policies of the Retirement Plans for the General Employees and for Police Officers and Firefighters have been adopted by their respective Boards of Trustees. The policies have been designed to maximize Plan asset values while assuming risk levels that are consistent with the respective Board's risk tolerance and diversifying risk across various asset classes including bonds, debentures and other corporate obligations, equity securities and domestic real estate.

The OPEB Trust and the Retirement Plan and Trust for General Management Employees are invested in the Florida Municipal Investment Trust (FMIVT). The FMIVT operates as a fiduciary trust fund under governmental accounting rules that require preparation of financial statements. The FMIVT is a Local Governmental Investment Pool (LGIP), and therefore considered an external investment pool for GASB reporting purposes. The Board of Trustees is designated as having oversight authority and official custody of the funds, which are invested by the purchase of shares of beneficial interest in the trust, not the individual securities held by the trust. The fair value of the positions in the FMIVT is equal to the value of the portfolio shares. The investments in the FMIVT are not insured by FDIC or any other governmental agency.

Deposit and investment balances as of September 30, 2023, are as follows:

<u>Investment Type</u>	<u>Credit Quality Rating</u>	<u>Fair Value</u>
Governmental and business-type activities		
Bank deposits and cash on hand	Not rated	\$ 23,810,011
SBA Florida Prime	AAAm	5,726,061
FMIVT 1-3 Year High Quality Bond Fund	AAAf/S2	52,179
Money market funds	Aaa-mf/AAAm	9,500,250
US agencies	Not rated	98,969,371
US treasury	Aaa/AA+	46,032,716
Corporate bonds	Aaa/AAA	3,937,100
Municipal bonds	Aaa/AAA	295,481
Municipal bonds	Aaa/Not rated	498,370
Municipal bonds	Aa1/AAA	371,884
Total governmental and business-type investments		<u>\$ 189,193,423</u>
Retirement Plan and Trust for General Management Employees		
FMIVT Broad Market High Quality Bond Fund	AAf/S4	\$ 2,032,408
FMIVT Core Plus Fixed Income	Not Rated	1,758,814
FMIVT Diversified Large Cap Equity Portfolio	Not Rated	5,725,917
FMIVT Diversified Small to Mid Cap Equity Portfolio	Not Rated	3,009,527
FMIVT International Equity Portfolio	Not Rated	4,318,866
FMIVT Core Real Estate Fund	Not Rated	2,696,848
Total investments		<u>\$ 19,542,380</u>
OPEB Trust		
FMIVT Broad Market High Quality Bond Fund	AAf/S4	\$ 696,704
FMIVT Core Plus Fixed Income	Not Rated	681,106
FMIVT Diversified Large Cap Equity Portfolio	Not Rated	1,403,806
FMIVT Diversified Small to Mid Cap Equity Portfolio	Not Rated	748,697
FMIVT International Equity Portfolio	Not Rated	1,013,860
FMIVT Core Real Estate Fund	Not Rated	655,109
Total investments		<u>\$ 5,199,282</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 4 – Deposits and Investments** (continued)

***Risk Disclosures***

<u>Investment Type</u>	<u>Credit Quality Rating</u>	<u>Fair Value</u>
Retirement Plan for General Employees		
	AAA+	\$ 9,317,494
	AA+	7,524,017
	AAA	162,876
	A+	654,669
	A	166,505
	A-	560,566
	Total debt securities	<u>\$ 18,386,127</u>
Retirement Plan for Police Officers and Firefighters		
	AAA+	\$ 13,722,698
	AA+	8,267,567
	AA-	655,401
	A+	491,237
	A	734,940
	A-	3,604,649
	BBB+	989,662
	Total debt securities	<u>\$ 28,466,154</u>

***Credit Risk*** is the risk that a security or a portfolio will lose some or all its value due to a real or perceived change in the ability of the issuer to repay its debt. A credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to meet its obligations. The City's OPEB Trust's and the Retirement Plan and Trust for General Management Employees' investment policy limits the quality and quantity of investments and requires pre-qualification of the financial institutions, broker/dealers, intermediaries, and advisors with which the City conducts investment transactions. These policy requirements are intended to mitigate the effects of credit risk.

***Custodial Credit Risk*** is the risk that, in the event of the failure of the counterparty, the City or Pension Trust Plans will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the investment policies of the City, the Retirement Plans for General Employees and for Police Officers and Firefighters, the investments are held by each entity's custodial bank and registered in each entity's name.

***Foreign Currency Risk*** is the risk that fluctuations in currency exchange rates may affect transactions conducted in currencies other than U.S. dollars and the carrying value of foreign investments. The City, the OPEB Trust nor the Retirement Plan and Trust for General Management Employees invest in securities denominated in foreign currencies. The value of investments of the Retirement Plan for General Employees subject to foreign currency risk as of September 30, 2023, is approximately 11.4% of total investments. The Plan's investment policy limit is 25% of any manager's total Plan portfolio. The value of investments of the Retirement Plan for Police Officers and Firefighters subject to foreign currency risk on September 30, 2023, is approximately 14.45% of total investments. The Plan's investment policy limit is 25% of any manager's total Plan portfolio.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 4 – Deposits and Investments** (continued)

**Risk Disclosures** (continued)

**Concentration Credit Risk** - The City's investment policy and the investment policies of the Retirement Plans for the General Employees and for Police Officers and Firefighters have limitations on the amount that can be invested in any one issuer other than the U.S. Government and its agencies. Neither the City nor Retirement Plan held investments of any one issuer of more than 5% of Fiduciary Net Position as of September 30, 2023. The following were the Boards' adopted asset allocation policies as of September 30, 2023:

Retirement Plan	Asset Class	Target Allocation
General Employees	Domestic equities	20% to 85%
	International equities	0% to 25%
	Hedge funds	0% to 10%
	Real estate fund	0% to 12.50%
	Infrastructure	0% to 10%
	Fixed income	15% to 50%
	Cash and equivalents	Minimal
Police and Firefighters	Domestic equities	20% to 75%
	International equities	0% to 25%
	Hedge funds	0% to 10%
	Infrastructure	0% to 10%
	Real estate funds	0% to 10%
	Fixed income	20% to 50%
	Cash and cash equivalents	Minimal
General Management & OPEB	Core bonds	15%
	Core plus	15%
	U.S. large cap equity	25%
	U.S. small cap equity	14%
	Non-U.S. equity	21%
	Core real estate	10%
FRS	Cash equivalents	1.3%
	Fixed income	16.1%
	Global equity	50.6%
	Private equity	9.4%
	Real estate	11.2%
	Strategic investments	11.4%

**Interest Rate Risk** is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Interest rate risk disclosures are required for all debt instruments as well as investments in mutual funds, external investment pools and other pooled investments that do not meet the definition of a "2a-7 like" pool.

As a means of managing its exposure to fair value loss arising from increasing interest rates and to allow investment maturities to coincide with projected needs, the City's investment policy does not allow direct investment in securities maturing more than ten (10) years from the date of purchase. Additionally, the investment policy requires a weighted average maturity for the portfolio to not exceed five (5) years. The City's current weighted average maturity as of September 30, 2023, was 0.66 years.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 4 – Deposits and Investments** (continued)

**Risk Disclosures** (continued)

**Interest Rate Risk** (continued)

On September 30, 2023, the City's investments had the following distribution of maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
US agencies	\$ 145,002,087	\$ 108,642,076	\$ 36,360,011	\$ -	\$ -
Corporate bonds	3,937,100	-	3,937,100	-	-
FMlvt	52,179	-	52,179	-	-
Municipal bonds	1,165,735	793,851	371,884	-	-
Total	<u>\$ 150,157,101</u>	<u>\$ 109,435,927</u>	<u>\$ 40,721,174</u>	<u>\$ -</u>	<u>\$ -</u>

On September 30, 2023, The General Management Employees Pension Plan's investments had the following distribution of maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
FMlvt Broad Market High Quality Bond Fund	\$ 696,704	\$ -	\$ -	\$ 696,704	\$ -
FMlvt Core Plus Fixed Income	681,106	-	-	681,106	-
Total	<u>\$ 1,377,810</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,377,810</u>	<u>\$ -</u>

On September 30, 2023, The OPEB Trust Fund's investments had the following distribution of maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
FMlvt Broad Market High Quality Bond Fund	\$ 2,032,408	\$ -	\$ -	\$ 2,032,408	\$ -
FMlvt Core Plus Fixed Income	1,915,153	-	-	1,915,153	-
Total	<u>\$ 1,377,810</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,377,810</u>	<u>\$ -</u>

On September 30, 2023, The Retirement Plan for General Employees investments had the following distribution of maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
Corporate bonds	\$ 1,544,616	\$ -	\$ 598,316	\$ 946,300	\$ -
US agencies	7,524,017	-	-	444,034	7,079,983
US treasuries	9,317,494	-	8,864,272	453,222	-
Total	<u>\$ 18,386,127</u>	<u>\$ -</u>	<u>\$ 9,462,588</u>	<u>\$ 1,843,556</u>	<u>\$ 7,079,983</u>

On September 30, 2023, the Retirement Plan for Police Officers and Firefighters investments had the following distribution of maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
US treasuries	\$ 13,722,698	\$ 2,682,144	\$ 9,042,818	\$ 1,997,736	\$ -
US agencies	8,267,567	-	-	-	8,267,567
Corporate bonds	6,475,889	336,748	3,999,268	2,139,873	-
Total	<u>\$ 28,466,154</u>	<u>\$ 3,018,892</u>	<u>\$ 13,042,086</u>	<u>\$ 4,137,609</u>	<u>\$ 8,267,567</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 4 – Deposits and Investments** (continued)

**Fair Value Measurement**

The investment portfolios of the City, OPEB Trust Fund, General Management Employee Pension Plan, Retirement Plan for General Employees, and the Retirement Plan for Police Officers and Firefighters are recorded in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, which establishes a hierarchy based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are based on quoted prices in active markets for identical assets; Level 2 inputs are based on significant other observable inputs; Level 3 inputs are based on unobservable inputs. A description of valuation methodologies follows.

Common stock: closing price reported on the New York Stock Exchange

Government securities: pricing models maximizing observable inputs for similar securities

Corporate bonds: pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yield of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.

Hedge funds: net asset value per share, without further adjustment. Net asset value is based upon the fair value of the underlying investment.

Real estate: net asset value of shares held by the Plan at year end. The Plans have investments in a private market real estate investment for which no liquid public market exists.

The City has the following fair value measurements on September 30, 2023:

<u>Investment by fair value level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Debt securities:				
U.S. treasury securities	\$ 46,032,716	\$ 46,032,716	\$ -	\$ -
U.S. agency securities	98,969,371	-	98,969,371	-
FMVMT 1-3 Year High Quality Bond Fund	52,179	-	52,179	-
Municipal bonds	1,165,735	-	1,165,735	-
Corporate bonds	3,937,100	-	3,937,100	-
Total debt securities	<u>150,157,101</u>	<u>\$ 46,032,716</u>	<u>\$ 104,124,385</u>	<u>\$ -</u>
<u>Investments measured at the net asset value (NAV)</u>				
Florida Prime	<u>5,726,061</u>			
Total investments measured at the NAV	<u>5,726,061</u>			
Cash	23,810,011			
Money market funds (exempt)	<u>9,500,250</u>			
Total pooled cash and investments	<u>\$ 189,193,423</u>			

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 4 – Deposits and Investments** (continued)

**Risk Disclosures** (continued)

**Fair Value Measurement** (continued)

The City's OPEB Trust Fund has the following fair value measurements on September 30, 2023:

<u>Investment by fair value level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
FMivT Broad Market High Quality Bond Fund	\$ 696,704	\$ -	\$ 696,704	\$ -
FMivT Core Plus Fixed Income	681,106	-	-	681,106
FMivT Diversified Large Cap Equity Portfolio	1,403,806	-	1,403,806	-
FMivT Diversified Small to Mid Cap Equity Portfolio	748,697	-	748,697	-
FMivT International Equity Portfolio	1,013,860	-	1,013,860	-
FMivT Core Real Estate Fund	655,109	-	-	655,109
Total securities	<u>\$ 5,199,282</u>	<u>\$ -</u>	<u>\$ 3,863,067</u>	<u>\$ 1,336,215</u>

The City's General Management Employee Pension Plan has the following fair value measurements on September 30, 2023:

<u>Investment by fair value level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
FMivT Broad Market High Quality Bond Fund	\$ 2,032,408	\$ -	\$ 2,032,408	\$ -
FMivT Core Plus Fixed Income	1,758,814	-	-	1,758,814
FMivT Diversified Large Cap Equity Portfolio	5,725,917	-	5,725,917	-
FMivT Diversified Small to Mid Cap Equity Portfolio	3,009,527	-	3,009,527	-
FMivT International Equity Portfolio	4,318,866	-	4,318,866	-
FMivT Core Real Estate Fund	2,696,848	-	-	2,696,848
Total securities	<u>\$ 19,542,380</u>	<u>\$ -</u>	<u>\$ 15,086,718</u>	<u>\$ 4,455,662</u>

The Retirement Plan for General Employees has the following fair value measurements on September 30, 2023:

<u>Investment by fair value level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>Equity securities:</u>				
Common stocks	\$ 50,886,823	\$ 50,886,823	\$ -	\$ -
Infrastructure mutual fund	4,183,159	4,183,159	-	-
REIT	11,529	11,529	-	-
Total equity securities	<u>55,081,511</u>	<u>55,081,511</u>	<u>-</u>	<u>-</u>
<u>Debt securities:</u>				
U.S. treasury securities	9,317,494	9,317,494	-	-
U.S. agency securities	7,524,017	-	7,524,017	-
Corporate bonds	1,544,616	-	1,544,616	-
Total debt securities	<u>18,386,127</u>	<u>9,317,494</u>	<u>9,068,633</u>	<u>-</u>
Total assets at fair value	<u>73,467,638</u>	<u>\$ 64,399,005</u>	<u>\$ 9,068,633</u>	<u>\$ -</u>
<u>Investments measured at the net asset value (NAV)</u>				
Real estate	8,318,553			
Total investments measured at the NAV	<u>8,318,553</u>			
Money market funds (exempt)	<u>2,625,725</u>			
Total investments	<u>\$ 84,411,916</u>			

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 4 – Deposits and Investments** (continued)

**Risk Disclosures** (continued)

**Fair Value Measurement** (continued)

The Retirement Plan for Police Officers and Firefighters has the following fair value measurements on September 30, 2023:

<u>Investment by fair value level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equity securities:				
Common stocks	\$ 58,092,158	\$ 58,092,158	\$ -	\$ -
Infrastructure mutual fund	5,080,784	5,080,784	-	-
REIT	14,646	14,646	-	-
Total equity securities	<u>63,187,588</u>	<u>63,187,588</u>	<u>-</u>	<u>-</u>
Debt securities:				
U.S. treasury securities	13,722,698	13,722,698	-	-
U.S. agency securities	8,267,567	-	8,267,567	-
Corporate bonds	6,475,889	-	6,475,889	-
Total debt securities	<u>28,466,154</u>	<u>13,722,698</u>	<u>14,743,456</u>	<u>-</u>
Total assets at fair value	<u>91,653,742</u>	<u>\$ 76,910,286</u>	<u>\$ 14,743,456</u>	<u>\$ -</u>
<u>Investments measured at the net asset value (NAV)</u>				
Real estate	7,598,299			
Hedge funds	22,126			
Total investments measured at the NAV	<u>7,620,425</u>			
Money market funds (exempt)	<u>2,763,262</u>			
Total investments	<u>\$ 102,037,429</u>			

**Note 5 – Receivables**

**Accounts Receivable**

Accounts receivable on September 30, 2023, for the City's individual major funds and non-major funds in the aggregate, are as follows:

	<u>General</u>	<u>Non-major Governmental</u>	<u>Water</u>	<u>Sewer</u>	<u>Non-major Enterprise</u>	<u>Total</u>
Account Receivable						
Billed	\$1,917,050	\$ -	\$ 8,540,278	\$ 1,677,630	\$1,362,557	\$ 13,497,515
Taxes	1,720,236	-	-	-	-	1,720,236
Franchise fees	748,492	-	-	-	-	748,492
Intergovernmental	-	627,615	-	-	-	627,615
Grants	-	103,333	-	-	-	103,333
Other	<u>1,613,860</u>	<u>4,053</u>	<u>25,471</u>	<u>93,526</u>	<u>-</u>	<u>1,736,910</u>
Gross receivables	5,999,638	735,001	8,565,749	1,771,156	1,362,557	18,434,101
Less allowance for uncollectibles	<u>327,329</u>	<u>-</u>	<u>2,821,233</u>	<u>538,304</u>	<u>739,952</u>	<u>4,426,818</u>
Total accounts receivable	<u>\$ 5,672,309</u>	<u>\$ 735,001</u>	<u>\$ 5,744,516</u>	<u>\$ 1,232,852</u>	<u>\$ 622,605</u>	<u>\$ 14,007,283</u>

Receivables on September 30, 2023, consist primarily of billed and unbilled charges for services in the enterprise funds. The governmental funds' receivables consist of grants, taxes, and intergovernmental receivables mostly due from the state and county pursuant to shared revenue agreements; franchise fees and utility taxes paid in arrears. Other receivables include business tax receipts and fees charged to other municipalities for utility bill processing and collection.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 6 – Restricted Assets**

Restricted assets are cash and investments held by the City that are likely to require repayment. These resources are classified as restricted cash with offsetting liabilities on the balance sheet. Revenue bond proceeds are required to be expended for the capital improvement projects for which the bonds were issued. Customer deposits are collected in the water, sewer, and solid waste funds and are repaid to the customer at the time the account is closed or applied to the customer's final bill in the case of non-payment. The restricted assets balances at year end are as follows:

	Revenue Bond Proceeds	Customer Deposits	Total
Business-type activities:			
Water	\$ 39,410,243	\$ 4,380,264	\$ 43,790,507
Wastewater	12,769,310	505,260	13,274,570
Total business-type activities	<u>\$ 52,179,553</u>	<u>\$ 4,885,524</u>	<u>\$ 57,065,077</u>

**Note 7 – Interfund Receivables, Payables and Transfers**

**Interfund Receivables**

The purpose of all interfund receivables is to eliminate credit cash balances for financial statement presentation. Interfund receivables as of September 30, 2023, are as follows:

Fund	Due to Other Funds	Due from Other Funds
General Fund	\$ -	\$ 2,791,414
Non-major governmental funds	857,464	-
Solid Waste Fund	1,933,950	-
Total due to/from other funds	<u>\$ 2,791,414</u>	<u>\$ 2,791,414</u>

**Interfund transfers**

Interfund transfers into the general fund are used to allocate expenses to other operating funds. Allocated costs include general liability and worker's compensation insurances as well as administrative expenses. Interfund transfers into the non-major governmental funds are to provide for debt service payments and grant matching requirements. Interfund transfers made during fiscal year 2023 are as follows:

	Transfers In	
Transfers out	General Fund	Total
Community Redevelopment Agency	\$ 388,372	\$ 388,372
Non-major governmental funds	144,080	144,080
Water utility	4,641,695	4,641,695
Sewer utility	1,110,895	1,110,895
Non-major enterprise funds	1,347,111	1,347,111
Internal service funds	15,715	15,715
Total transfers out	<u>\$ 7,647,868</u>	<u>\$ 7,647,868</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 8 – Capital Assets**

Capital assets activity for the year ended September 30, 2023, was as follows:

	Beginning Balance *	Additions	Deletions	Ending Balance
<b><u>Governmental Activities</u></b>				
Capital assets not being depreciated nor amortized				
Land	\$ 6,328,819	\$ -	\$ -	\$ 6,328,819
Construction in progress	40,269,000	4,534,571	-	44,803,571
Total capital assets not being depreciated nor amortized	<u>46,597,819</u>	<u>4,534,571</u>	<u>-</u>	<u>51,132,390</u>
Capital assets being depreciated and amortized				
Buildings	29,762,240	1,726	-	29,763,966
Improvement other than buildings	33,512,835	-	-	33,512,835
Infrastructure	23,985,263	2,870	-	23,988,133
Lease assets - buildings	170,640	-	(170,640)	-
Lease assets - equipment	93,414	8,039	(47,591)	53,862
Subscription assets	-	2,758,717	-	2,758,717
Furniture, fixtures, machinery and equipment	35,697,487	559,937	-	36,257,424
Total capital assets being depreciated and amortized	<u>123,221,879</u>	<u>3,331,289</u>	<u>(218,231)</u>	<u>126,334,937</u>
Less accumulated depreciation and amortization				
Buildings	(28,897,496)	(107,127)	-	(29,004,623)
Improvement other than building	(23,638,299)	(1,146,979)	-	(24,785,278)
Infrastructure	(10,135,889)	(730,146)	-	(10,866,035)
Lease assets - buildings	(23,700)	(87,020)	110,720	-
Lease assets - equipment	(40,252)	(32,079)	47,591	(24,740)
Subscription assets	-	(659,376)	-	(659,376)
Furniture, fixture machinery and equipment	(29,347,374)	(1,734,859)	-	(31,082,233)
Total accumulated depreciation and amortization	<u>(92,083,010)</u>	<u>(4,497,586)</u>	<u>158,311</u>	<u>(96,422,285)</u>
Total capital assets being depreciated and amortized, net	<u>31,138,869</u>	<u>(1,166,297)</u>	<u>(59,920)</u>	<u>29,912,652</u>
Governmental activities capital assets, net	<u>\$ 77,736,688</u>	<u>\$ 3,368,274</u>	<u>\$ (59,920)</u>	<u>\$ 81,045,042</u>
<b><u>Business-type Activities</u></b>				
Capital assets not being depreciated nor amortized				
Land	\$ 5,871,556	\$ -	\$ -	\$ 5,871,556
Construction in progress	58,949,519	12,096,307	-	71,045,826
Total capital assets not being depreciated nor amortized	<u>64,821,075</u>	<u>12,096,307</u>	<u>-</u>	<u>76,917,382</u>
Capital assets being depreciated and amortized				
Buildings and utility plant	236,970,610	1,631,178	-	238,601,788
Lease assets - equipment	47,376	24,660	(3,534)	68,502
Lease assets - infrastructure	14,717	-	(14,717)	-
Lease assets - vehicle	253,215	1,006,192	-	1,259,407
Subscription assets	-	300,365	-	300,365
Machinery and equipment	19,421,400	1,140,657	-	20,562,057
Total capital assets being depreciated and amortized	<u>256,707,318</u>	<u>4,103,052</u>	<u>(18,251)</u>	<u>260,792,119</u>
Less accumulated depreciation and amortization				
Buildings and utility plant	(127,223,326)	(6,559,107)	-	(133,782,433)
Lease assets - equipment	(14,259)	(15,820)	3,534	(26,545)
Lease assets - infrastructure	(13,585)	(1,132)	14,717	-
Lease assets - vehicle	(139,598)	(357,808)	-	(497,406)
Subscription assets	-	(165,144)	-	(165,144)
Machinery and equipment	(16,935,562)	(512,989)	-	(17,448,551)
Total accumulated depreciation and amortization	<u>(144,326,330)</u>	<u>(7,612,000)</u>	<u>18,251</u>	<u>(151,920,079)</u>
Total capital assets being depreciated and amortized, net	<u>112,380,988</u>	<u>(3,508,948)</u>	<u>-</u>	<u>108,872,040</u>
Business-type activities capital assets, net	<u>\$ 177,202,063</u>	<u>\$ 8,587,359</u>	<u>\$ -</u>	<u>\$ 185,789,422</u>

\* Beginning balances restated, refer to Note 16

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 8 – Capital Assets** (continued)

**Depreciation**

Depreciation expense for fiscal year 2023 was charged to the following functions of the City:

Governmental Activities:	
General government	\$ 2,132,217
Public safety	1,170,485
Parks & Recreation	212,080
Library	65,225
Public works	309,847
Information Technology	607,732
Total depreciation expense - governmental activities	\$ 4,497,586
Business-type activities:	
Water	\$ 6,336,220
Sewer	942,428
Non-major enterprise funds	315,517
Internal service fund	17,835
Total depreciation expense - business-type activities	\$ 7,612,000

**Construction Commitments**

Beginning in fiscal year 2009, the City received funding for various capital projects from the Florida Department of Environmental Protection State Revolving Loan Fund. These loans are considered grants from the U.S. Environmental Protection Agency passed-through the State of Florida and include \$5.5 million of principal forgiveness. The awards include \$10.0 million for the removal of volatile organic chemicals from drinking water produced by the City's utility plant, \$10.3 million for the installation of an automated meter reading system for the City's water meters, \$1.6 million to facilitate sewer connections to City facilities in the Highland Village neighborhood, \$3.8 million for the inflow and infiltration reduction program, \$3.6 million for the design and construction of a major sewer rehabilitation project.

**Encumbrances**

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Encumbrances as of September 30, 2023, are as follows:

Major Funds:	
General Fund	\$ 5,442,479
Other governmental funds	937,051
Total encumbrances	\$ 6,379,530

**Note 9 – Deferred Outflow/Inflows of Resources**

In addition to assets, the Statement of Net Position includes separate sections for the financial statement elements *Deferred Outflows of Resources*, and *Deferred Inflows of Resources* that represent consumption of net assets and acquisition of net assets, respectively that applies to a future period and will be recognized as expenditures or revenues in the future period to which it applies. As of September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources in the amounts of \$33,074,857 and \$943,399, respectively from Pensions. The City reported deferred outflows of resources and deferred inflows of resources in the amounts of \$1,049,455 and \$1,830,509, respectively from Other Post-employment Benefits. The City also reported Deferred inflows of resources consist of business tax receipts (taxes received in advance) that were billed at the end of the fiscal year but are not due until the following fiscal year totaling \$625,125.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 10 – Long-term Debt**

The following schedule provides a summary of the changes in long-term debt for the fiscal year:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b><u>Governmental activities:</u></b>					
Bonds and notes payable:					
General obligation bonds and notes	\$ 10,695,000	\$ -	\$ (1,685,000)	\$ 9,010,000	\$ 1,700,000
Notes payable CRA - Nontaxable	749,999	-	(749,999)	-	-
Total bonds and notes payable	11,444,999	-	(2,434,999)	9,010,000	1,700,000
Lease Liability	203,572	-	(171,448)	32,124	12,747
Subscription Liability	-	2,664,450	(916,173)	1,748,277	952,180
Net pension liability	61,817,692	34,624,394	(5,351,046)	91,091,040	-
Estimated claims	2,812,000	1,247,000	(753,000)	3,306,000	1,182,000
Compensated absences	3,070,051	1,358,388	(976,046)	3,452,393	685,702
Other post-employment benefit liability	4,147,893	838,386	(1,050,573)	3,935,706	-
Governmental activities long-term liabilities	<u>\$ 83,496,207</u>	<u>\$ 40,732,618</u>	<u>\$ (11,653,285)</u>	<u>\$ 112,575,540</u>	<u>\$ 4,532,629</u>
<b><u>Business-type activities:</u></b>					
Revenue bonds	\$ 87,570,000	\$ -	\$ (4,090,000)	\$ 83,480,000	\$ 4,170,000
Premium on Revenue bonds	9,199,291	-	(507,850)	8,691,441	507,850
Total revenue bonds payable	96,769,291	-	(4,597,850)	92,171,441	4,677,850
Notes payable - Stormwater	11,576,076	-	(836,015)	10,740,061	857,826
State Revolving Loans - Water	5,019,054	-	(418,216)	4,600,838	426,630
Total bonds and loans	113,364,421	-	(5,852,081)	107,512,340	5,962,306
Subscription liability	-	300,365	(185,107)	115,258	81,038
Lease Liability	1,042,282	24,661	(273,221)	793,722	266,598
Net pension liability	7,360,548	12,203,202	(316,601)	19,247,149	-
Compensated absences	584,959	277,787	(71,181)	791,565	187,644
Other post-employment benefit liability	790,076	159,693	(200,110)	749,659	-
Business-type activities long-term liabilities	<u>\$ 123,142,286</u>	<u>\$ 12,965,708</u>	<u>\$ (6,898,301)</u>	<u>\$ 129,209,693</u>	<u>\$ 6,497,586</u>

There are several limitations and restrictions contained in the various bond indentures. As of September 30, 2023, the City complies, in all material respects, with significant covenants and restrictions. Interest and principal payments have been made timely on all debt obligations.

**Bonds Payable**

On January 29, 2020, the Water Utility issued \$40,030,000 par amount of Water Revenue Bonds, Series 2020A at a premium of \$10,267,112 and \$39,945,000 par amount of Taxable Water Revenue Refunding Bonds, Series 2020B at coupon rates of 5%. The proceeds of Series A will be used to invest in the Utility's five-year Capital Improvement Plan. The proceeds of Series B were transferred to TD Bank, N.A. to provide for the escrow requirements for the partial redemption of the Water Revenue Refunding Bonds, Series 2012.

On June 25, 2020, the Water Utility was awarded a loan from the United States Government under the Water Infrastructure and Finance Innovation Act (WIFIA) administered by the Environmental Protection Agency. The loan was issued at an amount not to exceed \$44,204,486 and will be used for the Norwood Water Treatment Plant Upgrade and Transmission Main Improvements and Replacement Projects. The loan is secured by the Water Utility operating revenues, requires a 51% match and carries an interest rate of 1.36%. Interest becomes payable upon the first drawdown. The principal payback period begins five years after completion of the project which is estimated to be August 1, 2025. The first of 30 annual installments are due on August 1, 2031.

On February 22, 2022, the City issued a \$9,190,000 General Obligation Refunding Note, Series 2022 for the current refunding of the Series 2011 promissory note. The Note bears interest at a fixed rate of 1.52% and matures on September 30, 2030. The Series 2011 promissory refunding resulted in an economic gain of approximately \$1,190,000.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 10 – Long-term Debt** (continued)

**Bonds Payable** (continued)

Bond issues authorized and outstanding as of September 30, 2023, are summarized as follows:

<u>General Obligation Bonds and Notes</u>	<u>Principal Outstanding</u>
<p>\$8,190,000 General Obligation Refunding Bond, Series 2012 Capital Appreciation and term bonds; secured by revenues pledged from voted debt millage; due in annual installments of \$585,000 to \$760,000 from May 1, 2013 to May 1, 2024; interest at 2.08%. The bond agreement includes a provision that in an event of default all amounts will immediately due and payable including interest to the bondholders.</p>	\$ 760,000
<p>\$9,190,000 TD Bank, N.A., General Obligation Refunding Note, Series 2022, secured by revenues pledged from voted debt millage; due in annual installments of \$940,000 to \$1,100,000 from September 30, 2023 to September 30, 2030; interest at 1.520%. The note agreement includes a provision that in an event of default all amounts will immediately due and payable including interest and the Default Rate.</p>	<u>8,250,000</u>
<p style="padding-left: 40px;">Total General Obligation Bonds and Notes</p>	<u>\$ 9,010,000</u>
<u>Revenue Bonds and Notes</u>	
Water Utility System	
<p>\$40,030,000 Water Revenue Bonds, Series 2020A; secured by revenues pledged from gross revenues, less operating expenses of the water utility; due in annual installments of \$220,000 to \$3,345,000 beginning August 1, 2021 to August 1, 2049; coupon interest at 5.0%; issued at a premium of \$10,267,112.55. The bond agreement includes a provision that in an event of default all amounts will immediately due and payable including interest to the bondholders.</p>	39,575,000
<p>\$39,945,000 Water Revenue Refunding Bonds, Series 2020B; secured by revenues pledged from gross revenues, less operating expenses of the water utility; due in annual installments of \$980,000 to \$4,250,000 beginning August 1, 2020 to August 1, 2032; interest at 1.816% to 2.656%. The bond agreement includes a provision that in an event of default all amounts will immediately due and payable including interest to the bondholders.</p>	<u>34,755,000</u>
<p style="padding-left: 40px;">Total Water Utility System Revenue Bonds</p>	<u>74,330,000</u>
Sewer Utility System	
<p>\$11,000,000 Sewer Utility Revenue Note, Series 2020; secured by revenues pledged from gross revenues, less operating expenses of the water utility; due in annual installments of \$600,000 to \$885,000 beginning August 1, 2021 to August 1, 2035; interest at 2.820%. The note agreement includes a provision that in an event of default all amounts will immediately due and payable including interest and the Default Rate.</p>	<u>9,150,000</u>
<p style="padding-left: 40px;">Total Revenue Bonds and Notes</p>	<u>\$ 83,480,000</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 10 – Long-term Debt** (continued)

**Bonds Payable** (continued)

**Debt Service Requirements**

Debt service requirements to maturity for each bond series on September 30, 2023, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Refunding Bond, Series 2012			
2024	\$ 760,000	\$ 19,212	\$ 779,212
	<u>\$ 760,000</u>	<u>\$ 19,212</u>	<u>\$ 779,212</u>
Chase Bank, N.A. Promissory Note Series 2022			
2024	\$ 960,000	\$ 118,104	\$ 1,078,104
2025	985,000	103,322	1,088,322
2026	1,000,000	88,236	1,088,236
2027	1,025,000	72,846	1,097,846
2028	1,040,000	57,152	1,097,152
2029-2031	3,240,000	74,480	3,314,480
	<u>\$ 8,250,000</u>	<u>\$ 514,140</u>	<u>\$ 8,764,140</u>
Water Revenue Bonds 2020A Series:			
2024	\$ -	\$ 1,978,750	\$ 1,978,750
2025	-	1,978,750	1,978,750
2026	-	1,978,750	1,978,750
2027	-	1,978,750	1,978,750
2028	-	1,978,750	1,978,750
2029-2033	1,530,000	9,893,750	11,423,750
2034-2038	8,890,000	8,665,250	17,555,250
2039-2043	11,335,000	6,210,750	17,545,750
2044-2048	14,475,000	3,078,000	17,553,000
2049	3,345,000	167,250	3,512,250
	<u>\$ 39,575,000</u>	<u>\$ 37,908,750</u>	<u>\$ 77,483,750</u>
Water Revenue Refunding Bonds 2020B Series:			
2024	\$ 3,520,000	\$ 829,947	\$ 4,349,947
2025	3,595,000	758,808	4,353,808
2026	3,670,000	684,356	4,354,356
2027	3,755,000	603,212	4,358,212
2028	3,845,000	516,434	4,361,434
2029-2032	16,370,000	1,080,582	17,450,582
	<u>\$ 34,755,000</u>	<u>\$ 4,473,339</u>	<u>\$ 39,228,339</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 10 – Long-term Debt** (continued)

**Bonds Payable** (continued)

**Debt Service Requirements** (continued)

Debt service requirements to maturity for each bond series on September 30, 2023, are as follows:

Sewer Revenue Bonds	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020 Series:			
2024	\$ 650,000	\$ 258,030	\$ 908,030
2025	670,000	239,700	909,700
2026	690,000	220,806	910,806
2027	710,000	201,348	911,348
2028	725,000	181,326	906,326
2029-2033	3,960,000	587,124	4,547,124
2034-2035	<u>1,745,000</u>	<u>74,166</u>	<u>1,819,166</u>
	<u>\$ 9,150,000</u>	<u>\$ 1,762,500</u>	<u>\$ 10,912,500</u>

**State Revolving Loan - Program**

In 2009, the City began participating in the Revolving Loan Program administered by the State of Florida. This program provides funding for local governments from the Department of Environmental Protection for the construction of wastewater pollution control facilities and public water systems. The loans require semi-annual principal and interest payments and have repayment terms of 20 years with fixed interest rates. Capitalized interest has been included in the loan amount. Primary terms of each agreement are provided as follows:

State Revolving Loans - Water	<u>Principal Outstanding</u>
\$450,226 State Revolving Fund Loan Agreement, Number DW130102; secured by revenues pledged from the gross revenues less operating expenses and senior debt obligations of the Water System; due in semi-annual installments of \$14,592 from February 15, 2011 to August 15, 2031; interest at 2.71%.	\$ 184,941
\$9,575,484 State Revolving Fund Loan Agreement, Number DW130103; secured by revenues pledged from the gross revenues less operating expenses and senior debt obligations of the Water System; due in semi-annual installments of \$216,745 from October 15, 2012 to April 15, 2032; interest at 2.58%.	3,462,809
\$10,343,267 State Revolving Fund Loan Agreement, Number DW130130; secured by revenues pledged from the gross revenues less operating expenses and senior debt obligations of the Water System; due in semi-annual installments of \$334,210 from April 15, 2016 to October 15, 2035; interest at 3.06%.	<u>7,092,310</u>
Total Water State Revolving Loans	<u>\$ 10,740,060</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 10 – Long-term Debt** (continued)

**Bonds Payable** (continued)

**Debt Service Requirements** (continued)

Debt service requirements to maturity for each state revolving loan for water on September 30, 2023, are as follows:

	Principal	Interest	Total
DW 130102 (Water)			
2024	\$ 24,335	\$ 4,848	\$ 29,183
2025	24,999	4,184	29,183
2026	25,681	3,502	29,183
2027	26,382	2,801	29,183
2028	27,102	2,082	29,184
2029-2030	56,442	1,926	58,368
	<u>\$ 184,941</u>	<u>\$ 19,343</u>	<u>\$ 204,284</u>
DW 130103 (Water)			
2024	\$ 346,595	\$ 86,896	\$ 433,491
2025	355,570	77,920	433,490
2026	364,778	68,712	433,490
2027	374,225	59,265	433,490
2028	383,917	49,574	433,491
2029-2032	1,637,724	96,250	1,733,962
	<u>\$ 3,462,809</u>	<u>\$ 438,617</u>	<u>\$ 3,901,414</u>
DW 130130 (Water)			
2024	\$ 486,895	\$ 181,526	\$ 668,421
2025	499,637	168,785	668,422
2026	512,715	155,707	668,422
2027	526,138	142,283	668,421
2028	539,917	128,504	668,421
2029-2033	2,919,368	422,737	3,342,105
2034-2036	1,607,640	63,413	1,671,053
	<u>\$ 7,092,310</u>	<u>\$ 1,262,955</u>	<u>\$ 8,355,265</u>

	Principal Outstanding
State Revolving Loans - Sewer	
\$1,195,062 State Revolving Fund Loan Agreement, Number WW130100; secured by revenues pledged from the gross revenues less operating expenses and senior debt obligations of the Sewer System; due in semi-annual installments of \$35,977 from May 15, 2011 through November 15, 2030; interest at 1.94%.	\$ 499,989
\$366,668 State Revolving Fund Loan Agreement, Number WW130101; secured by revenues pledged from the gross revenues less operating expenses and senior debt obligations of the Sewer System; due in semi-annual installments of \$11,046 from May 15, 2011 through November 15, 2030; interest at a combined rate of 1.86%.	154,014
\$3,752,982 State Revolving Fund Loan Agreement, Number WW130110; secured by revenues pledged from the gross revenues less operating expenses and senior debt obligations of the Sewer System; due in semi-annual installments of \$103,762 from March 15, 2013 through September 15, 2032; interest at 2.10%.	1,693,769

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 10 – Long-term Debt** (continued)

**State Revolving Loans - Program** (continued)

**Debt Service Requirements** (continued)

	Principal Outstanding
State Revolving Loans - Sewer (continued)	
\$365,234 State Revolving Fund Loan Agreement, Number WW745080; secured by revenues pledged from the gross revenues less operating expenses and senior debt obligations of the Sewer System; due in semi-annual installments of \$11,385 from March 15, 2014 to September 15, 2033; interest at 2.05%.	204,927
\$3,247,685 State Revolving Loan Agreement, Number WW 745081; secured by revenues pledged from the gross revenues less operating expenses and senior debt obligations of the Sewer System; due in semi-annual installments of \$96,012 from November 15, 2015 through May 15, 2035.	2,048,140
Total Sewer State Revolving Loans	\$ 4,600,839

Debt service requirements to maturity for each state revolving loan for sewer on September 30, 2023, are as follows:

	Principal	Interest	Total
WW 130100 (Sewer)			
2024	\$ 62,557	\$ 9,398	\$ 71,955
2025	63,776	8,178	71,954
2026	65,020	6,935	71,955
2027	66,287	5,668	71,955
2028	67,602	4,354	71,956
2029-2031	174,747	5,140	179,887
	\$ 499,989	\$ 39,673	\$ 539,662
WW 130101 (Sewer)			
2024	\$ 19,323	\$ 2,769	\$ 22,092
2025	19,683	2,409	22,092
2026	20,051	2,042	22,093
2027	20,425	1,668	22,093
2028	20,813	1,280	22,093
2029-2031	53,719	1,513	55,232
	\$ 154,014	\$ 11,681	\$ 165,695
WW 130110 (Sewer)			
2024	\$ 172,858	\$ 34,666	\$ 207,524
2025	176,507	31,017	207,524
2026	180,233	27,291	207,524
2027	184,038	23,486	207,524
2028	187,924	19,600	207,524
2029-2032	792,209	37,890	830,099
	\$ 1,693,769	\$ 173,950	\$ 1,867,719

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 10 – Long-term Debt** (continued)

**State Revolving Loans - Program** (continued)

**Debt Service Requirements** (continued)

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
WW 745080 (Sewer)			
2024	\$ 18,663	\$ 4,106	\$ 22,769
2025	19,048	3,721	22,769
2026	19,441	3,329	22,770
2027	19,841	2,928	22,769
2028	20,250	2,520	22,770
2029-2033	107,684	6,166	113,850
	<u>\$ 204,927</u>	<u>\$ 22,770</u>	<u>\$ 227,697</u>
WW 745081 (Sewer)			
2024	\$ 153,230	\$ 38,794	\$ 192,024
2025	156,202	35,822	192,024
2026	159,231	32,793	192,024
2027	162,319	29,705	192,024
2028	165,523	26,501	192,024
2029-2033	777,291	86,816	864,107
2034-2035	474,343	5,715	480,058
	<u>\$ 2,048,139</u>	<u>\$ 256,146</u>	<u>\$ 2,304,285</u>

**Notes Payable**

**Pledged Revenues**

An evaluation of the sufficiency of pledged revenues for all the City's long-term debt for fiscal year ending September 30, 2023, follows:

<u>Issue</u>	<u>Revenue Source</u>	<u>Ratio</u>
General Obligation Bonds and Notes		
Series 2011	Voted debt millage	0.41
Series 2012	Voted debt millage	0.41
Revenue Bonds		
Series 2012	Gross revenue less operating expenses	15.83
Series 2020A*	Gross revenue less operating expenses	6.27
Series 2020B	Gross revenue less operating expenses	2.85
Sewer Revenue 2020	Gross revenue less operating expenses	2.25
State Revolving Loans:		
DW Series	Gross revenue less operating expenses and senior debt obligations	10.96
WW Series	Gross revenue less operating expenses and senior debt obligations	3.97

**Leases and Subscription**

A lease is defined as a contractual agreement that conveys control of the right-to-use (RTU) of another entity's nonfinancial assets for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. The City may be the lessee or the lessor in nonfinancial assets with lease contracts that include land, buildings, building improvements, vehicles, machinery, and equipment.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 10 – Long-term Debt** (continued)

**Leases and Subscription** (continued)

In compliance with GASB Statement No. 87, Leases, when the City is the lessor, the City recognized accrued interest payable as a lessee and recognized lease receivable, accrued interest receivable, deferred inflows of resources related to leases, lease revenues, and interest received from leases as a lessor. When the City is the lessee, the City recognized the RTU assets with related accumulated amortization, lease liabilities, lease expense and amortization expense.

The City has a variety of variable payment clauses within its lease arrangements. Components of variable payments that are fixed in substance are included in the measurement of the lease liability, while variable payments based on the usage of the underlying asset are excluded from this liability.

Contracts with maximum terms of twelve months or less, those with termination clauses by either party without notice periods or leases that transfer ownership of the underlying assets, are excluded from GASB Statement No. 87. Due to being under one primary government reporting legal entity, the leases amongst City departments are excluded from GASB Statement No. 87 because the control is not conveyed to another legal entity.

As of September 30, 2023, the City had various leases valued at \$1,381,771, and accumulated amortization totaling \$548,691 for the Governmental and Business-Type Activities.

Amount of subscription assets by major classes of underlying asset:

Year Ending September 30,	Lease Asset Value	Accumulated Amortization
Equipment	\$ 122,365	\$ 51,287
Vehicles	1,259,407	497,407
Total Lease	\$ 1,381,772	\$ 548,694

Principal and Interest Requirements to Maturity:

Year Ending September 30,	Principal Due	Interest Due	Total Debt Service
<b>Governmental Activities:</b>			
2024	\$ 12,427	\$ 167	\$ 12,594
2025	9,440	62	9,502
2026	5,156	37	5,193
2027	5,101	23	5,124
Total	\$ 32,124	\$ 289	\$ 32,413
<b>Business-type Activities:</b>			
2024	\$ 266,599	\$ 2,377	\$ 268,976
2025	264,535	1,607	266,142
2026	258,400	851	259,251
2027	4,187	112	4,299
Total	\$ 793,721	\$ 4,947	\$ 798,668

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 10 – Long-term Debt** (continued)

**Leases and Subscription** (continued)

**City as Lessor**

The City leases the use of a Communication Site located at 19150 NW 8th Ave. An initial lease receivable was recorded in the amount of \$63,255. The Land estimated useful life was 0 months as of the contract commencement. The lessee is required to make annual fixed payments of \$31,740. The lease has an interest rate of 0.3280%. As of September 30, 2023, the value of the lease receivable was \$0. The value of the deferred inflow of resources was \$7,029 and the City recognized lease revenue of \$24,486 during the fiscal year. The lessee has 2 extension option(s), each for 60 months.

Lease Receivable as of commencement date:

October 1, 2022	Additions	Reductions	September 30, 2023
19150 NW 8th Ave.	\$ 31,636	\$ 31,636	\$ -
Total Lease	\$ 31,636	\$ 31,636	\$ -

**Subscription Based Information Technology Arrangements (SBITA)**

The City implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements effective on October 1, 2022. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

The City recorded the subscription for the use of several software with varying expiration dates ranging from fiscal years ending September 30, 2024, through September 30, 2033. An initial subscription liability was recorded in the amount of \$2,964,815. As of September 30, 2023, the value of the subscription liability is \$1,863,535. The City is required to make annual payments that vary for each year.

As of September 30, 2023, North Miami Beach, FL had 21 active subscriptions. The subscriptions have payments that range from \$0 to \$425,000 and interest rates that range from 2.8470% to 3.4830%. As of September 30, 2023, the total combined value of the subscription liability is \$1,863,535. The combined value of the right to use asset, as of September 30, 2023 of \$3,059,080 with accumulated amortization of \$824,520 is included within the Subscription Class activities table found below.

Principal and Interest Requirements to Maturity:

Year Ending September 30,	Principal Due	Interest Due	Total Debt Service
<b>Governmental Activities:</b>			
2024	\$ 952,180	\$ 57,196	\$ 1,009,376
2025	230,846	25,638	256,484
2026	147,106	18,344	165,450
2027	151,567	13,883	165,450
2028	40,715	9,285	50,000
2029-2033	225,861	24,139	250,000
Total	\$ 1,748,275	\$ 148,485	\$ 1,896,760
<b>Business-type Activities:</b>			
2024	\$ 81,038	\$ 3,795	\$ 84,833
2025	34,220	1,114	35,334
Total	\$ 115,258	\$ 4,909	\$ 120,167

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 11 – Risk Management**

**Self-Insurance**

The City is exposed to various risks of loss related to torts, theft or damage to and destruction of assets, errors and omissions and natural disasters for which the City carries commercial insurance. The City established a risk management program for workers' compensation and general liabilities. Premiums are paid into the self-insurance funds, which are reported with the General Fund. Florida law limits the liability in negligence matters to \$200,000 per person up to \$300,000 per occurrence. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an estimated amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic factors.

There were no reductions in insurance coverages from the prior years, however, the deductible on property insurance changed from \$50,000 to \$100,000 in order to contain costs. The City did not settle any claims that exceeded this coverage within the last three fiscal years. Additional coverage was obtained to protect the City from employment practices liability, after a careful market review. Finally, in order to ensure that an effective, comprehensive risk management program is in place, careful analysis of all coverage and related activity is monitored on a regular basis.

Balances and changes in the balances of claims liabilities during the past two fiscal years are as follows (in thousands):

Claims Liability	2023	2022
Unpaid claims, beginning	\$ 2,812	\$ 2,525
IBNR claims	828	959
Claim payments	(945)	(672)
Unpaid claims, ending	\$ 2,695	\$ 2,812

**Contingent Liabilities**

Federal and State programs were audited in accordance with the provisions of the Single Audit Act, the U.S. Office of Management and Budget Uniform Guidance, and the Rules of the Auditor General of the State of Florida. Pursuant to those provisions, financial assistance programs were tested for compliance with applicable grant requirements. Grantor agencies may subject grant programs to additional compliance tests, which could result in disallowed expenditures. Future disallowances of grant program expenditures, while not expected, could be material.

**Litigation**

The City is the defendant in several lawsuits' incidental to its operations. Based upon the City Attorney's evaluation of pending cases, the estimated liability to which the City might be exposed is below \$1.0 million. The self-insurance funds, which are included in the General Fund, have assigned fund balances of approximately \$3.7 million on September 30, 2023.

**Note 12 – Employee Retirement Systems**

The City, as a single employer, maintains the following three public employee retirement system defined benefit pension plans covering substantially all full-time employees and certain former City firemen: the Retirement Plan for General Employees of the City of North Miami Beach, the Retirement Plan for Police Officers and Firefighters of the City of North Miami Beach and the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach. These Plans are recorded as Pension Trust Funds. The Plans are administered by separate Boards of Trustees. In accordance with various provisions of State statutes and the City Charter, the City is obligated to fund the liabilities of the Plans based upon actuarial valuations performed at least every two years.

The Retirement Plan for General Employees of the City of North Miami Beach and the Retirement Plan for Police Officers and Firefighters of the City of North Miami Beach issue a publicly available report that includes financial statements and required supplementary information for the Plans. These reports may be obtained by writing to: City of North Miami Beach Employees' Retirement System, 17011 NE 19<sup>th</sup> Ave., North Miami Beach, Florida 33162.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 12 – Employee Retirement Systems** (continued)

**Plan Membership**

Membership in each of the City's pension plans is included in the following schedule.

	<u>General Employees</u>	<u>Police &amp; Firefighters</u>	<u>General Management Employees</u>	<u>OPEB</u>
Covered Payroll	\$ 8,965,923	\$7,797,724	\$ 380,626	\$ 27,846,111
Currently receiving or entitled to receive benefits	338	151	26	345
Active employees	168	98	21	400
Total members	<u>506</u>	<u>249</u>	<u>47</u>	<u>745</u>

**Summary of Significant Accounting Policies**

***Basis of Accounting***

Public Employee Retirement Systems (PERS) financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

***Plan Descriptions***

The following brief descriptions of the Retirement Plans are provided for general information purposes only. Participants should refer to the Plan documents for more complete information.

***Retirement Plan for General Employees***

The benefit provisions and all other requirements of the Retirement Plan for General Employees are established by City Ordinance and are summarized as follows:

***Vesting***

Benefits are fully vested after 6 years of credited service if attained prior to September 30, 2013, and 10 years thereafter.

***Eligibility for Retirement***

Attainment of age 62 or age 55 with 20 years of credited service; or attainment of age 55 with 15 years of credited service, or completion of 20 years of credited service; or attainment of age 62 with 10 years of credited service, or age 60 with 25 years of credited service depending on bargaining unit and hire date.

***Annual Retirement Benefit***

Normal retirement benefits are based upon 3.0% of "final monthly compensation" ("FMC"), as defined by the pension plan, times years of credited service through December 31, 2013, and 2.5% of "FMC" times credited service after December 31, 2013.

***Other Benefits***

The Plan provides for optional retirement benefits, early retirement, deferred retirement, deferred retirement option program (DROP) disability retirement and death benefits to some members.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 12 – Employee Retirement Systems** (continued)

**Plan Descriptions** (continued)

**Retirement Plan for General Employees** (continued)

*Employee Contributions*

Employees contribute 7% of their basic annual compensation beginning after two years of service. If any employee leaves covered employment before vesting, accumulated employee contributions plus interest are refunded to the employee.

*City Contributions*

City contributions are based upon actuarially determined amounts, which together with employee contributions and fund earnings, are sufficient to fund the plan. The City's actuarially determined and actual contribution amount for the current year was \$3,918,467 and \$3,921,205, respectively, or 43.37% of covered payroll.

*Actuarial methods and assumptions*

Actuarially determined contribution amounts for the Plan for the current year were determined as part of the October 1, 2022, actuarial valuation using the entry age normal cost method. Additional information as of the latest actuarial valuation follows:

<u>Actuarial Assumptions</u>	<u>General Employees Plan</u>
Valuation Date	October 1, 2022
Actuarial cost method	Entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	30 years
Asset valuation method	Smoothed market value
Investment rate of return	7.35%
Projected salary increases	3.5% to 5.0%
Cost of living adjustments	0%, 0.75%, 2.25%
Inflation	2.75%

For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements.

**Retirement Plan for Police Officers and Firefighters**

The benefit provisions and all other requirements of the Retirement Plan for Police Officers and Firefighters are established by City Ordinance and are summarized as follows:

*Vesting*

Benefits are fully vested after ten years of credited service.

*Eligibility for Retirement*

Normal retirement is the earlier of age 52 or 22 years of service for firefighters and the earlier of age 52 or 20 years of credited service for police officers.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 12 – Employee Retirement Systems** (continued)

**Plan Descriptions** (continued)

**Retirement Plan for Police Officers and Firefighters** (continued)

*Annual Retirement Benefit*

Normal retirement benefits are based upon 3.3% for firefighters and 3% for police officers of "final monthly compensation", as defined by the pension plan, times years of credited service.

*Other Benefits*

The Plan also provides for optional retirement benefits, early retirement, deferred retirement, deferred retirement option program (DROP) disability retirement and death benefits.

*Employee Contributions*

7% of pretax earnings

*City Contributions*

City contributions are based upon actuarially determined amounts, which together with employee and state contributions and fund earnings are sufficient to fund the Plan. The City's actuarially determined and actual contribution amounts for the current year was \$6,428,387 or 8244% of covered payroll.

*Actuarial methods and assumptions*

Pursuant to Florida Statutes Section 185 and Section 175, the State of Florida makes contributions to fund police and firefighter benefits. These State contributions were recognized as revenue and expenditures by the City. During fiscal year 2023, the amounts were \$449,279 and \$478,262 for police and firefighters, respectively. Information related to the latest actuarial valuation, follows:

<u>Actuarial Assumptions</u>	<u>Police &amp; Firefighters Plan</u>
Valuation Date	October 1, 2022
Actuarial cost method	Entry age normal
Amortization method	Level percent closed
Remaining amortization period	30 years
Asset valuation method	Smoothed market value
Investment rate of return	7.50%
Projected salary increases	3.00%
Inflation	3.00%
Cost of living adjustments	2.5% on or before 1/31/2016

Mortality: For active male - Pub-2010 Safety Employees, headcount weighted, below median, set forward one year, projected with Scale MP-2018. For female - Pub-2010, Safety Employees, headcount weighted, set forward one year, projected with Scale MP-2018. For health inactive male - Pub-2010, Safety Retirees, headcount weighted, below median, set forward one year, projected with Scale MP- 2018. For healthy inactive female - Pub-2010, Safety Retirees, headcount weighted, set forward one year, projected with Scale MP-2018. For disabled participants - Blend of 80% headcount weighted Pub-2010 General Disabled Retiree rates and 20% headcount weighted Pub-2010 Safety Disabled Retiree rates, no projection scale.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 12 – Employee Retirement Systems** (continued)

***Retirement Plan and Trust for General Management Employees***

On January 7, 2003, the City Commission approved the creation of the General Management Employees Pension Plan. The Plan includes all full-time employees not eligible for inclusion in the General Employees or Police and Firefighters Plans. The creation of this plan allowed employees previously in the City's defined contribution 401(a) plan the option of transferring their holdings and join this Plan. During fiscal year 2013, the Plan was amended to reduce the cost of providing retirement benefits to the City's management.

The Florida Municipal Pension Trust Fund, a division of the Florida League of Cities, administers the Plan. The benefit provisions and all other requirements of the Plan are established by City ordinance and are summarized as follows:

*Vesting*

Benefits are fully vested after six years of credited service, 50% after four years.

*Eligibility for Retirement*

Normal retirement is the attainment of the age at which normal social security benefits may be collected with four years of service.

*Annual Retirement Benefit*

Normal retirement benefits are based upon 3% of "average final compensation", as defined by the pension plan, times the number of years of credited service prior to February 1, 2013, and 2% thereafter.

*Employee Contributions*

Management personnel contribute 8% of their basic annual compensation.

*City Contributions*

City contributions are based upon actuarially determined amounts, which together with employee contributions and fund earnings are sufficient to fund the Plan. There were no contributions for the fiscal year 2023.

*Actuarial methods and assumptions*

Actuarially determined contribution amounts for the Plan for the current year were determined as part of the October 1, 2022, actuarial valuation using the aggregate actuarial cost method.

Additional information related to the actuarial valuation follows:

<u>Actuarial Assumptions</u>	<u>General Management Plan</u>
Valuation Date	October 1, 2022
Actuarial cost method	Aggregate
Amortization method	Level dollar, fixed
Remaining amortization period	30 years
Asset valuation method	Market value
Investment rate of return	7.45%
Projected salary increases	3.50%-5.00%
Cost of living adjustments (prior to February 1, 2013)	0%, 0.75%, 2.25%

Mortality: Pre-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year; post-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Healthy Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 12 – Employee Retirement Systems** (continued)

**Plan Descriptions** (continued)

**Florida Retirement System (FRS) and Retiree Health Subsidy Program (HIS)**

The City contributes to the FRS and HIS on behalf of its elected officials. FRS is a cost-sharing multiple employers defined benefit pension plan established by and administered in accordance with Chapter 121, Florida Statutes. HIS is a cost-sharing multiple employers defined benefit pension plan established by and administered in accordance with section 112.363, Florida Statutes. The City's covered payroll for the 7 elected officials covered by the FRS and HIS for the year ended September 30, 2023, was \$20,965.

*Vesting*

Benefits are fully vested after eight years of credited service.

*Eligibility for Retirement*

Normal retirement is the attainment of the age 65 or after 33 years of creditable service.

*Annual Retirement Benefit*

Normal retirement benefits are based upon 3% of "average final compensation", as defined by the pension plan, times the number of years of credited service.

*Employee Contributions*

Elected officials contribute 3% of their basic annual compensation.

City contributions are established by the Florida Legislature.

*Actuarial methods and assumptions*

Actuarially determined contribution amounts for the Plan for the current year were determined as part of the July 1, 2023, actuarial valuation using the aggregate actuarial cost method.

Additional information related to the actuarial valuation follows:

<u>Actuarial Assumptions</u>	<u>FRS</u>
Valuation Date	FRS - July 1, 2023; HIS - July 1, 2022
Actuarial cost method	Individual Entry Age
Amortization method	Level percent, closed
Remaining amortization period	Amortized over 30 years as level percentage of Tier 1 pay
Asset valuation method	5 years smoothed
Investment rate of return	FRS - 6.70%; HIS - 3.54%
Inflation	2.40%
Projected salary increases	3.25%
Cost of living adjustments	3% for pre-July 2011 benefit service; 0% thereafter
Mortality: PUB-2010 base table varies by member category and gender, projected generationally with Scale MP-2018	

Additional audited financial information, Annual Comprehensive Financial Report and actuarial reports may be obtained by contacting the Division of Retirement at:

Department of Management Services  
 Division of Retirement  
 Research and Education Section  
 PO Box 9000  
 Tallahassee, FL 32315-9000

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 12 – Employee Retirement Systems** (continued)

**Plan Descriptions** (continued)

**Florida Retirement System (FRS) and Retiree Health Subsidy Program (HIS)** (continued)

Contribution Period	Florida Retirement System	
	Proportion	Contribution
July 1, 2020 to June 30, 2021	0.000249570%	\$ 9,508
July 1, 2021 to June 30, 2022	0.000234014%	9,986
July 1, 2022 to June 30, 2023	0.000233181%	11,217

Contribution Period	Health Insurance Subsidy	
	Proportion	Contribution
July 1, 2020 to June 30, 2021	0.000061052%	\$ 359
July 1, 2021 to June 30, 2022	0.000059277%	359
July 1, 2022 to June 30, 2023	0.000054164%	356

*Discount Rate*

The discount rate used to measure the total pension liability was 7.35% for the Retirement Plan for the General Employees, 7.50% for the Retirement Plan for Police Officers and Firefighters, 7.50% for the Retirement Plan and Trust for General Management Employees, 6.70% for the FRS and 3.65% for the HIS Program. These rates were based on the expected rate of return on Plan investments. The projection of cash flows used to determine this discount rate assumed member contributions will be made at the current contribution rate and employer contributions will be made at rates equal to the difference between actuarially determined current contribution rates and the member contribution rate. Based on these assumptions, the pension Plan's fiduciary net position was projected to be available to make all projected future expected benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table presents the City's net pension liability calculated using the current discount rates and the liability using discount rates that are one percentage point lower and one percentage point higher than the current rates to indicate the sensitivity of the net pension liability to changes in discount rate assumptions.

Retirement Plan	1% Decrease	Current Discount Rate	1% Increase
General Employees (7.35%)	\$ 56,560,607	\$ 42,841,961	\$ 31,397,017
Police and Firefighters (7.50%)	84,773,952	66,139,683	50,636,352
General Management (7.50%)	3,233,071	1,255,029	(424,288)
Florida Retirement System (6.70%)	158,718	92,915	37,863
Health Insurance Subsidy (3.65%)	9,814	8,602	7,598

*Long-term Expected Rate of Return*

Long-term expected rates of return on the Plans' investments were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 12 – Employee Retirement Systems** (continued)

**Net Pension Liability** (continued)

*Long-term Expected Rate of Return* (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the General Employees, the Police and Firefighters and the General Management Employees Plans' target asset allocations as of October 1, 2022, and the Florida Retirement System Plan as of July 1, 2023, are summarized in the following table:

Retirement Plan	Asset Class	Long-Term Expected Real Rate of Return
General Employees	Large Cap Value	6.84%
	Large Cap Growth	7.04%
	Small/Mid Cap Value	7.49%
	Mid Cap Growth	7.34%
	International Value	5.94%
	International Growth	5.94%
	Long/Short Credit	4.04%
	Infrastructure	4.14%
	Real Estate	5.54%
	Fixed Income	1.64%
Police and Firefighters	Large Cap Value	6.80%
	Large Cap Growth	7.00%
	Small/Mid Cap Value	7.55%
	Mid Cap Growth	7.40%
	International Value	5.90%
	International Growth	5.90%
	Infrastructure	4.30%
	Real Estate	6.20%
	Fixed Income	1.50%
General Management	Core Bonds	1.60%
	Core Plus	2.10%
	US Large Cap Equity	4.60%
	US Small Cap Equity	5.50%
	Non-US Equity	6.70%
	Core Real Estate	5.00%
Florida Retirement System	Cash	2.90%
	Fixed Income	4.40%
	Global Equity	7.10%
	Real Estate	6.60%
	Private Equity	8.80%
	Strategic Investments	6.10%

The Health Insurance Subsidy plan is not pre-funded and therefore uses the municipal bond rate of 3.65% to calculate the total pension liability of the plan.

**Changes in the Net Pension Liability**

The Schedule of Changes in the City's Net Pension Liability and Related Ratios and Schedule of Contributions presented as Required Supplementary Information following the Notes to the Financial Statements present multiyear trend information about the City's pension liability and its progress toward funding that liability over time.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 12 – Employee Retirement Systems** (continued)

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

Deferred outflows and inflows of resources and pension costs related to pensions are as follows:

	Retirement Plan					Total
	General Employees	Police and Firefighters	General Management Employees	Florida Retirement System	Health Insurance Subsidy	
Total pension liability - beginning	\$ 119,425,390	\$ 158,147,629	\$ 20,722,176	\$ 508,828	\$ 6,595	\$ 298,810,618
Changes for the year						
Service cost	774,523	1,835,502	39,363	6,459	113	2,655,960
Interest	8,652,262	11,632,483	1,493,842	33,418	212	21,812,217
Difference between expected and actual experience	1,508,945	490,772	251,630	10,440	3,031	2,264,818
Change of assumptions	-	-	-	-	(122)	(122)
Change in proportion	-	-	-	(1,811)	(569)	(2,380)
Adjustment for Chapter 175/185 reserves	-	93,643	-	-	-	93,643
Benefit payments	(8,000,111)	(9,946,520)	(1,707,571)	(29,869)	(289)	(19,684,360)
Net change in total pension liability	2,935,619	4,105,880	77,264	18,637	2,376	7,139,776
Total pension liability - ending (a)	<u>\$ 122,361,009</u>	<u>\$ 162,253,509</u>	<u>\$ 20,799,440</u>	<u>\$ 527,465</u>	<u>\$ 8,971</u>	<u>\$ 305,950,394</u>
Plan fiduciary net position - beginning	\$ 93,341,590	\$ 116,552,958	\$ 19,315,757	\$ 421,756	\$ 317	\$ 229,632,378
Employer contributions	3,577,337	6,471,337	-	11,218	356	10,060,248
Employee contributions	565,342	1,192,799	38,850	1,839	-	1,798,830
Other contributions	-	46,920	-	-	-	46,920
Interest	-	-	1,384,543	-	-	1,384,543
Net investment income	(9,754,551)	(17,943,580)	585,964	31,171	13	(27,080,983)
Change in proportion	-	-	-	(1,502)	(27)	(1,529)
Benefit payments	(8,000,111)	(9,946,520)	(1,707,571)	(29,869)	(290)	(19,684,361)
Administrative expenses	(210,559)	(260,088)	(73,132)	(63)	-	(543,842)
Net change in plan fiduciary net position	(13,822,542)	(20,439,132)	228,654	12,794	52	(34,020,174)
Plan fiduciary net position - ending (b)	<u>\$ 79,519,048</u>	<u>\$ 96,113,826</u>	<u>\$ 19,544,411</u>	<u>\$ 434,550</u>	<u>\$ 369</u>	<u>\$ 195,612,204</u>
Net pension liability (a-b)	<u>\$ 42,841,961</u>	<u>\$ 66,139,683</u>	<u>\$ 1,255,029</u>	<u>\$ 92,915</u>	<u>\$ 8,602</u>	<u>\$ 110,338,190</u>

	Retirement Plan					Total
	General Employees	Police and Firefighters	General Management Employees	Florida Retirement System	Health Insurance Subsidy	
<u>Deferred outflow s</u>						
Difference between expected and actual experience	\$ 714,763	\$ 337,406	\$ -	\$ 8,724	\$ 126	\$ 1,061,019
Difference between expected and actual earnings on investments	9,121,882	16,691,613	2,829,494	3,880	4	28,646,873
Changes in assumptions	-	-	206,947	6,057	226	213,230
Changes in employer proportion	-	-	-	3,704	134	3,838
Subtotal	<u>9,836,645</u>	<u>17,029,019</u>	<u>3,036,441</u>	<u>22,365</u>	<u>490</u>	<u>29,924,960</u>
Contributions subsequent to the measurement date	3,918,467	6,428,387	-	2,550	94	10,349,498
Total deferred outflow s and contributions subsequent to the measurement date	<u>\$ 13,755,112</u>	<u>\$ 23,457,406</u>	<u>\$ 3,036,441</u>	<u>\$ 24,915</u>	<u>\$ 584</u>	<u>\$ 40,274,458</u>
<u>Deferred inflow s</u>						
Difference between expected and actual experience	\$ -	\$ 75,051	\$ 1,366	\$ -	\$ 20	\$ 76,437
Changes in assumptions	-	-	-	-	745	745
Difference between expected and actual earnings on investments	-	-	1,699,639	-	-	1,699,639
Changes in employer proportion	-	-	-	11,025	952	11,977
Total deferred inflow s	<u>\$ -</u>	<u>\$ 75,051</u>	<u>\$ 1,701,005</u>	<u>\$ 11,025</u>	<u>\$ 1,717</u>	<u>\$ 1,788,798</u>
Pension expense	<u>\$ 6,328,570</u>	<u>\$ 7,051,738</u>	<u>\$ 1,037,087</u>	<u>\$ 16,531</u>	<u>\$ 2,967</u>	<u>\$ 14,436,893</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 12 – Employee Retirement Systems** (continued)

**Pension Expense, Deferred Outflows and Deferred Inflows of Resources Related to Pensions** (continued)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to fiscal year end will be recognized as a reduction of the net pension liability in the subsequent reporting period. Other amounts reported as deferred outflows and deferred inflows of resources related to pension expense will be recognized as follows:

Fiscal Year:	Retirement Plan				
	General Employees	Police and Firefighters	General Management Employees	Florida Retirement System	Health Insurance Subsidy
2024	\$ 3,269,976	\$ 4,842,588	\$ 398,048	\$ 790	\$ (302)
2025	1,807,381	3,631,256	235,984	(3,790)	(184)
2026	1,466,157	3,161,492	818,596	12,921	(241)
2027	3,293,131	5,318,632	(117,192)	1,017	(285)
2028	-	-	-	402	(180)
Thereafter	-	-	-	-	(35)
	<u>\$ 9,836,645</u>	<u>\$ 16,953,968</u>	<u>\$ 1,335,436</u>	<u>\$ 11,340</u>	<u>\$ (1,227)</u>

**Management Employees Excess Benefits Plan**

*Plan Description*

On January 7, 2003, the City established the Management Employees Excess Benefit Plan as part of the General Management Employees Pension Plan to be an unfunded, nonqualified excess benefit plan, containing the terms and provisions set forth in the subpart (Sec. 15-341) and intended to be a qualified governmental excess benefit arrangement as defined in Section 415 (m) (3) of the Internal Revenue Code.

*Excess Benefit Participants.* Any member of the Retirement Plan and Trust for General Management Employees whose retirement benefit exceeds the maximum benefit under Section 415 of the Code is a participant.

*Benefits Provided*

A participant shall be eligible to receive benefits after termination of employment, as an unrestricted monthly benefit that otherwise would have been received under the terms of the Retirement Plan and Trust for General Management Employees in the absence of IRS Code Section 415 limits.

*Funding Policy*

The City cannot advance fund assets, or any benefit payable under the Plan, and any assets held by the Plan during any period can only pay benefits coming due or the expenses of the plan during the period. The City cannot restrict any assets to provide funding for these benefits. The City has in the past and will continue to stand by its obligation to pay these benefits from its annual budgeted funds, as the liability becomes payable under this plan. An actuarial valuation has not been performed because the plan costs must be paid on an annual basis. A schedule of changes in net pension liability has not been provided as the plan does not maintain assets. Accordingly, the plan held no assets on September 30, 2023. The City's annual pension cost on September 30, 2023, is as follows:

<u>Annual Pension Cost</u>	
Annual required contribution	\$ 308,116
Annual pension cost	308,116
Contributions made	308,116
Change in net pension liability	-
Net pension liability, beginning of year	-
Net pension liability, end of year	<u>\$ -</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 12 – Employee Retirement Systems** (continued)

**Retirement Plan and Trust for General Management Employees**

On July 18, 2017, City Commission approved Ordinance 2017-8 to close the Retirement Plan and Trust for General Management Employees to new members and provided for the option of existing non-vested plan members to transfer to the Management Employee Defined Contribution Money Purchase Plan. As part of that ordinance, the Money Purchase Plan was also amended to reduce the City's contribution from 17% of members' salary to 10%.

Separate stand-alone financial statements are not issued for the Retirement Plan and Trust for General Management Employees. Therefore, presented below are the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position for the current year:

Statement of Fiduciary Net Position	
Retirement Plan and Trust for General Management Employees	
As of September 30, 2023	
Assets	
Investments at fair value	\$ 19,542,380
Other receivables	9,767
	19,552,147
Net Position	
Net position restricted for pensions	\$ 19,552,147
	19,552,147
Statement of Changes in Fiduciary Net Position	
Retirement Plan and Trust for General Management Employees	
For the Year Ended September 30, 2023	
Additions	
Contributions:	
Employer	\$ 308,115
Employees	38,221
Investment income:	
Net appreciation in fair value of investments	1,970,507
Investment expenses	(73,207)
	2,243,636
Deductions	
Pension benefit payments	1,991,117
Administrative expenses	16,129
	2,007,246
Increase in net position	236,390
Net position - beginning	19,315,757
	\$ 19,552,147

**Note 13 – Defined Contribution Plan**

The City is a single employer that contributes to two Money Purchase Plans, which are defined contribution pension plans created in accordance with Internal Revenue Code 401(a). The City contributes 10% of annual covered payroll and the employee is required to contribute 5% for the Management Plan. The City contributes 20% of annual covered payroll and the employee is not required to contribute to the Charter Officer Plan. During the fiscal year ending September 30, 2023, the City made \$46,452 contributions to the Charter Officer Plan and approximately \$338,021 to the Management Plan. Plan provisions and contribution requirements are established and may be amended by the City Manager.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 14 – Other Post-Employment Benefits (OPEB)**

*Description of Benefits*

In addition to providing the pension benefits described, the City provides optional post-employment healthcare coverage to eligible individuals, as well as dental and vision benefits. In addition, all retirees are covered by a group life insurance policy under a single-employer plan. The plan does not issue a separate stand-alone financial report.

*Eligibility*

Eligible individuals include certain regular employees of the City of North Miami Beach who retire from active service and are eligible for retirement or disability benefits under one of the pension plans sponsored by the City. Elected officials elected prior to October 1, 2008, are eligible after serving at least four terms. In most cases, eligibility for healthcare coverage also includes spouses and dependent children. Spousal coverage generally ends at age 65 or after the employee's death.

Membership of the plan consisted of the following:

Active plan members	400
Inactive plan members currently receiving benefits	345
Total	\$ 745

*Healthcare Plans*

Eligible individuals may choose healthcare coverage under three plans from the City's current health insurance provider. Options include a Health Maintenance Organization (HMO) plan, a Preferred Provider Organization (PPO) plan or a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA) partially funded by the City. Medicare-eligible individuals may choose any of the three plans or choose coverage under a Medicare supplement plan. Retirees must pay a monthly premium as determined by the insurance carrier, less any applicable subsidies provided by the City. The premiums vary depending on the chosen plan and the type of coverage.

The City subsidizes 100% of the premium for single coverage under the PPO plan for eligible elected officials. In addition, the City subsidizes a portion of the premium for single coverage under the PPO plan for retired management-level personnel (and some currently employed) hired prior to October 1, 2008 depending on age and length of service at retirement.

*Post-employment Life Insurance Coverage*

The City provides \$ 10,000 of life insurance coverage to all retirees. Management-level personnel receive an additional \$10,000 of coverage if they have earned at least 15 years of service at retirement or an additional \$20,000 of coverage if they have earned at least 20 years of service.

*Actuarial methods and assumptions*

During fiscal year 2011, the City established an OPEB Trust to accumulate the assets necessary to fund the OPEB liability and to pay future benefits. The fund in which the employee's payroll expense has been recorded is typically used to liquidate OPEB liabilities. The annual required contributions for the Plan were determined as part of the October 1, 2022, actuarial valuation using the projected unit credit cost method. Information related to the actuarial valuation follows:

<u>Actuarial Assumptions</u>	<u>Healthcare</u>
Valuation Date	October 1, 2022
Actuarial cost method	Entry age normal
Investment rate of return	7.00%
Healthcare cost trend rate	7.50%
Inflation	2.62%
Mortality: Sex distinct rates set forth in the PUB-2010 mortality table (without income adjustments) for general employees, with full generational improvements in mortality using Scale MP-2018.	

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 14 – Other Post-Employment Benefits (OPEB)** (continued)

**Net OPEB Liability**

*Target Allocation and Long-term Expected Rate of Return*

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Core Bonds	15.00%	1.60%
Core Plus	15.00%	2.10%
US Large Cap Equity	25.00%	4.60%
US Small Cap Equity	14.00%	5.50%
Non-US Equity	21.00%	6.70%
Core Real Estate	10.00%	5.00%

**Changes in the Net OPEB Liability**

*Discount Rate*

The rate of 5.27% per annum was used to discount all future benefit payments and is based on the expected long-term return on assets, which was determined as of the valuation date by the Asset Consulting Group.

*Sensitivity of the Net OPEB Liability to the Discount & Healthcare Cost Trend Rate Assumptions*

The following tables present the City's net OPEB liability calculated using the current discount and healthcare cost trend rates and the liability using discount rates that are one percentage point lower and one percentage point higher than the current rates to indicate the sensitivity of the net OPEB liability to changes in rate assumptions.

Rate	1% Decrease	Current Rate	1% Increase
Discount Rate (5.41%)	\$ 5,772,054	\$ 4,685,366	\$ 3,778,003
Healthcare Cost Trend Rate (7.50%)	3,866,617	4,685,366	5,664,506
	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance as of September 30, 2022	\$ 9,483,352	\$ (4,545,383)	\$ 4,937,969
Change due to:			
Service cost	571,593	-	571,593
Expected interest growth	278,144	(76,185)	201,959
Unexpected investment income	-	(94,965)	(94,965)
Demographic experience	-	(250,000)	(250,000)
Employer contributions	250,000	(250,000)	-
Benefit payments & refunds	(573,601)		(573,601)
Administrative expenses	-	17,252	17,252
Assumption changes	(124,841)	-	(124,841)
Balance as of September 30, 2023	<u>\$ 9,884,647</u>	<u>\$ (5,199,281)</u>	<u>\$ 4,685,366</u>

OPEB expense recognized for fiscal year ended September 30, 2023, totaled \$330,976.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 14 – Other Post-Employment Benefits (OPEB)** (continued)

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

	Deferred Outflows	Deferred Inflows
Unexpected investment income	\$ 659,860	\$ 299,097
Demographic experience	496,721	668,809
Assumption changes	92,770	1,211,272
Total	\$ 1,249,351	\$ 2,179,178

Fiscal Year:	OPEB Amortization
2024	\$ (346,054)
2025	(426,532)
2026	(86,823)
2027	(70,418)
Thereafter	-
	\$ (929,827)

**Note 15 – Community Redevelopment Agency**

The North Miami Beach Community Redevelopment Agency (NMB CRA) Component Unit incurred the following expenditures during the fiscal year ended September 30, 2023:

Source of deposits:	
Tax increment financing - Miami-Dade County	\$ 1,547,786
Tax increment financing - City	1,936,184
Interest earnings	139,620
Loss on investments	59,563
Total sources	\$ 3,683,153
Purpose of withdrawals:	
Dedicated personnel allocation	\$ 397,015
City administrative cost allocation	387,237
Grants to private organizations	927,340
Capital outlay	38,440
Operating	1,667,359
Total withdrawals	\$ 3,417,391

**Tax Abatements**

During fiscal year 2015, the CRA created a new redevelopment program aimed at spurring the redevelopment of properties within the redevelopment area via CRA Policy Resolution 2015-4. Applicants whose projects are deemed acceptable to the CRA Board may receive a partial return of the property taxes that were paid. The rebate is calculated based on the increment by which the development increases in property value. A total of 75% of the taxes paid on the increment will be rebated if the total real estate taxes are paid prior to delinquency. If the taxes are not paid timely, there is no rebate of the property tax increment. This rebate program has no effect on the revenues of the primary government, the City of North Miami Beach.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 15 – Community Redevelopment Agency** (continued)

**Tax Abatements** (continued)

One award was granted in January 2016 to the NoMa project, a 249 residential unit mixed use development located at 2145 NE 164<sup>th</sup> Street and West Dixie Highway. As part of the TIF Recapture program, the recipient has agreed to install certain Waterfront Improvements and Art in Public Places as defined in the agreement. The project was completed during early 2018, which is considered the base year for increment measurement. The amount rebated in fiscal year 2021 was \$474,157 and none for fiscal year 2023. Individual financial statements for the NMBCRA are available through the finance department of the City at 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida 33162.

**Note 16 – Prior Period Adjustment**

During the fiscal year ended September 30, 2023, the beginning balance on the fund basis financial statements and government-wide were restated due to a correction of the opening balances of construction work in progress, unavailable revenues, unearned revenues, and an overstatement of expenses, as well as restating the liability and the beginning Net position of the City's Police holding fiduciary fund.

	Government-Wide Financial	
	Governmental	Business-type
	Activities	Activities
Net position, beginning	\$ 62,085,118	\$ 157,548,886
Adjustment to unearned revenues	(15,357,267)	-
Adjustment to unavailable revenues	124,165	-
Adjustment to construction work in progress	80,195	591,563
Adjustment to liabilities	167,415	-
Net position, beginning as restated	\$ 47,099,626	\$ 158,140,449

	Fund Financial Statements			
	General Fund	CRA Fund	ARPA Fund	Non-major Governmental Fund
Fund balance, beginning	\$ 44,022,049	\$ 4,784,311	\$ 15,357,267	\$ 3,954,747
Adjustment to unearned revenues	-	-	(15,357,267)	-
Adjustment to unavailable revenues	-	-	-	124,165
Adjustment to liabilities	156,277	11,147	-	-
Fund balance, beginning as restated	\$ 44,178,326	\$ 4,795,458	\$ -	\$ 4,078,912

	Fund Financial Statements	
	Water Fund	Internal Service Fund
	Net position, beginning	\$ 110,796,228
Adjustment to capital assets	591,563	80,195
Net position, beginning as restated	\$ 111,387,791	\$ 25,603

	Police Holding Water Fund	
	Net position, beginning	\$ -
	Adjustment to liabilities	649,666
Net position, beginning as restated	\$ 649,666	

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**III. REQUIRED SUPPLEMENTARY  
INFORMATION (Other Than MD&A)**

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**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive/ (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ 21,901,119	\$ 21,901,119	\$ 22,374,087	\$ 472,968
User surcharges	9,598,000	9,598,000	9,969,338	371,338
Utility taxes	4,046,550	4,046,550	4,512,847	466,297
Communication service taxes	1,686,222	1,686,222	1,894,961	208,739
Sales taxes	3,784,328	3,784,328	4,667,282	882,954
Franchise fees	4,069,560	4,069,560	4,816,272	746,712
Fuel taxes	<u>819,398</u>	<u>819,398</u>	<u>807,105</u>	<u>(12,293)</u>
Total taxes	<u>45,905,177</u>	<u>45,905,177</u>	<u>49,041,892</u>	<u>3,136,715</u>
Intergovernmental:				
State shared revenue	1,986,587	1,986,587	2,376,279	389,692
State insurance premium taxes	500,000	500,000	763,816	263,816
Other	<u>235,376</u>	<u>235,376</u>	<u>169,637</u>	<u>(65,739)</u>
Total intergovernmental	<u>2,721,963</u>	<u>2,721,963</u>	<u>3,309,732</u>	<u>587,769</u>
Charges for services:				
General government	1,153,936	1,153,936	853,062	(300,874)
Parks & recreation fees	878,000	878,000	611,097	(266,903)
Police services fees	<u>68,000</u>	<u>68,000</u>	<u>130,570</u>	<u>62,570</u>
Total charges for services	<u>2,099,936</u>	<u>2,099,936</u>	<u>1,594,729</u>	<u>(505,207)</u>
Fines and forfeitures	1,623,000	1,623,000	1,544,017	(78,983)
Licenses and permits	917,950	917,950	1,128,547	210,597
Other income:				
Investment income (loss)	335,500	335,500	1,384,470	1,048,970
Impact fees	5,185	5,185	563,618	558,433
Miscellaneous	<u>138,500</u>	<u>138,500</u>	<u>266,581</u>	<u>128,081</u>
Total other income	<u>479,185</u>	<u>479,185</u>	<u>2,214,669</u>	<u>1,735,484</u>
Total revenues	<u>\$ 53,747,211</u>	<u>\$ 53,747,211</u>	<u>\$ 58,833,586</u>	<u>\$ 5,086,375</u>

See notes to budgetary comparison schedules

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
(Continued)  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive/ (Negative)
	Original	Final		
<b>EXPENDITURES:</b>				
Current:				
General government:				
Mayor & commission	\$ 6,150,538	\$ 6,150,538	\$ 5,967,925	\$ 182,613
City clerk	750,721	750,721	592,359	158,362
City attorney	990,000	1,390,000	1,478,567	(88,567)
City Manager	1,799,518	1,551,364	1,362,331	189,035
Public affairs and community engagement	976,909	976,909	529,534	447,375
Procurement	682,120	682,120	525,644	156,476
Human resources	903,111	903,111	721,350	181,761
Finance	1,767,470	1,767,470	1,678,796	88,674
Community development	2,257,081	2,257,081	1,687,619	569,462
Risk Management	3,303,245	3,965,275	2,957,937	1,007,338
Total general government	<u>19,580,713</u>	<u>20,394,589</u>	<u>17,502,062</u>	<u>2,892,529</u>
Police department	26,775,080	26,781,935	26,362,651	419,284
Public work department	7,534,690	8,242,759	6,966,618	1,276,141
Culture and recreation:				
Library	1,314,696	1,338,285	1,473,385	(135,100)
Parks and recreation	6,694,888	6,694,888	5,601,050	1,093,839
Total culture and recreation	<u>8,009,584</u>	<u>8,033,173</u>	<u>7,074,435</u>	<u>958,739</u>
Debt Service:				
Principal	-	-	319,832	(319,832)
Interest expense	-	-	43,508	(43,508)
Total debt service	<u>-</u>	<u>-</u>	<u>363,340</u>	<u>(363,340)</u>
Capital Outlay:				
Police department	706,900	1,882,499	1,667,410	215,089
Library	329,793	339,778	56,667	283,111
Parks and recreation	1,554,000	4,297,866	867,995	3,429,871
Public works department	5,794,335	7,661,169	2,123,979	5,537,190
Total capital outlay	<u>8,385,028</u>	<u>14,181,312</u>	<u>4,716,051</u>	<u>9,465,261</u>
Total expenditures	<u>70,285,095</u>	<u>77,633,768</u>	<u>62,985,157</u>	<u>14,648,614</u>
Excess (deficiency) of revenue over expenditure	<u>(16,537,884)</u>	<u>(23,886,557)</u>	<u>(4,151,571)</u>	<u>19,734,986</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of debt - subscriptions	-	-	898,064	(898,064)
Transfer in	7,636,025	7,636,025	7,647,863	(11,839)
Transfer out	(109)	(109)	-	(109)
Total other financing sources (uses)	<u>7,635,916</u>	<u>7,635,916</u>	<u>8,545,927</u>	<u>(910,012)</u>
Net change in fund balance	<u>\$ (8,901,968)</u>	<u>\$ (16,250,641)</u>	<u>4,394,356</u>	<u>\$ 18,824,974</u>
Fund balance, beginning			<u>44,022,049</u>	
Prior period adjustment (note 16)			156,268	
Fund balance, beginning as restated			<u>44,178,317</u>	
Fund balance, ending			<u>\$ 48,572,673</u>	

See notes to budgetary comparison schedules

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COMMUNITY REDEVELOPMENT AGENCY**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance from Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental revenue	\$ 3,483,971	\$ 3,483,971	\$ 3,483,970	\$ (1)
Other income (loss)	40,000	40,000	199,183	159,183
Total revenues	<u>3,523,971</u>	<u>3,523,971</u>	<u>3,683,153</u>	<u>159,182</u>
<b>EXPENDITURES:</b>				
Current:				
General government	4,150,778	4,258,878	2,133,424	2,125,454
Capital outlay	2,450,000	2,494,636	38,440	2,456,196
Debt service:				
Principal	166,700	166,700	836,307	(669,607)
Interest and other charges	20,346	20,346	20,849	(503)
Total expenditures	<u>6,787,824</u>	<u>6,940,560</u>	<u>3,029,020</u>	<u>(3,911,540)</u>
Excess (deficiency) of revenues over expenditures	(3,263,853)	(3,416,589)	654,133	4,070,722
<b>Other financing sources (uses):</b>				
Transfers out	<u>(575,418)</u>	<u>(575,418)</u>	<u>(388,371)</u>	<u>187,046</u>
Total other financing sources (uses)	<u>(575,418)</u>	<u>(575,418)</u>	<u>(388,371)</u>	<u>-</u>
Net changes in fund balance	<u>\$ (3,839,271)</u>	<u>\$ (3,992,007)</u>	<u>265,762</u>	<u>\$ 4,070,722</u>
Fund balance, beginning			<u>4,784,311</u>	
Prior period adjustment (Note 16)			11,147	
Fund balance, beginning as restated			<u>4,795,458</u>	
Fund balance, ending			<u>\$ 5,061,220</u>	

See notes to budgetary comparison schedules

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**ARPA FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance from Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Grant revenue	\$ 10,778,621	\$ 10,778,621	\$ 1,939,225	\$ (8,839,397)
Total revenues	<u>10,778,621</u>	<u>10,778,621</u>	<u>1,939,225</u>	<u>(8,839,397)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	1,691,409	1,841,313	855,542	985,771
Public safety	20,260	46,260	12,290	33,970
Park & recreation	240	240	88	153
Public works	240,734	240,734	291,631	(50,897)
Capital Outlay	<u>2,630,228</u>	<u>2,454,324</u>	<u>779,674</u>	<u>1,674,650</u>
Total expenditures	<u>4,582,871</u>	<u>4,582,871</u>	<u>1,939,225</u>	<u>2,643,647</u>
Excess (deficiency) of revenues over expenditures	<u>6,195,750</u>	<u>6,195,750</u>	-	<u>(6,195,750)</u>
Net changes in fund balance	<u>\$ 6,195,750</u>	<u>\$ 6,195,750</u>	-	<u>\$ (6,195,750)</u>
Fund balance, beginning			<u>15,357,267</u>	
Prior period adjustment (Note 16)			(15,357,267)	
Fund balance, beginning as restated			-	
Fund balance, ending			<u>\$ -</u>	

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO BUDGETARY COMPARISON SCHEDULE**  
**SEPTEMBER 30, 2023**

**Note 1 – Budgets and Budgetary Accounting**

Annual budgets are adopted for the General Fund, the Transit Surtax Fund, the Community Redevelopment Agency, the Eastern Shores Special Taxing Districts, the debt service funds and the Alley Restoration Program on a basis consistent with generally accepted accounting principles.

1. Prior to July 1, the City Manager submits a budget estimate of revenues and expenditures for all City departments for the fiscal year commencing October 1 to the City Commission.
2. The City Commission holds budget workshops to review and amend the proposed budget.
3. Two public hearings are conducted to obtain taxpayers' comments.
4. Prior to October 1, the budget is legally enacted through passage of a resolution.
5. No department may legally expend or contract to expend amounts more than amounts appropriated for any department within an individual fund. Budget appropriations for salary and related costs and for operating costs lapse at year end. Appropriations for capital outlay expenditures carry forward to the next fiscal year for open purchase orders.
6. The resolution authorizes the City Manager to amend, modify, or otherwise adjust the City's annual budget in accordance with the spending limitations as established by Chapter 3, Purchasing, of the North Miami Beach Code of Ordinances (\$50,000). The City Commission approves all other budget amendments.
7. Encumbrance accounting is used in governmental funds. Encumbered purchase orders outstanding at year-end are reported as assignments of fund balances to indicate that they are not available for appropriation and are not expendable available financial resources.

**Note 2 – Variances**

The negative revenue variances in the General Fund are a result of lower revenues related to parks and recreation services fees and general government charges for services. The negative variance in the General Fund Library expenditures is the result of an increase in personnel and insurance costs incurred during the fiscal year. The negative variance in the General Fund debt service expenditures is the result of the adoption of GASB 87 and 96.

The negative variance in the Community Redevelopment Agency Fund debt service is mainly attributed fully paying off the series 2007A notes payables.

The negative variance in the ARPA fund is primarily due to an increase in donations and sponsorships provided during the fiscal year.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**LAST NINE FISCAL YEARS**

Measurement date September 30,	Retirement Plan for General Employees								
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability - beginning	\$ 98,072,000	\$ 102,007,534	\$ 104,972,279	\$ 106,569,038	\$ 110,816,042	\$ 112,557,540	\$ 115,447,319	\$ 116,054,913	\$ 119,425,390
Changes for the year:									
Service cost	1,258,325	1,151,136	1,156,065	953,146	520,878	551,760	611,266	676,443	774,523
Interest	7,539,274	7,805,702	7,928,162	8,273,928	8,254,998	8,371,153	8,298,157	8,434,177	8,652,262
Difference between expected and actual experience	515,726	867,625	(350,213)	458,125	(1,239,946)	328,330	(358,942)	532,757	1,508,945
Change of assumptions	-	-	-	2,910,146	1,375,883	1,205,340	(697,129)	1,234,581	-
Benefit payments	(5,377,791)	(6,859,718)	(7,137,255)	(8,348,341)	(7,170,315)	(7,566,804)	(7,245,758)	(7,507,481)	(8,000,111)
Net change in total pension liability	3,935,534	2,964,745	1,596,759	4,247,004	1,741,498	2,889,779	607,594	3,370,477	2,935,619
Total pension liability - ending (a)	<u>\$ 102,007,534</u>	<u>\$ 104,972,279</u>	<u>\$ 106,569,038</u>	<u>\$ 110,816,042</u>	<u>\$ 112,557,540</u>	<u>\$ 115,447,319</u>	<u>\$ 116,054,913</u>	<u>\$ 119,425,390</u>	<u>\$ 122,361,009</u>
Plan fiduciary net position - beginning	\$ 71,776,351	\$ 77,890,314	\$ 74,770,502	\$ 76,555,716	\$ 79,944,967	\$ 83,212,413	\$ 81,473,712	\$ 82,103,986	\$ 93,341,590
Employer contributions	3,545,108	3,528,201	3,285,155	3,249,182	3,453,684	3,205,197	3,375,895	3,371,110	3,577,337
Employee contributions	643,099	632,868	708,318	551,371	387,959	416,359	456,079	537,247	565,342
Net investment income (loss)	7,469,081	(261,263)	5,109,744	8,115,172	6,816,079	2,387,615	4,229,584	15,030,146	(9,754,551)
Benefit payments	(5,377,791)	(6,859,718)	(7,137,255)	(8,348,341)	(7,170,315)	(7,566,804)	(7,245,758)	(7,507,481)	(8,000,111)
Administrative expenses	(165,534)	(159,900)	(180,748)	(178,133)	(219,961)	(181,068)	(185,526)	(193,418)	(210,559)
Net change in plan fiduciary position	6,113,963	(3,119,812)	1,785,214	3,389,251	3,267,446	(1,738,701)	630,274	11,237,604	(13,822,542)
Plan fiduciary net position - ending (b)	<u>\$ 77,890,314</u>	<u>\$ 74,770,502</u>	<u>\$ 76,555,716</u>	<u>\$ 79,944,967</u>	<u>\$ 83,212,413</u>	<u>\$ 81,473,712</u>	<u>\$ 82,103,986</u>	<u>\$ 93,341,590</u>	<u>\$ 79,519,048</u>
<b>Net pension liability (a-b)</b>	<u>\$ 24,117,220</u>	<u>\$ 30,201,777</u>	<u>\$ 30,013,322</u>	<u>\$ 30,871,075</u>	<u>\$ 29,345,127</u>	<u>\$ 33,973,607</u>	<u>\$ 33,950,927</u>	<u>\$ 26,083,800</u>	<u>\$ 42,841,961</u>
Plan fiduciary net position as a percentage of total pension liability	76.36%	71.23%	71.84%	72.14%	73.93%	70.57%	70.75%	78.16%	64.99%
Covered payroll	\$ 8,935,213	\$ 8,438,765	\$ 7,937,439	\$ 6,934,420	\$ 5,137,361	\$ 5,695,108	\$ 6,465,047	\$ 7,203,137	\$ 7,568,303
Net pension liability as a percentage of covered payroll	269.91%	357.89%	378.12%	445.19%	571.21%	596.54%	525.15%	362.12%	566.07%

Note: This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015. Additional data to be compiled as information becomes available.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**LAST NINE FISCAL YEARS**

Measurement date September 30,	Retirement Plan for Police Officers and Firefighters								
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability - beginning	\$ 127,462,645	\$ 130,231,957	\$ 136,441,317	\$ 137,871,599	\$ 144,160,147	\$ 155,311,581	\$ 159,910,289	\$ 157,932,363	\$ 158,147,629
Changes for the year:									
Service cost	1,616,907	1,839,411	1,601,153	1,577,364	1,481,104	1,696,546	1,587,890	1,931,450	1,835,502
Interest	9,980,051	10,286,023	10,661,632	10,759,761	11,191,959	11,420,764	11,690,703	11,502,269	11,632,483
Difference between expected and actual experience	-	780,939	(1,344,143)	469,201	1,905,934	1,037,755	1,338,857	(182,265)	490,772
Change of assumptions	-	-	-	3,429,737	8,186,842	-	(5,241,735)	-	-
Adjustment for Chapter 175/185 reserves	-	432,298	242,987	150,662	94,373	80,401	97,651	203,628	93,643
Benefit payments	(8,827,646)	(7,129,311)	(9,731,347)	(10,098,177)	(11,708,778)	(9,636,758)	(11,451,292)	(13,239,816)	(9,946,520)
Net change in total pension liability	2,769,312	6,209,360	1,430,282	6,288,548	11,151,434	4,598,708	(1,977,926)	215,266	4,105,880
Total pension liability - ending (a)	\$ 130,231,957	\$ 136,441,317	\$ 137,871,599	\$ 144,160,147	\$ 155,311,581	\$ 159,910,289	\$ 157,932,363	\$ 158,147,629	\$ 162,253,509
Plan fiduciary net position - beginning	\$ 86,242,705	\$ 93,283,466	\$ 91,342,471	\$ 94,164,922	\$ 100,384,375	\$ 102,904,629	\$ 101,578,737	\$ 103,213,261	\$ 116,552,958
Employer contributions	6,357,669	6,498,316	6,254,492	5,589,783	5,550,473	5,843,206	6,273,855	6,646,690	5,912,124
Employee contributions	775,749	669,356	692,487	765,541	792,489	781,702	874,725	1,018,900	1,192,799
Other contributions	790,839	690,234	605,857	508,655	490,173	490,173	509,062	683,706	559,213
Net investment income (loss)	8,534,464	(2,917,644)	5,238,367	9,698,773	7,595,714	1,399,995	5,628,745	18,490,409	(17,943,580)
Benefit payments	(8,827,646)	(7,129,311)	(9,731,347)	(10,098,177)	(11,708,778)	(9,636,758)	(11,451,292)	(13,239,816)	(9,946,520)
Administrative expenses	(179,329)	(227,726)	(237,405)	(257,983)	(226,568)	(204,210)	(217,285)	(278,986)	(260,088)
Other changes	(410,985)	475,780	-	12,861	26,751	-	16,714	18,794	46,920
Net change in plan fiduciary position	7,040,761	(1,940,995)	2,822,451	6,219,453	2,520,254	(1,325,892)	1,634,524	13,339,697	(20,439,132)
Plan fiduciary net position - ending (b)	\$ 93,283,466	\$ 91,342,471	\$ 94,164,922	\$ 100,384,375	\$ 102,904,629	\$ 101,578,737	\$ 103,213,261	\$ 116,552,958	\$ 96,113,826
<b>Net pension liability (a-b)</b>	<b>\$ 36,948,491</b>	<b>\$ 45,098,846</b>	<b>\$ 43,706,677</b>	<b>\$ 43,775,772</b>	<b>\$ 52,406,952</b>	<b>\$ 58,331,552</b>	<b>\$ 54,719,102</b>	<b>\$ 41,594,671</b>	<b>\$ 66,139,683</b>
Plan fiduciary net position as a percentage of total pension liability	71.63%	66.95%	68.30%	69.63%	66.26%	63.52%	65.35%	73.70%	59.24%
Covered payroll	\$ 5,597,265	\$ 5,127,475	\$ 6,586,705	\$ 6,573,350	\$ 6,128,138	\$ 6,532,396	\$ 6,087,500	\$ 7,246,268	\$ 6,751,394
Net pension liability as a percentage of covered payroll	660.12%	879.55%	663.56%	665.96%	855.19%	892.96%	898.88%	574.02%	979.64%

Note: This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015. Additional data to be compiled as information becomes available.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**LAST NINE FISCAL YEARS**

Measurement date September 30,	Retirement Plan and Trust for General Management Employees								
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability - beginning	\$ 19,734,068	\$ 22,100,505	\$ 24,218,726	\$ 22,462,768	\$ 22,211,243	\$ 22,424,045	\$ 22,495,204	\$ 20,515,780	\$ 20,722,176
Changes for the year:									
Service cost	335,056	406,730	435,918	179,639	197,173	185,385	94,420	66,733	39,363
Interest	1,356,133	1,523,007	1,794,281	1,642,670	1,625,817	1,640,739	1,635,596	1,482,742	1,493,842
Difference between expected and actual experience	(182,852)	(10,542)	(1,003,172)	(30,202)	(206,572)	(336,013)	(9,478)	268,200	251,630
Change of assumptions	2,237,444	1,598,203	(1,244,447)	(627,869)	-	-	(2,246,808)	-	-
Benefit payments	(1,379,344)	(1,399,177)	(1,738,538)	(1,415,763)	(1,403,616)	(1,418,952)	(1,453,154)	(1,611,279)	(1,707,571)
Net change in total pension liability	<u>2,366,437</u>	<u>2,118,221</u>	<u>(1,755,958)</u>	<u>(251,525)</u>	<u>212,802</u>	<u>71,159</u>	<u>(1,979,424)</u>	<u>206,396</u>	<u>77,264</u>
Total pension liability - ending (a)	<u>\$ 22,100,505</u>	<u>\$ 24,218,726</u>	<u>\$ 22,462,768</u>	<u>\$ 22,211,243</u>	<u>\$ 22,424,045</u>	<u>\$ 22,495,204</u>	<u>\$ 20,515,780</u>	<u>\$ 20,722,176</u>	<u>\$ 20,799,440</u>
Plan fiduciary net position - beginning	\$ 16,711,216	\$ 16,121,723	\$ 16,894,185	\$ 18,923,591	\$ 20,204,084	\$ 20,391,182	\$ 20,741,874	\$ 24,088,606	\$ (19,315,757)
Employer contributions	598,464	668,241	1,077,364	946,609	495,292	364,641	204,221	54,558	-
Employee contributions	234,924	255,493	266,060	93,351	85,503	84,858	74,549	42,961	(38,850)
Interest	-	-	-	-	-	-	-	1,497,058	(1,384,543)
Net investment income	14,143	1,303,799	2,485,771	1,719,676	1,071,912	1,380,778	4,587,139	(4,678,945)	(585,964)
Benefit payments	(1,379,344)	(1,399,177)	(1,738,538)	(1,415,763)	(1,403,616)	(1,418,952)	(1,453,154)	(1,611,279)	1,707,571
Administrative expenses	(57,680)	(55,894)	(61,251)	(63,380)	(61,993)	(60,633)	(66,023)	(77,202)	73,132
Net change in plan fiduciary position	<u>(589,493)</u>	<u>772,462</u>	<u>2,029,406</u>	<u>1,280,493</u>	<u>187,098</u>	<u>350,692</u>	<u>3,346,732</u>	<u>(4,772,849)</u>	<u>(228,654)</u>
Plan fiduciary net position - ending (b)	<u>\$ 16,121,723</u>	<u>\$ 16,894,185</u>	<u>\$ 18,923,591</u>	<u>\$ 20,204,084</u>	<u>\$ 20,391,182</u>	<u>\$ 20,741,874</u>	<u>\$ 24,088,606</u>	<u>\$ 19,315,757</u>	<u>\$ (19,544,411)</u>
<b>Net pension liability (a-b)</b>	<u>\$ 5,978,782</u>	<u>\$ 7,324,541</u>	<u>\$ 3,539,177</u>	<u>\$ 2,007,159</u>	<u>\$ 2,032,863</u>	<u>\$ 1,753,330</u>	<u>\$ (3,572,826)</u>	<u>\$ 1,406,419</u>	<u>\$ 1,255,029</u>
Plan fiduciary net position as a percentage of total pension liability	72.95%	69.76%	84.24%	90.96%	90.93%	92.21%	117.42%	93.21%	93.97%
Covered payroll	\$ 2,398,885	\$ 2,027,135	\$ 2,391,509	\$ 2,957,285	\$ 966,946	\$ 1,064,113	\$ 812,928	\$ 913,318	\$ 380,626
Net pension liability as a percentage of covered payroll	249.23%	361.32%	147.99%	67.87%	210.24%	164.77%	-439.50%	153.99%	329.73%

Note: This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015. Additional data to be compiled as information becomes available.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**LAST FIVE FISCAL YEARS**

Measurement date September 30,	Other Post-Employment Benefits					
	2018	2019	2020	2021	2022	2023
Total OPEB liability - beginning	\$ 4,415,393	\$ 5,393,355	\$ 8,898,289	\$ 11,053,626	\$ 9,855,251	\$ 9,483,352
Changes for the year:						
Service cost	119,959	328,548	548,507	523,258	585,174	571,593
Expected interest growth	305,541	276,509	341,008	522,930	534,466	528,144
Demographic experience	(109,329)	924,911	(373,348)	(1,511,591)	801,457	-
Benefit payments & refunds	(346,834)	(499,106)	(515,128)	(571,473)	(605,279)	(573,601)
Assumption changes	1,008,625	2,474,072	2,154,298	(161,499)	(1,687,717)	(124,841)
Net change in total OPEB liability	<u>977,962</u>	<u>3,504,934</u>	<u>2,155,337</u>	<u>(1,198,375)</u>	<u>(371,899)</u>	<u>401,295</u>
Total OPEB liability - ending (a)	<u>\$ 5,393,355</u>	<u>\$ 8,898,289</u>	<u>\$ 11,053,626</u>	<u>\$ 9,855,251</u>	<u>\$ 9,483,352</u>	<u>\$ 9,884,647</u>
Plan fiduciary net position - beginning	\$ 2,804,689	\$ 3,262,860	\$ 3,716,349	\$ 4,197,792	\$ 5,288,512	\$ (4,545,383)
Expected interest growth	204,405	236,464	268,135	859,609	369,535	(326,185)
Unexpected investment income (loss)	19,035	(17,334)	(18,915)	-	(1,093,463)	(94,965)
Employer contributions	250,000	250,000	250,000	250,000	-	(250,000)
Administrative expenses	(15,269)	(15,641)	(17,777)	(18,889)	(19,201)	17,252
Net change in plan fiduciary position	<u>458,171</u>	<u>453,489</u>	<u>481,443</u>	<u>1,090,720</u>	<u>(743,129)</u>	<u>(653,898)</u>
Plan fiduciary net position - ending (b)	<u>\$ 3,262,860</u>	<u>\$ 3,716,349</u>	<u>\$ 4,197,792</u>	<u>\$ 5,288,512</u>	<u>\$ 4,545,383</u>	<u>\$ (5,199,281)</u>
<b>Net OPEB liability (a-b)</b>	<u>\$ 2,130,495</u>	<u>\$ 5,181,940</u>	<u>\$ 6,855,834</u>	<u>\$ 4,566,739</u>	<u>\$ 4,937,969</u>	<u>\$ 4,685,366</u>
Plan fiduciary net position as a percentage of total OPEB liability	60.50%	41.76%	37.98%	53.66%	47.93%	52.60%
Covered payroll	\$ 16,684,762	\$ 18,905,504	\$ 20,537,603	\$ 26,053,434	\$ 27,846,111	\$ 27,846,111
Net OPEB liability as a percentage of covered payroll	12.77%	27.41%	33.38%	17.53%	17.73%	16.83%

Note: This schedule is intended to have ten years of data.  
Implementation of GASB No. 75 occurred in fiscal year 2018.  
Additional data to be compiled as information becomes available.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended	Employer Contributions	Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as percentage of covered payroll	Actuarial Assumptions
<b>Retirement Plan for General Employees</b>						
9/30/2014	\$ 3,545,108	\$ 3,545,108	\$ -	\$ 8,935,213	39.68%	Actuarial cost method
9/30/2015	3,528,201	3,528,201	-	8,438,765	41.81%	Amortization method
9/30/2016	3,285,155	3,285,155	-	7,937,439	41.39%	Remaining amortization period
9/30/2017	3,249,182	3,249,182	-	6,934,420	46.86%	Asset valuation method
9/30/2018	3,453,684	3,453,684	-	5,137,361	67.23%	Investment rate of return
9/30/2019	3,205,197	3,205,197	-	5,695,108	56.28%	Projected salary increases
9/30/2020	3,375,895	3,375,895	-	6,465,047	52.22%	Cost of living adjustments
9/30/2021	3,371,110	3,371,110	-	7,203,137	51.51%	Inflation
9/30/2022	3,577,337	3,577,337	-	7,568,303	49.73%	For healthy male participants during employment, RP 2000 Combined Male Healthy Participant Mortality Table, with 50% White Collar / 50% Blue Collar
9/30/2023	3,921,205	3,918,467	2,738	8,965,923	43.73%	Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB. For healthy female participants during employment, RP 2000 Combined Female Healthy Participant Mortality Table, with White Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB. For healthy male participants post employment, RP 2000 Annuitant Male Mortality Table, with 50% White Collar / 50% Blue Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB. For healthy female participants post employment, RP 2000 Annuitant Female Mortality Table, with White Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB.
<b>Retirement Plan for Police Officers and Firefighters</b>						
9/30/2014	\$ 6,357,669	\$ 6,357,669	\$ -	\$ 5,597,265	113.59%	Actuarial cost method
9/30/2015	6,498,316	6,337,328	(160,988)	5,127,475	126.74%	Amortization method
9/30/2016	6,254,492	6,254,492	-	6,586,705	94.96%	Remaining amortization period
9/30/2017	5,578,590	5,578,590	-	6,573,350	84.87%	Asset valuation method
9/30/2018	5,560,258	5,560,258	-	6,128,138	90.73%	Investment rate of return
9/30/2019	5,843,206	5,843,206	-	6,532,396	89.45%	Projected salary increases
9/30/2020	6,273,855	6,273,855	-	6,087,500	96.51%	Cost of living adjustments - on or before January 31, 2016
9/30/2021	6,646,690	6,646,690	-	7,246,268	91.73%	- after January 31, 2016
9/30/2022	5,912,124	5,912,124	-	6,751,394	83.48%	Inflation
9/30/2023	6,428,387	6,428,387	-	7,797,724	82.44%	For active male - Pub-2010 Safety Employees, headcount weighted, below median, set forward one year, projected with Scale MP-2018. For female - Pub-2010, Safety Employees, headcount weighted, set forward one year, projected with Scale MP-2018. For health inactive male - Pub-2010, Safety Retirees, headcount weighted, below median, set forward one year, projected with Scale MP-2018. For healthy inactive female - Pub-2010, Safety Retirees, headcount weighted, set forward one year, projected with Scale MP-2018. For disabled participants - Blend of 80% headcount weighted Pub-2010 General Disabled Retiree rates and 20% headcount weighted Pub-2010 Safety Disabled Retiree rates, no projection scale.
<b>Retirement Plan and Trust for General Management Employees</b>						
9/30/2014	\$ 594,082	\$ 598,464	\$ (4,382)	\$ 2,398,885	24.76%	Actuarial cost method
9/30/2015	598,464	598,464	-	2,027,135	29.52%	Amortization method
9/30/2016	668,241	693,932	(25,691)	2,391,509	27.94%	Remaining amortization period
9/30/2017	1,077,364	1,095,074	(17,710)	2,957,285	36.43%	Asset valuation method
9/30/2018	946,609	946,609	-	966,946	97.90%	Investment rate of return
9/30/2019	520,715	499,428	21,287	1,064,113	48.93%	Projected salary increases
9/30/2020	364,641	364,641	-	812,928	44.86%	Cost of living adjustments
9/30/2021	204,221	204,221	-	913,318	22.36%	Inflation
9/30/2022	54,558	54,558	-	588,093	9.28%	Pre-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year; post-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Healthy Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year.
9/30/2023	-	-	-	380,626	0.00%	
<b>Other Post-Employment Benefits</b>						
9/30/2018	\$ 250,000	\$ -	\$ 250,000	\$ 16,684,762	1.50%	Actuarial cost method
9/30/2019	250,000	-	250,000	18,905,504	1.32%	Investment rate of return
9/30/2020	250,000	-	250,000	20,537,603	1.22%	Projected salary increases
9/30/2021	821,473	-	821,473	26,053,434	3.15%	Healthcare cost trend rate
9/30/2022	605,279	-	605,279	27,846,111	2.17%	Inflation
9/30/2023	250,000	-	250,000	27,846,111	0.90%	
PUB-2010 with generational improvements using Scale MP-2018						

Note: This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015. Implementation of GASB No. 75 occurred in fiscal year 2018. Additional data to be compiled as information becomes available.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**LAST NINE FISCAL YEARS**

Measurement date June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Florida Retirement System</u>									
City's proportion of the net pension liability	0.000312830%	0.000295834%	0.000268619%	0.000226949%	0.000310992%	0.000289141%	0.000249570%	0.000234014%	0.000233181%
City's proportionate share of the net pension liability	\$ 48,034	\$ 74,698	\$ 79,456	\$ 68,358	\$ 107,102	\$ 125,318	\$ 18,852	\$ 87,072	\$ 92,915
Covered payroll	\$ 21,291	\$ 21,692	\$ 21,769	\$ 19,804	\$ 21,759	\$ 21,765	\$ 21,611	\$ 21,599	\$ 19,956
City's proportionate share of the net pension liability as a percentage of covered payroll	221.51%	349.82%	365.00%	345.17%	492.22%	575.78%	87.23%	403.13%	465.60%
Plan fiduciary net position as a percentage of the total pension liability	90.48%	84.88%	83.89%	84.26%	82.61%	78.85%	96.40%	82.89%	82.38%
<u>Health Insurance Subsidy</u>									
City's proportion of the net pension liability	0.000072633%	0.000069977%	0.000067773%	0.000060319%	0.000065452%	0.000063441%	0.000061052%	0.000059277%	0.0000054164
City's proportionate share of the net pension liability	\$ 7,406	\$ 8,154	\$ 7,247	\$ 6,384	\$ 7,221	\$ 7,746	\$ 7,489	\$ 6,281	\$ 8,602
Covered payroll	\$ 21,685	\$ 21,353	\$ 21,769	\$ 19,804	\$ 21,759	\$ 21,765	\$ 21,611	\$ 21,599	\$ 19,956
City's proportionate share of the net pension liability as a percentage of covered payroll	34.15%	38.19%	33.29%	32.24%	33.19%	35.59%	34.65%	29.08%	43.10%
Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.97%	1.64%	2.16%	2.63%	3.01%	3.56%	4.81%	4.12%

Note: This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015. Additional data to be compiled as information becomes available.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CONTRIBUTIONS**  
**LAST NINE FISCAL YEARS**

<b>Fiscal year ended September 30,</b>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>Florida Retirement System</u>									
Contractually required contribution	\$ 7,627	\$ 7,214	\$ 6,993	\$ 6,468	\$ 9,643	\$ 9,607	\$ 9,508	\$ 9,986	\$ 11,217
Contributions in relation to the contractually required contribution	<u>7,947</u>	<u>7,745</u>	<u>7,373</u>	<u>7,539</u>	<u>10,408</u>	<u>9,607</u>	<u>9,508</u>	<u>9,986</u>	<u>11,217</u>
Contribution deficiency (excess)	<u>\$ (320)</u>	<u>\$ (531)</u>	<u>\$ (380)</u>	<u>\$ (1,071)</u>	<u>\$ (765)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 21,685	\$ 21,353	\$ 21,769	\$ 19,804	\$ 21,759	\$ 21,765	\$ 21,611	\$ 21,599	\$ 19,956
Contributions as a percentage of covered payroll	36.65%	36.27%	33.87%	38.07%	47.83%	44.14%	44.00%	46.23%	56.21%
<u>Health Insurance Subsidy</u>									
Contractually required contribution	\$ 278	\$ 359	\$ 359	\$ 327	\$ 358	\$ 366	\$ 359	\$ 359	\$ 356
Contributions in relation to the contractually required contribution	<u>278</u>	<u>359</u>	<u>359</u>	<u>327</u>	<u>358</u>	<u>366</u>	<u>359</u>	<u>359</u>	<u>356</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 21,685	\$ 21,353	\$ 21,769	\$ 19,804	\$ 21,759	\$ 21,765	\$ 21,611	\$ 21,599	\$ 19,958
Contributions as a percentage of covered payroll	1.28%	1.68%	1.65%	1.65%	1.65%	1.68%	1.66%	1.66%	1.78%

Note: This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015. Additional data to be compiled as information becomes available.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
(in thousands)  
**SEPTEMBER 30, 2023**

<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Employer Contribution</u>	<u>Total Contributions</u>	<u>Percentage Contributed</u>
<u>Excess Benefit Plan</u>				
2014	223	223	223	100%
2015	257	257	257	100%
2016	278	278	278	100%
2017	290	290	290	100%
2018	299	299	299	100%
2019	308	308	308	100%
2020	318	318	318	100%
2021	285	285	285	100%
2022	333	333	333	100%
2023	308	308	308	100%

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**COMBINING, INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

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**NON-MAJOR GOVERNMENTAL FUNDS**

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**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**FUND DESCRIPTIONS – NON-MAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2023**

**Special Revenue Funds**

Special revenue funds are used to account for specific sources of revenue that are legally restricted to expenditure for purposes.

**Grants** – This fund is used to account for the various federal, state and local grants awarded to the City.

**Transit Surtax** – This fund is used to account for the City's portion of the Miami-Dade County one-half percent sales surtax approved by voters in November 2002.

**Confiscated Property** – This fund is used to account for confiscated and forfeited property received from the federal and state government. The uses of the property are governed by State of Florida Statutes, Chapter 932; the United States Department of Justice publication, *A Guide to Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies*; and the United States Treasury Department publication, *Guide to Equitable Sharing for Foreign Countries and Federal, State and Local Law Enforcement Agencies*.

**Eastern Shores Security Special Taxing District** – This fund is used to account for the activities related to the guard house located at the 35<sup>th</sup> Avenue entrance to the Eastern Shores subdivision. The Special Taxing District was created on November 21, 1995, for the purpose of providing security for the area. The administration of the district was transferred from Miami-Dade County to the City of North Miami Beach on February 2, 2018.

**Eastern Shores First Addition Security Guard Special Taxing District** – This fund is used to account for the activities related to the guard house located at the 164<sup>th</sup> Street entrance to the Eastern Shores subdivision. The Special Taxing District was created on April 7, 1994, for the purpose of providing security for the area. The administration of the district was transferred from Miami-Dade County to the City of North Miami Beach on February 2, 2018.

**Debt Service Funds**

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

**Series 2011** – This fund is used to account for the principal and interest payments relating to the \$14,835,000 promissory note issued to defease the Series 2000B bonds originally issued to fund improvements related to the Proud Neighborhood plan.

**Series 2012** – This fund is used to account for the debt service of the \$8,190,000 promissory note issued to defease the Series 2002A Series Capital Appreciation and Term Bonds. The 2002A bond proceeds were used to defease the Series 1994 bonds originally issued to fund the expansion of the police station and various neighborhood improvements.

**Series 2015** – This fund is used to account for the principal and interest payments relating to the City's portion of the Series 2015 Revenue Refunding bonds issued to refund the Florida Municipal Loan Council Revenue Bonds, Series 2005C. The bond proceeds were used to defease the Series 2000A bonds originally issued to fund the bike path and street improvements, including lighting and traffic calming devices.

**Capital Projects Fund**

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

**Alley Restoration Program** – This fund accounts for improvements to the City's alley infrastructure to facilitate traffic flow of solid waste equipment, stormwater run-off and trash collection.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2023**

Special Revenue Funds

	Grants Funds	Transit Surtax	Confiscated Property	Eastern Shores Security Special Taxing District	Eastern Shores First Addition Security Guard Special Taxing District	Total Special Revenue
<b>ASSETS</b>						
Pooled cash and investments	\$ 174,365	\$ 1,551,645	\$ 2,586,413	\$ 49,625	\$ 185,750	\$ 4,547,798
Accounts receivable:	103,333	627,615	-	4,053	-	735,001
Prepaid expenses	-	-	399	-	-	399
Total assets	<u>\$ 277,698</u>	<u>\$ 2,179,260</u>	<u>\$ 2,586,812</u>	<u>\$ 53,678</u>	<u>\$ 185,750</u>	<u>\$ 5,283,198</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
Liabilities:						
Accounts payable and accrued liabilities	\$ 12,432	\$ 182,885	\$ 4,465	\$ 47,926	\$ 35,010	\$ 282,718
Due to other funds	260,153	-	-	-	-	260,153
Total liabilities	<u>272,585</u>	<u>182,885</u>	<u>4,465</u>	<u>47,926</u>	<u>35,010</u>	<u>542,871</u>
Deferred inflows of resources:						
Unavailable revenue	-	270,750	-	-	-	270,750
Total deferred inflows of resources	<u>-</u>	<u>270,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>270,750</u>
Fund balances:						
Nonspendable:						
Prepays	-	-	399	-	-	399
Restricted:						
Interlocal agreements	-	1,725,625	-	-	-	1,725,625
Special Taxing Districts	-	-	-	5,752	150,740	156,492
Public Safety	5,113	-	2,581,948	-	-	2,587,061
Total fund balances	<u>5,113</u>	<u>1,725,625</u>	<u>2,582,347</u>	<u>5,752</u>	<u>150,740</u>	<u>4,469,577</u>
Total liabilities and fund balances	<u>\$ 277,698</u>	<u>\$ 2,179,260</u>	<u>\$ 2,586,812</u>	<u>\$ 53,678</u>	<u>\$ 185,750</u>	<u>\$ 5,283,198</u>

(Continued)

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
(Continued)  
**SEPTEMBER 30, 2023**

	Debt Service Funds			Total Debt Service
	Series <u>2011</u>	Series <u>2012</u>	Series <u>2015</u>	
<b>ASSETS</b>				
Pooled cash and investments	\$ -	\$ 789,539	\$ 651	\$ 790,190
Total assets	\$ -	\$ 789,539	\$ 651	\$ 790,190
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Due to other funds	\$ 597,311	\$ -	\$ -	\$ 597,311
Total liabilities	597,311	-	-	597,311
Fund balances:				
Restricted				
Debt service	-	789,539	651	790,190
Unassigned:				
Total fund balance	(597,311)	789,539	651	192,879
Total liabilities and fund balance	\$ -	\$ 789,539	\$ 651	\$ 790,190

(Continued)

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
(Continued)  
**SEPTEMBER 30, 2023**

	Capital Projects Fund		Total Capital Projects		Total Non-major Governmental Funds
	Alley Restoration Program				
<b>ASSETS</b>					
Pooled cash and investments	\$ 220,961		\$ 220,961		\$ 5,558,949
Accounts receivable, net:	-		-		735,001
Prepaid costs	-		-		399
Total assets	\$ 220,961		\$ 220,961		\$ 6,294,349
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued liabilities	\$ -		\$ -		\$ 282,718
Due to other funds	-		-		857,464
Total liabilities	-		-		1,140,182
Deferred inflows of resources:					
Unavailable revenue	-		-		270,750
Total deferred inflows of resources	-		-		270,750
Fund balances:					
Nonspendable:					
Prepaid costs	-		-		399
Restricted:					
Interlocal agreements	-		-		1,725,625
Special Taxing Districts	-		-		156,492
Debt service	-		-		790,190
Public Safety	-		-		2,587,061
Committed:					
Alley restoration	220,961		220,961		220,961
Unassigned:	-		-		(597,311)
Total fund balances	220,961		220,961		4,883,417
Total fund balances and liabilities	\$ 220,961		\$ 220,961		\$ 6,294,349

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>Special Revenue Funds</u>					
	Grants Funds	Transit Surtax	Confiscated Property	Eastern Shores Security Special Taxing District	Eastern Shores First Addition Security Guard Special Taxing District	Total Special Revenue
<b>REVENUES:</b>						
Intergovernmental	\$ -	\$ 2,685,199	\$ -	\$ -	\$ -	\$ 2,685,199
Grant revenue	572,570	-	-	-	-	572,570
Non-Ad valorem assessments	-	-	-	627,820	205,431	833,251
Fines and forfeitures	-	-	256,260	-	-	256,260
Investment income	-	-	-	2,575	6,357	8,932
Total revenues	<u>572,570</u>	<u>2,685,199</u>	<u>256,260</u>	<u>630,395</u>	<u>211,788</u>	<u>4,356,212</u>
<b>EXPENDITURES:</b>						
Current operating:						
General government	2	-	12,470	-	-	12,472
Public safety	203,537	-	22,628	634,431	194,394	1,054,990
Library	89,188	-	-	-	-	89,188
Parks & Recreation	269,406	-	-	-	-	269,406
Public works	-	1,546,352	-	-	-	1,546,352
Capital outlay	18,335	368,031	-	48,784	-	435,150
Total expenditures	<u>580,468</u>	<u>1,914,383</u>	<u>35,098</u>	<u>683,215</u>	<u>194,394</u>	<u>3,407,558</u>
Excess (deficiency) of revenues over expenditures	(7,898)	770,816	221,162	(52,820)	17,394	948,654
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers out	(12,020)	(132,061)	-	-	-	(144,081)
Total other financing sources (uses)	<u>(12,020)</u>	<u>(132,061)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(144,081)</u>
Net change in fund balances	<u>(19,918)</u>	<u>638,755</u>	<u>221,162</u>	<u>(52,820)</u>	<u>17,394</u>	<u>804,573</u>
Fund balances, beginning	25,031	962,705	2,361,185	58,572	133,346	3,540,839
Prior period adjustment (Note 16)	-	124,165	-	-	-	124,165
Fund balances, beginning as restated	25,031	1,086,870	2,361,185	58,572	133,346	3,665,004
Fund balances, ending	<u>\$ 5,113</u>	<u>\$ 1,725,625</u>	<u>\$ 2,582,347</u>	<u>\$ 5,752</u>	<u>\$ 150,740</u>	<u>\$ 4,469,577</u>

(Continued)

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
(Continued)  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Debt Service Funds			Total Debt Service
	Series 2011	Series 2012	Series 2015	
<b>REVENUES:</b>				
Property taxes	\$ 1,072,727	\$ 783,047	\$ -	\$ 1,855,774
Total revenues	<u>1,072,727</u>	<u>783,047</u>	<u>-</u>	<u>1,855,774</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	1,685,000	-	-	1,685,000
Interest and other fiscal charges	<u>170,842</u>	<u>-</u>	<u>-</u>	<u>170,842</u>
Total expenditures	<u>1,855,842</u>	<u>-</u>	<u>-</u>	<u>1,855,842</u>
Excess (deficiency) of revenues over expenditures	<u>(783,115)</u>	<u>783,047</u>	<u>-</u>	<u>(68)</u>
Net change in fund balances	<u>(783,115)</u>	<u>783,047</u>	<u>-</u>	<u>(68)</u>
Fund balances, beginning	<u>185,804</u>	<u>6,492</u>	<u>651</u>	<u>192,947</u>
Prior period adjustment (Note 16)	-	-	-	-
Fund balances, beginning as restated	<u>185,804</u>	<u>6,492</u>	<u>651</u>	<u>192,947</u>
Fund balances, ending	<u>\$ (597,311)</u>	<u>\$ 789,539</u>	<u>\$ 651</u>	<u>\$ 192,879</u>

(Continued)

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
(Continued)  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Capital Projects Fund Alley Restoration Program	Total Capital Projects	Total Non-major Governmental Funds
<b>REVENUES:</b>			
Property taxes	\$ -	\$ -	\$ 1,855,774
Intergovernmental	-	-	2,685,199
Grant revenue	-	-	572,570
Non-Ad valorem assessments	-	-	833,251
Fines and forfeitures	-	-	256,260
Investment income	-	-	8,932
Total revenues	-	-	6,211,986
<b>EXPENDITURES:</b>			
Current:			
Operating expenditures:			
General government	-	-	12,472
Public safety	-	-	1,054,990
Library	-	-	89,188
Parks & Recreation	-	-	269,406
Public works	-	-	1,546,352
Capital outlay	-	-	435,150
Debt service:			
Principal	-	-	1,685,000
Interest and other fiscal charges	-	-	170,842
Total expenditures	-	-	5,263,400
Excess (deficiency) of revenues over expenditures	-	-	948,586
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers out	-	-	(144,081)
Total other financing uses	-	-	(144,081)
Net change in fund balances	-	-	804,505
Fund balance, beginning	220,961	220,961	3,954,747
Prior period adjustment (Note 16)	-	-	124,165
Fund balances, beginning as restated	220,961	220,961	4,078,912
Fund balances, ending	\$ 220,961	\$ 220,961	\$ 4,883,417

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	TRANSIT SURTAX FUND			
	Budgeted Amounts		Actual	Variance from Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental revenue	\$ 2,638,988	\$ 2,638,988	\$ 2,685,199	\$ 46,211
Total revenues	2,638,988	2,638,988	2,685,199	46,211
<b>EXPENDITURES:</b>				
Current:				
Public works	1,940,041	1,940,041	1,546,352	393,689
Capital outlay	1,055,000	1,236,030	368,031	867,999
Total expenditures	2,995,041	3,176,071	1,914,383	1,261,688
Excess (deficiency) of revenues over (under) expenditures	(356,053)	(537,083)	770,816	(1,215,477)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(131,949)	(131,949)	(132,061)	(395,959)
Total other financing sources (uses)	(131,949)	(131,949)	(132,061)	(395,959)
Net changes in fund balance	\$ (488,002)	\$ (669,032)	638,755	\$ (1,611,436)
Fund balance, beginning			962,705	
Prior period adjustment (Note 16)			124,165	
Fund balance, beginning as restated			1,086,870	
Fund balance, ending			\$ 1,725,625	

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Eastern Shores Security Special Taxing District				
	Budgeted Amounts		Actual Amounts	Variance with from Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Non-Ad valorem Assessments	\$ 620,417	\$ 620,417	\$ 627,820	\$ 7,403
Investment income (loss)	<u>4,500</u>	<u>4,500</u>	<u>2,575</u>	<u>(1,925)</u>
Total revenues	<u>624,917</u>	<u>624,917</u>	<u>630,395</u>	<u>5,478</u>
<b>EXPENDITURES:</b>				
Current:				
Public Safety	669,917	669,917	634,431	35,136
Capital outlay	<u>-</u>	<u>48,784</u>	<u>48,784</u>	<u>-</u>
Total expenditures	<u>669,917</u>	<u>718,701</u>	<u>683,215</u>	<u>35,136</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(45,000)</u>	<u>(93,784)</u>	<u>(52,820)</u>	<u>(29,658)</u>
Net changes in fund balance	<u>\$ (45,000)</u>	<u>\$ (93,784)</u>	<u>(52,820)</u>	<u>\$ (29,658)</u>
Fund balances, beginning			<u>58,572</u>	
Fund balances, ending			<u>\$ 5,752</u>	

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Eastern Shores First Addition Security Guard Special Taxing District

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with from Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Non-Ad valorem Assessments	\$ 203,394	\$ 203,394	\$ 205,431	\$ 2,037
Investment income (loss)	<u>2,560</u>	<u>2,560</u>	<u>6,357</u>	<u>3,797</u>
Total revenues	<u>205,954</u>	<u>205,954</u>	<u>211,788</u>	<u>5,834</u>
<b>EXPENDITURES:</b>				
Current:				
Public Safety	235,954	235,954	194,394	41,560
Capital outlay	<u>-</u>	<u>18,648</u>	<u>-</u>	<u>18,648</u>
Total expenditures	<u>235,954</u>	<u>254,602</u>	<u>194,394</u>	<u>60,208</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,000)</u>	<u>(48,648)</u>	<u>17,394</u>	<u>(54,374)</u>
Net changes in fund balance	<u>\$ (30,000)</u>	<u>\$ (48,648)</u>	<u>17,394</u>	<u>\$ (54,374)</u>
Fund balances, beginning			<u>133,346</u>	
Fund balances, ending			<u>\$ 150,740</u>	

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DEBT SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	SERIES 2011			Variance with from Final Budget - Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 1,072,727	\$ 1,072,727	\$ 1,072,727	\$ -
Total revenues	1,072,727	1,072,727	1,072,727	-
<b>EXPENDITURES:</b>				
Debt service:				
Principal	940,000	940,000	1,685,000	(745,000)
Interest and other charges	132,727	132,727	170,842	(38,115)
Total expenditures	1,072,727	1,072,727	1,855,842	(783,115)
Excess (deficiency) of revenues over (under) expenditures	-	-	(783,115)	-
Net changes in fund balance	\$ -	\$ -	(783,115)	\$ -
Fund balance, beginning			185,804	
Fund balance, ending			\$ (597,311)	

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DEBT SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

SERIES 2012

	Budgeted Amounts		Actual	Variance with from Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 783,047	\$ 783,047	\$ 783,047	\$ -
Total revenues	<u>783,047</u>	<u>783,047</u>	<u>783,047</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>783,047</u>	<u>783,047</u>	<u>783,047</u>	<u>-</u>
Net changes in fund balance	<u>\$ 783,047</u>	<u>\$ 783,047</u>	<u>783,047</u>	<u>\$ -</u>
Fund balance, beginning			6,492	
Fund balance, ending			<u>\$ 789,539</u>	

**CITY OF NORTH MIAMI BEACH, FLORIDA**

CHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

ALLEY RESTORATION PROGRAM

	Budgeted Amounts		Actual	Variance with from Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>	-	-	-	-
Excess (deficiency) of revenues Over (under) expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, beginning			220,961	
Fund balance, ending			<u>220,961</u>	

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**NON-MAJOR ENTERPRISE FUNDS**

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**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**FUND DESCRIPTIONS – NON-MAJOR ENTERPRISE FUNDS**  
**SEPTEMBER 30, 2023**

**Non-major Enterprise Funds**

**Solid Waste Fund** – accounts for providing sanitation services within the City.

**Stormwater Fund** – accounts for providing stormwater services within City limits.

**Building Permit Fund** – accounts for activities as they relate to the issuance of building permits to residences and businesses within the City.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2023**

	Stormwater Utility	Solid Waste	Building Fund	Total
<b>ASSETS</b>				
Current assets:				
Pooled cash and investments	\$ 2,345,440	\$ 58,308	\$ 14,204,436	\$ 16,608,184
Accounts receivable, net	144,391	478,214	-	622,605
Prepaid expenses	-	592	-	592
Total current assets	<u>2,489,831</u>	<u>537,114</u>	<u>14,204,436</u>	<u>17,231,381</u>
Non-current assets:				
Capital assets, non-depreciable	1,479,350	-	39,621	1,518,971
Capital assets, net of accumulated depreciation	2,409,556	438,825	1,704,251	4,552,632
Total non-current assets	<u>3,888,906</u>	<u>438,825</u>	<u>1,743,872</u>	<u>6,071,603</u>
Total assets	<u>6,378,737</u>	<u>975,939</u>	<u>15,948,308</u>	<u>23,302,984</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension	290,233	159,470	1,323,879	1,773,582
Other post-employment benefits	12,494	24,987	49,974	87,455
Total deferred outflows of resources	<u>\$ 302,727</u>	<u>\$ 184,457</u>	<u>\$ 1,373,853</u>	<u>\$ 1,861,037</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 19,382	\$ 345,537	\$ 28,955	\$ 393,874
Due to other funds	-	1,933,950	-	1,933,950
Customer deposits	-	-	209,094	209,094
Total current liabilities	<u>19,382</u>	<u>2,279,487</u>	<u>238,049</u>	<u>2,536,918</u>
Non-current liabilities:				
Portion due within one year:				
Compensated absences	13,475	1,260	42,423	57,158
Leases	-	504	3,868	4,372
Portion due in more than one year:				
Other post-employment benefits	46,854	93,707	187,415	327,976
Net pension liability	903,965	151,374	2,471,904	3,527,243
Compensated absences	40,428	3,779	127,269	171,476
Leases	-	-	12,238	12,238
Total non-current liabilities	<u>1,004,722</u>	<u>250,624</u>	<u>2,845,117</u>	<u>4,100,463</u>
Total liabilities	<u>1,024,104</u>	<u>2,530,111</u>	<u>3,083,166</u>	<u>6,637,381</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension	-	71,612	342,413	414,025
Other post-employment benefits	21,792	43,584	87,167	152,543
Total deferred inflows of resources	<u>21,792</u>	<u>115,196</u>	<u>429,580</u>	<u>566,568</u>
<b>NET POSITION</b>				
Net investment in capital assets	3,888,906	438,322	1,727,765	6,054,993
Unrestricted	1,746,662	(1,923,233)	12,081,650	11,905,079
Total net position	<u>\$ 5,635,568</u>	<u>\$ (1,484,911)</u>	<u>\$ 13,809,415</u>	<u>\$ 17,960,072</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Stormwater Utility	Solid Waste	Building Fund	Total
<b>OPERATING REVENUES:</b>				
Service revenues	\$ 1,520,655	\$ 5,880,592	\$ 5,566,846	\$ 12,968,093
Total operating revenues	<u>1,520,655</u>	<u>5,880,592</u>	<u>5,566,846</u>	<u>12,968,093</u>
<b>OPERATING EXPENSES:</b>				
Personnel services	351,267	(2,116,582)	2,404,522	639,207
Other operating costs	358,982	5,063,981	428,198	5,851,161
Depreciation	192,552	102,713	20,252	315,517
Total operating expenses	<u>902,801</u>	<u>3,050,112</u>	<u>2,852,972</u>	<u>6,805,885</u>
Operating income	<u>617,854</u>	<u>2,830,480</u>	<u>2,713,874</u>	<u>6,162,208</u>
<b>NON-OPERATING REVENUE (EXPENSE):</b>				
Investment income	77,485	2,732	463,249	543,466
Miscellaneous income	-	9,400	1,183	10,583
Interest and other fiscal charges	-	(3)	-	(3)
Total non-operating revenue	<u>77,485</u>	<u>12,129</u>	<u>464,432</u>	<u>554,046</u>
Income before transfers	695,339	2,842,609	3,178,306	6,716,254
Transfers out	<u>(209,457)</u>	<u>(534,895)</u>	<u>(602,759)</u>	<u>(1,347,111)</u>
Change in net position	<u>485,882</u>	<u>2,307,714</u>	<u>2,575,547</u>	<u>5,369,143</u>
Net position beginning	<u>5,149,686</u>	<u>(3,792,625)</u>	<u>11,233,868</u>	<u>12,590,929</u>
Net position, ending	<u>\$ 5,635,568</u>	<u>\$ (1,484,911)</u>	<u>\$ 13,809,415</u>	<u>\$ 17,960,072</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NON-MAJOR PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Stormwater Utility	Solid Waste	Building Fund	Total
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 1,549,239	\$ 6,014,097	\$ 5,777,238	\$ 13,340,574
Cash payments to suppliers	(335,629)	(5,295,442)	(714,347)	(6,345,418)
Cash payments to and on behalf of employees	(504,022)	(162,769)	(1,677,624)	(2,344,415)
Net cash provided by operating activities	<u>709,588</u>	<u>555,886</u>	<u>3,385,267</u>	<u>4,650,741</u>
<b>Cash flows from noncapital financing activities:</b>				
Transfers to other funds	(209,457)	(534,895)	(602,759)	(1,347,111)
Net cash used in non-capital financing activities	<u>(209,457)</u>	<u>(534,895)</u>	<u>(602,759)</u>	<u>(1,347,111)</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition and construction of capital assets	(76,608)	-	(1,655,834)	(1,732,442)
Principal paid on long-term debt	-	(1,511)	15,222	13,711
Interest paid on long-term debt	-	(3)	-	(3)
Net cash used in capital and related financing activities	<u>(76,608)</u>	<u>(1,514)</u>	<u>(1,640,612)</u>	<u>(1,718,734)</u>
Investment income	77,485	2,732	463,249	543,466
Net cash provided by investing activities	<u>77,485</u>	<u>2,732</u>	<u>463,249</u>	<u>543,466</u>
Net increase in pooled cash and investments:	501,008	22,209	1,605,145	2,128,362
Pooled cash and investments, beginning	1,844,432	36,099	12,599,291	14,479,822
Pooled cash and investments, ending	<u>\$ 2,345,440</u>	<u>\$ 58,308</u>	<u>\$ 14,204,436</u>	<u>\$ 16,608,184</u>
<b>Reported in statement of net position as follows:</b>				
Cash and cash equivalents	\$ 2,345,440	\$ 58,308	\$ 14,204,436	\$ 16,608,184
	<u>\$ 2,345,440</u>	<u>\$ 58,308</u>	<u>\$ 14,204,436</u>	<u>\$ 16,608,184</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating income	\$ 617,854	\$ 2,830,480	\$ 2,713,874	\$ 6,162,208
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>				
Depreciation	192,552	102,713	20,252	315,517
Other income	-	9,400	1,183	10,583
<b>Changes in operating assets and liabilities:</b>				
<b>(Increase) decrease :</b>				
Accounts receivable	28,584	124,105	115	152,804
Due from other funds	20,198	-	-	20,198
Prepaid	-	1	4,781	4,782
Deferred outflows of resources - pension	(159,348)	449,417	(225,353)	64,716
Deferred outflows of resources - opeb	10,006	20,014	40,027	70,047
<b>Increase (decrease) in:</b>				
Accounts payable and accrued liabilities	3,155	(1,854,598)	(290,934)	(2,142,377)
Compensated absences	33,006	1,253	64,552	98,811
Customer deposits	-	-	209,094	209,094
Due to other funds	-	1,623,136	-	1,623,136
Net pension liability	121,451	(2,265,601)	1,131,850	(1,012,300)
Net OPEB liability	(2,526)	(5,052)	(10,104)	(17,682)
Deferred inflows of resources - pension	(148,673)	(466,040)	(247,386)	(862,099)
Deferred inflows of resources - opeb	(6,671)	(13,342)	(26,684)	(46,697)
Total adjustments	<u>91,734</u>	<u>(2,274,594)</u>	<u>671,393</u>	<u>(1,511,467)</u>
Net cash provided by operating activities	<u>\$ 709,588</u>	<u>\$ 555,886</u>	<u>\$ 3,385,267</u>	<u>\$ 4,650,741</u>

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**INTERNAL SERVICE FUNDS**

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**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**FUND DESCRIPTIONS – INTERNAL SERVICE FUNDS**  
**SEPTEMBER 30, 2023**

**Internal Service Funds**

**Customer Service Fund** – The Customer Service Fund provides services specifically for the Enterprise Funds and is therefore included with the Business-type activities for reporting purposes.

**Information Technology Fund** – The Information Technology Fund activities are allocated between Governmental activities and Business-type activities for reporting purpose.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**SEPTEMBER 30, 2023**

	Customer Service	Information Technology	Total
<b>ASSETS</b>			
Current assets:			
Pooled cash and investments	\$ 1,902,607	\$ 1,536,593	\$ 3,439,200
Prepaid expenses	-	106,913	106,913
Total current assets	<u>1,902,607</u>	<u>1,643,506</u>	<u>3,546,113</u>
Non-current assets			
Capital assets, non-depreciable	4,059	747,222	751,281
Capital assets, net of accumulated depreciation	<u>130,794</u>	<u>1,407,155</u>	<u>1,537,949</u>
Total non-current assets	<u>134,853</u>	<u>2,154,377</u>	<u>2,289,230</u>
Total assets	<u>2,037,460</u>	<u>3,797,883</u>	<u>5,835,343</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension	<u>484,180</u>	<u>773,037</u>	<u>1,257,217</u>
Total deferred outflows of resources	<u>\$ 484,180</u>	<u>\$ 773,037</u>	<u>\$ 1,257,217</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	<u>\$ 53,988</u>	<u>\$ 133,828</u>	<u>\$ 187,816</u>
Total current liabilities	<u>53,988</u>	<u>133,828</u>	<u>187,816</u>
Non-current liabilities:			
Portion due within one year:			
Compensated absences	-	28,953	28,953
Subscriptions	-	683,950	683,950
Portion due in more than one year:			
Net pension liability	2,407,718	1,508,037	3,915,755
Compensated absences	40,990	86,860	127,850
Leases	-	8,074	8,074
Subscriptions	-	460,030	460,030
Total non-current liabilities	<u>2,448,708</u>	<u>2,775,904</u>	<u>5,224,612</u>
Total liabilities	<u>2,502,696</u>	<u>2,909,732</u>	<u>5,412,428</u>
<b>NET POSITION</b>			
Net investment in capital assets	134,853	1,002,321	1,137,174
Unrestricted	<u>(115,909)</u>	<u>658,867</u>	<u>542,958</u>
Total net position	<u>\$ 18,944</u>	<u>\$ 1,661,188</u>	<u>\$ 1,680,132</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Customer Service	Information Technology	Total
<b>OPERATING REVENUES:</b>			
Service revenues	\$ 4,016,625	\$ 3,449,470	\$ 7,466,095
Total operating revenues	4,016,625	3,449,470	7,466,095
<b>OPERATING EXPENSES:</b>			
Personnel services	3,785,399	(906,093)	2,879,306
Other operating costs	1,104,608	1,153,206	2,257,814
Depreciation	17,835	607,731	625,566
Total operating expenses	4,907,842	854,844	5,762,686
Operating income (loss)	(891,217)	2,594,626	1,703,409
<b>NON-OPERATING EXPENSES:</b>			
Interest and other fiscal charges	-	(33,165)	(33,165)
Total non-operating expenses	-	(33,165)	(33,165)
Income before transfers	(891,217)	2,561,461	1,670,244
Transfers out	(14,399)	(1,316)	(15,715)
Change in net position	(905,616)	2,560,145	1,654,529
Net position, beginning	924,560	(979,152)	(54,592)
Prior period adjustment (Note 16)	-	80,195	80,195
Net position beginning, as restated	924,560	(898,957)	25,603
Net position, ending	\$ 18,944	\$ 1,661,188	\$ 1,680,132

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>Customer Service</u>	<u>Information Technology</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from other funds	\$ 4,016,625	\$ 3,449,470	\$ 7,466,095
Cash payments to suppliers	(1,132,842)	(1,254,077)	(2,386,919)
Cash payments to employees	(1,730,903)	(959,715)	(2,690,618)
Net cash provided by operating activities	<u>1,152,880</u>	<u>1,235,678</u>	<u>2,388,558</u>
Transfers to other funds	<u>(14,400)</u>	<u>(1,317)</u>	<u>(15,717)</u>
Net cash used in noncapital financing activities:	<u>(14,400)</u>	<u>(1,317)</u>	<u>(15,717)</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(4,060)	(2,018,465)	(2,022,525)
Principal paid on long-term debt	-	1,150,425	1,150,425
Interest paid on long-term debt	-	(33,164)	(33,164)
Net cash used in capital and related financing activities	<u>(4,060)</u>	<u>(901,204)</u>	<u>(905,264)</u>
Net increase in pooled cash and investments:	1,134,420	333,157	1,467,577
Pooled cash and investments, beginning	<u>768,187</u>	<u>1,203,436</u>	<u>1,971,623</u>
Pooled cash and investments, ending	<u>\$ 1,902,607</u>	<u>\$ 1,536,593</u>	<u>\$ 3,439,200</u>
Reported in statement of net position as follows:			
Cash and cash equivalents	<u>\$ 1,902,607</u>	<u>\$ 1,536,593</u>	<u>\$ 3,439,200</u>
	<u>\$ 1,902,607</u>	<u>\$ 1,536,593</u>	<u>\$ 3,439,200</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating revenue (loss)	<u>\$ (891,216)</u>	<u>\$ 2,594,625</u>	<u>\$ 1,703,409</u>
Adjustments to reconcile operating income to net cash cash provided by operating activities:			
Depreciation	17,836	607,732	625,568
Change in operating assets and liabilities:			
(Increase) decrease in :			
Prepaid costs	33,813	(42,487)	(8,674)
Deferred outflows of resources pension	(335,660)	(336,755)	(672,415)
Increase (decrease) in:			
Accounts payable and accrued liabilities	(62,049)	(58,383)	(120,432)
Compensated absences	(17,562)	66,866	49,304
Net pension liability	2,407,718	(1,100,343)	1,307,375
Deferred inflows of resources	-	(495,577)	(495,577)
Total adjustments	<u>2,044,096</u>	<u>(1,358,947)</u>	<u>685,149</u>
Net cash provided by operating activities	<u>\$ 1,152,880</u>	<u>\$ 1,235,678</u>	<u>\$ 2,388,558</u>

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## **FIDUCIARY FUNDS**

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**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2023**

	Pension Trust Funds				Total
	General Employees	Police Officers and Firefighters	General Management Employees	OPEB Trust	
<b>ASSETS</b>					
Cash	\$ 120,942	\$ 141,045	\$ -	\$ -	\$ 261,987
Investments:					
Equity securities	55,081,511	63,187,588	-	-	118,269,099
Money market funds	2,625,725	2,763,262	-	-	5,388,987
Government securities	16,841,511	21,990,265	-	-	38,831,776
Corporate bonds	1,544,616	6,475,889	-	-	8,020,505
Real estate	8,318,553	7,598,299	-	-	15,916,852
Mutual funds	-	-	19,542,379	5,199,281	24,741,660
Hedge funds	-	22,126	-	-	22,126
Total investments	<u>84,532,858</u>	<u>102,037,429</u>	<u>19,542,379</u>	<u>5,199,281</u>	<u>211,191,005</u>
Accrued interest receivable	140,208	238,206	-	-	378,414
Other receivables	306,045	350,118	9,767	-	665,930
Total assets	<u>\$ 85,100,053</u>	<u>\$ 102,766,798</u>	<u>\$ 19,552,146</u>	<u>\$ 5,199,281</u>	<u>\$ 212,497,336</u>
<b>LIABILITIES</b>					
Accounts payable	<u>\$ 528,730</u>	<u>\$ 297,566</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 826,296</u>
<b>NET POSITION</b>					
Net position restricted for:					
Pensions	84,450,381	102,469,232	19,552,146	-	206,471,759
OPEB	-	-	-	5,199,281	5,199,281
Total net position	<u>\$ 84,450,381</u>	<u>\$ 102,469,232</u>	<u>\$ 19,552,146</u>	<u>\$ 5,199,281</u>	<u>\$ 211,671,040</u>

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Pension Trust Funds				Total
	General Employees	Police Officers and Firefighters	General Management Employees	OPEB Trust	
<b>ADDITIONS</b>					
Contributions:					
Employer	\$ 3,921,205	\$ 6,428,387	\$ 308,115	\$ 250,000	\$ 10,907,707
Employee	710,174	1,239,445	38,335	-	1,987,954
State of Florida	-	927,541	-	-	927,541
Total contributions	4,631,379	8,595,373	346,450	250,000	13,823,202
Investment income (expense):					
Net appreciation in fair value of investments	6,583,889	8,679,603	1,970,507	421,225	17,655,224
Interest and dividends	2,687,108	3,158,299	-	-	5,845,407
Investment expenses	(475,436)	(515,909)	(73,207)	-	(1,064,552)
Net investment income	8,795,561	11,321,993	1,897,300	421,225	22,436,079
Other income	35,580	4,088	-	-	39,668
Total additions	13,462,520	19,921,454	2,243,750	671,225	36,298,949
<b>DEDUCTIONS</b>					
Pension benefit payments	8,308,027	13,290,090	1,683,002	-	23,281,119
Administrative expenses	223,160	275,958	324,359	17,327	840,804
Total deductions	8,531,187	13,566,048	2,007,361	17,327	24,121,923
Change in net position	4,931,333	6,355,406	236,389	653,898	12,177,026
Net position, beginning	79,519,048	96,113,826	19,315,757	4,545,383	199,494,014
Net position, ending	\$ 84,450,381	\$ 102,469,232	\$ 19,552,146	\$ 5,199,281	\$ 211,671,040

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## **IV. STATISTICAL SECTION**

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## STATISTICAL SECTION

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> <i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	<b>115-118</b>
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Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.*

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 41,846	\$ 41,751	\$ 45,614	\$ 47,555	\$ 50,498	\$ 51,941	\$ 57,562	\$ 61,237	\$ 66,098	\$ 70,255
Restricted	12,186	11,326	10,202	10,412	10,826	10,941	9,836	10,364	25,573	12,369
Unrestricted	<u>22,992</u>	<u>(34,160)</u>	<u>(29,701)</u>	<u>(21,503)</u>	<u>(25,448)</u>	<u>(22,745)</u>	<u>(34,433)</u>	<u>(37,727)</u>	<u>(29,586)</u>	<u>(22,590)</u>
Total governmental activities net position	<u>\$ 77,024</u>	<u>\$ 18,917</u>	<u>\$ 26,115</u>	<u>\$ 36,464</u>	<u>\$ 35,876</u>	<u>\$ 40,137</u>	<u>\$ 32,965</u>	<u>\$ 33,874</u>	<u>\$ 62,085</u>	<u>\$ 60,034</u>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 86,582	\$ 92,456	\$ 89,253	\$ 89,394	\$ 97,350	\$ 104,546	\$ 80,272	\$ 109,172	\$ 126,036	\$ 129,548
Restricted	7,691	10,256	14,524	15,990	5,651	8,880	26,519	20,762	23,040	25,038
Unrestricted (deficit)	<u>25,188</u>	<u>33,337</u>	<u>38,801</u>	<u>44,731</u>	<u>34,893</u>	<u>25,448</u>	<u>25,717</u>	<u>11,738</u>	<u>8,473</u>	<u>15,791</u>
Total business-type activities net position	<u>\$ 119,461</u>	<u>\$ 136,049</u>	<u>\$ 142,578</u>	<u>\$ 150,115</u>	<u>\$ 137,894</u>	<u>\$ 138,874</u>	<u>\$ 132,508</u>	<u>\$ 141,672</u>	<u>\$ 157,549</u>	<u>\$ 170,377</u>
<b>Total government:</b>										
Net investment in capital assets	\$ 128,428	\$ 134,207	\$ 134,867	\$ 136,949	\$ 147,848	\$ 156,487	\$ 137,834	\$ 170,409	\$ 192,134	\$ 199,803
Restricted	19,877	21,582	24,726	26,402	16,477	19,821	36,355	31,126	48,613	37,407
Unrestricted	<u>48,180</u>	<u>(823)</u>	<u>9,100</u>	<u>23,228</u>	<u>9,445</u>	<u>2,703</u>	<u>(8,716)</u>	<u>(25,989)</u>	<u>(21,113)</u>	<u>(6,799)</u>
Total City net position	<u>\$ 196,485</u>	<u>\$ 154,966</u>	<u>\$ 168,693</u>	<u>\$ 186,579</u>	<u>\$ 173,770</u>	<u>\$ 179,011</u>	<u>\$ 165,473</u>	<u>\$ 175,546</u>	<u>\$ 219,634</u>	<u>\$ 230,411</u>

Source: City of North Miami Beach

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses:</b>										
<b>Governmental activities:</b>										
General government	\$ 10,493	\$ 13,752	\$ 15,009	\$ 12,378	\$ 24,627	\$ 16,665	\$ 26,284	\$ 24,173	\$ 26,384	\$ 25,305
Public safety	22,206	21,824	21,918	25,422	22,918	30,444	31,622	28,564	25,721	26,687
Parks and Recreation	4,771	4,617	5,166	5,432	5,669	5,792	5,376	5,721	6,746	5,836
Public works	4,147	4,386	3,988	4,304	4,811	5,794	5,898	6,394	7,536	8,850
Library	-	-	-	-	-	-	-	-	-	1,619
Interest on long-term debt	1,214	813	736	643	1,485	703	633	558	361	267
<b>Total governmental activities</b>	<b>42,831</b>	<b>45,392</b>	<b>46,817</b>	<b>48,179</b>	<b>59,510</b>	<b>59,398</b>	<b>69,813</b>	<b>65,410</b>	<b>66,748</b>	<b>68,564</b>
<b>Business-type activities:</b>										
Water	21,082	16,329	26,092	27,015	34,394	35,912	39,073	30,531	30,382	36,067
Wastewater	3,929	4,033	5,306	6,057	11,993	9,451	11,867	7,438	7,539	9,676
Solid waste	7,186	6,551	8,813	8,276	10,355	8,259	11,023	13,770	11,116	2,934
Stormwater	645	592	1,002	998	1,022	1,203	1,381	899	951	869
Building permits	1,289	1,355	2,077	1,567	1,768	1,891	2,219	1,642	1,356	2,853
<b>Total business-type activities</b>	<b>34,131</b>	<b>28,860</b>	<b>43,290</b>	<b>43,913</b>	<b>59,532</b>	<b>56,716</b>	<b>65,563</b>	<b>54,280</b>	<b>51,344</b>	<b>52,399</b>
<b>Total government expenses</b>	<b>\$ 76,962</b>	<b>\$ 74,252</b>	<b>\$ 90,107</b>	<b>\$ 92,092</b>	<b>\$ 119,042</b>	<b>\$ 116,114</b>	<b>\$ 135,376</b>	<b>\$ 119,690</b>	<b>\$ 118,092</b>	<b>\$ 120,963</b>
<b>Program revenues:</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General government	\$ 1,629	\$ 1,732	\$ 1,583	\$ 2,120	\$ 2,612	\$ 1,916	\$ 1,604	\$ 1,810	\$ 3,687	\$ 5,420
Public safety	1,512	177	194	1,634	1,850	2,073	1,628	1,395	3,175	2,596
Parks and R.E.C.	823	841	856	783	933	817	274	312	-	1,095
Library	-	-	-	-	-	-	-	-	-	3
Operating grants and contributions	78	2,209	2,439	1,438	573	2,082	1,145	1,021	4,599	5,120
Capital grants and contributions	706	543	1,614	440	938	383	178	378	24,364	4,895
<b>Total governmental activities program revenue</b>	<b>4,748</b>	<b>5,502</b>	<b>6,686</b>	<b>6,415</b>	<b>6,906</b>	<b>7,271</b>	<b>4,829</b>	<b>4,916</b>	<b>35,825</b>	<b>19,129</b>
<b>Business-type activities:</b>										
<b>Charges for services:</b>										
Water	27,547	32,915	30,546	32,232	31,656	34,804	35,979	40,238	43,094	41,580
Sewer	7,532	7,036	6,956	7,451	7,029	9,878	10,040	10,694	11,108	10,657
Solid waste	8,860	8,939	9,343	10,181	9,666	8,812	9,003	11,274	11,748	4,855
Stormwater	1,273	1,269	1,235	1,313	1,221	1,468	1,500	1,553	1,547	1,487
Building permits	2,073	3,800	3,311	4,726	2,565	2,576	1,888	2,719	4,106	5,565
<b>Total business-type activities program revenue</b>	<b>47,285</b>	<b>53,959</b>	<b>51,391</b>	<b>55,903</b>	<b>52,137</b>	<b>57,538</b>	<b>58,410</b>	<b>66,478</b>	<b>71,603</b>	<b>64,144</b>
<b>Total program revenues</b>	<b>\$ 52,033</b>	<b>\$ 59,461</b>	<b>\$ 58,077</b>	<b>\$ 62,318</b>	<b>\$ 59,043</b>	<b>\$ 64,809</b>	<b>\$ 63,239</b>	<b>\$ 71,394</b>	<b>\$ 107,428</b>	<b>\$ 83,273</b>
<b>Net (expense) revenue:</b>										
Governmental activities	\$ (38,083)	\$ (39,890)	\$ (40,131)	\$ (41,764)	\$ (52,604)	\$ (52,127)	\$ (64,984)	\$ (60,494)	\$ (30,923)	\$ (49,435)
Business-type activities	13,154	25,099	8,101	11,990	(7,395)	822	(7,153)	12,198	20,259	11,745
<b>Total net expense</b>	<b>\$ (24,929)</b>	<b>\$ (14,791)</b>	<b>\$ (32,030)</b>	<b>\$ (29,774)</b>	<b>\$ (59,999)</b>	<b>\$ (51,305)</b>	<b>\$ (72,137)</b>	<b>\$ (48,296)</b>	<b>\$ (10,664)</b>	<b>\$ (37,690)</b>
<b>General revenues:</b>										
<b>Governmental activities:</b>										
<b>Taxes:</b>										
Property taxes	\$ 12,869	\$ 13,752	\$ 14,067	\$ 16,470	\$ 17,346	\$ 19,671	\$ 21,680	\$ 22,929	\$ 23,748	\$ 24,230
Utility Taxes	-	-	-	-	-	-	-	3,758	3,964	4,492
Communication Service taxes	-	-	-	-	-	-	-	1,748	1,614	1,895
Franchise fees on gross receipts	-	-	-	-	-	-	-	4,055	4,014	4,816
Sales and other taxes	10,081	11,124	11,399	11,464	11,776	12,919	12,293	4,788	4,758	4,667
State and local shared revenue	5,187	4,319	4,841	5,334	5,465	6,064	6,534	7,487	3,137	3,310
Unrestricted investment earnings (losses)	700	382	146	173	295	1,112	857	167	(612)	1,593
User surcharges	-	-	7,163	8,571	7,164	9,330	9,649	10,384	9,364	9,969
Miscellaneous	7,149	7,999	962	890	595	894	363	889	1,370	283
Transfers	7,546	7,946	8,750	9,210	10,605	6,398	6,436	6,587	6,019	7,114
<b>Total governmental activities</b>	<b>43,532</b>	<b>45,522</b>	<b>47,328</b>	<b>52,112</b>	<b>53,246</b>	<b>56,388</b>	<b>57,812</b>	<b>62,792</b>	<b>57,376</b>	<b>62,369</b>
<b>Business-type activities:</b>										
Unrestricted investment earnings (losses)	956	1,202	845	726	859	1,700	1,471	254	(1,077)	4,647
User surcharges	-	-	3,466	2,842	1,582	1,482	1,350	1,736	2,278	1,999
Miscellaneous	2,673	5,035	2,867	1,190	3,415	3,374	4,403	933	572	960
Transfers	(7,546)	(7,946)	(8,750)	(9,210)	(10,605)	(6,398)	(6,436)	(6,587)	(6,019)	(7,114)
<b>Total business-type activities</b>	<b>(3,917)</b>	<b>(1,709)</b>	<b>(1,572)</b>	<b>(4,452)</b>	<b>(4,749)</b>	<b>158</b>	<b>788</b>	<b>(3,664)</b>	<b>(4,246)</b>	<b>492</b>
<b>Total general revenues</b>	<b>\$ 39,615</b>	<b>\$ 43,813</b>	<b>\$ 45,756</b>	<b>\$ 47,660</b>	<b>\$ 48,497</b>	<b>\$ 56,546</b>	<b>\$ 58,600</b>	<b>\$ 59,128</b>	<b>\$ 53,130</b>	<b>\$ 62,861</b>
<b>Change in net position:</b>										
Governmental activities	\$ 5,449	\$ 5,632	\$ 7,197	\$ 10,348	\$ 642	\$ 4,261	\$ (7,172)	\$ 2,298	\$ 26,453	\$ 12,934
Business-type activities	9,237	23,390	6,529	7,538	(12,144)	980	(6,365)	8,534	16,013	12,237
<b>Total change in net position</b>	<b>\$ 14,686</b>	<b>\$ 29,022</b>	<b>\$ 13,726</b>	<b>\$ 17,886</b>	<b>\$ (11,502)</b>	<b>\$ 5,241</b>	<b>\$ (13,537)</b>	<b>\$ 10,832</b>	<b>\$ 42,466</b>	<b>\$ 25,171</b>

Source: City of North Miami Beach

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General fund:										
Nonspendable:										
Inventories	\$ 185,230	\$ 203,438	\$ 154,851	\$ 147,157	\$ 168,360	\$ 162,606	\$ 376,404	\$ 136,738	\$ 144,717	\$ 251,236
Prepaid costs	681	38,731	78,553	32,852	62,268	79,145	639,496	264,201	246,454	717,413
Restricted:										
Impact fees	199,549	629,237	554,641	316,224	1,434,748	1,377,798	1,341,321	1,711,730	1,711,730	2,048,511
Committed:										
Disaster recovery	-	-	-	-	-	500,000	3,000,000	3,000,000	3,000,000	3,000,000
Assigned:										
Appropriated for next year's budget	-	-	-	-	-	-	9,405,392	11,699,917	7,627,992	-
Capital projects and equipment	5,467,664	3,428,991	2,601,783	3,159,394	2,337,365	2,461,927	78,333	3,011,280	7,532,094	10,452,478
Liability claims	1,974,927	825,856	782,523	1,163,957	1,597,883	2,016,828	2,020,104	1,789,156	1,464,285	852,538
Workers' compensation claims	2,080,125	2,436,211	2,436,211	2,095,339	2,169,016	2,269,218	2,472,538	2,342,437	2,322,437	2,838,994
Land acquisition	68,574	68,574	68,574	68,574	68,574	68,574	68,574	68,574	68,574	68,574
Unassigned:	13,972,463	17,014,464	19,393,802	25,013,469	27,015,338	29,183,119	18,045,725	15,604,937	19,903,766	28,342,929
Total general fund	<u>23,949,213</u>	<u>24,645,502</u>	<u>26,070,938</u>	<u>31,996,966</u>	<u>34,853,552</u>	<u>38,119,215</u>	<u>37,447,887</u>	<u>39,628,970</u>	<u>44,022,049</u>	<u>48,572,673</u>
All other governmental funds:										
Nonspendable:										
Prepaid costs	-	6,362	3,740	4,485	3,535	42,676	14,334	46,794	13,679	14,413
Restricted:										
Debt service	139,339	113,003	115,913	117,017	92,082	92,733	92,733	92,318	7,143	790,190
Community Redevelopment	625,845	719,620	843,322	1,311,639	2,061,946	3,161,884	4,347,874	5,604,295	20,127,899	5,052,006
Interlocal agreements	580,165	1,472,246	1,831,817	1,916,135	1,515,659	1,256,820	231,157	159,905	987,736	1,725,625
Special taxing districts	-	-	-	-	-	241,885	344,861	372,119	191,918	156,492
Public safety	7,788,345	6,547,101	6,859,229	6,820,599	5,738,104	5,068,103	3,839,173	2,424,146	2,361,185	2,587,061
Committed:										
Alley restoration	273,623	274,175	293,382	293,382	293,383	293,383	293,383	293,383	220,961	220,961
Assigned:										
Capital projects and equipment	1,069,695	997,485	-	-	-	-	-	-	-	-
Unassigned	(71,131)	(74,483)	(3,160)	(69,669)	(16,361)	(16,362)	(16,360)	(16,340)	185,804	(602,109)
Total all other governmental funds	<u>10,405,881</u>	<u>10,055,509</u>	<u>9,944,243</u>	<u>10,393,588</u>	<u>9,688,348</u>	<u>10,141,122</u>	<u>9,147,155</u>	<u>8,976,620</u>	<u>24,096,325</u>	<u>9,944,639</u>
Total governmental funds	<u>\$ 34,355,094</u>	<u>\$ 34,701,011</u>	<u>\$ 36,015,181</u>	<u>\$ 42,390,554</u>	<u>\$ 44,541,900</u>	<u>\$ 48,260,337</u>	<u>\$ 46,595,042</u>	<u>\$ 48,605,590</u>	<u>\$ 68,118,374</u>	<u>\$ 58,517,312</u>

Source: City of North Miami Beach

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues:</b>										
Property taxes	\$ 12,869	\$ 13,752	\$ 14,067	\$ 16,470	\$ 17,346	\$ 19,671	\$ 21,680	\$ 22,929	\$ 23,748	\$ 24,230
User surcharges	-	-	7,164	8,571	7,164	8,626	8,993	9,729	9,363	9,969
Franchise fees	2,064	2,098	2,072	2,138	2,126	3,110	3,149	4,055	4,013	4,816
Utility taxes	3,162	3,209	3,336	3,406	3,566	3,663	3,636	3,758	3,963	4,513
Impact Fees	-	-	-	-	-	-	-	-	-	564
Communication service tax	1,827	1,792	1,843	1,748	1,682	1,669	1,644	1,748	1,614	1,895
Other taxes	3,829	4,025	4,149	4,172	4,402	4,477	3,864	4,788	5,607	6,238
Licenses and permits	829	940	786	939	978	943	829	970	1,366	1,164
Intergovernmental revenue	4,321	4,319	4,841	5,334	5,465	6,064	6,534	7,487	30,542	8,686
Charges for services	1,786	1,809	1,847	1,570	1,793	1,768	1,215	1,324	1,671	1,621
Fines and forfeitures	1,349	2,005	3,183	2,842	3,030	3,368	1,968	1,224	1,808	1,544
Non-ad valorem assessments	-	-	-	-	-	706	657	655	650	833
Other	7,997	8,746	1,832	1,224	957	1,848	1,017	2,181	1,461	2,762
Miscellaneous revenue	-	-	-	-	-	-	-	-	719	240
Investment income (losses)	700	382	146	176	295	1,112	857	167	(611)	1,593
<b>Total revenues</b>	<b>40,733</b>	<b>43,077</b>	<b>45,266</b>	<b>48,590</b>	<b>48,804</b>	<b>57,025</b>	<b>56,043</b>	<b>61,015</b>	<b>85,914</b>	<b>70,668</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General government	10,384	12,873	13,179	13,300	16,506	16,037	19,246	19,771	20,193	20,504
Public safety	21,526	21,049	21,196	22,371	23,185	24,381	25,475	26,331	26,879	27,430
Library	-	-	-	839	937	1,058	1,043	1,138	1,376	1,563
Parks and Rereation	4,589	4,423	4,992	4,372	4,498	4,505	4,056	4,280	5,528	5,870
Public works	4,004	4,230	3,820	4,093	4,548	5,517	5,615	6,534	7,363	8,805
<b>Capital outlay</b>										
Capital outlay (capitalized)	3,864	4,985	6,055	3,708	4,018	5,323	5,952	5,354	7,110	5,767
Capital outlay (not capitalized)	-	-	-	-	-	-	-	-	1,388	202
<b>Debt service:</b>										
Principal	5,516	2,441	2,672	2,047	2,089	2,134	2,197	1,607	1,723	2,841
Interest and other fiscal charges	941	813	771	697	1,479	727	652	582	470	235
Debt issuance costs	-	-	-	-	-	-	-	-	45	-
<b>Total expenditures</b>	<b>50,824</b>	<b>50,814</b>	<b>52,685</b>	<b>51,427</b>	<b>57,260</b>	<b>59,682</b>	<b>64,236</b>	<b>65,597</b>	<b>72,075</b>	<b>73,217</b>
Deficiency of revenues over expenditures	(10,091)	(7,737)	(7,419)	(2,837)	(8,456)	(2,657)	(8,193)	(4,582)	13,839	(2,549)
<b>Other financing sources (uses):</b>										
Transfers in	8,563	9,232	9,628	10,085	11,526	7,507	7,580	7,289	9,161	7,648
Transfers out	(1,017)	(1,287)	(878)	(872)	(919)	(1,095)	(1,138)	(697)	(3,141)	(532)
Issuance of debt - lease	2,851	-	-	-	-	-	-	-	183	-
Issuance of debt - subscriptions	-	-	-	-	-	-	-	-	-	898
Debt issuance	-	120	-	-	-	-	-	-	9,190	-
Payment to escrow agent	-	-	-	-	-	-	-	-	(9,000)	-
<b>Total other financing sources (uses)</b>	<b>10,397</b>	<b>8,065</b>	<b>8,750</b>	<b>9,213</b>	<b>10,607</b>	<b>6,412</b>	<b>6,442</b>	<b>6,592</b>	<b>6,393</b>	<b>8,014</b>
Net change in fund balances	306	328	1,331	6,376	2,150	3,755	(1,751)	2,010	19,513	5,465
Fund balances - beginning	34,050	34,356	34,684	36,015	42,391	44,505	48,346	46,595	48,605	53,052
Fund balances - ending	\$ 34,356	\$ 34,684	\$ 36,015	\$ 42,391	\$ 44,541	\$ 48,260	\$ 46,595	\$ 48,605	\$ 68,118	\$ 58,517
Debt service as a percentage of non-capital expenditures	13.75%	7.10%	7.38%	5.75%	6.70%	5.26%	4.89%	3.63%	3.38%	4.56%

Source: City of North Miami Beach

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NET ASSESSED VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**

<u>Fiscal Year Ended September 30,</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Centrally Assessed</u>	<u>Total Gross Assessed Value</u>	<u>Real Estate Exempt Properties</u>	<u>Total Net Assessed Value</u>	<u>Total Direct Tax Rate</u>
2014	\$ 1,612,382	\$ 127,560	\$ 1,056	\$ 1,740,998	6,785	\$ 1,734,213	7.7052
2015	1,741,749	126,088	1,229	1,869,066	3,000	1,866,066	7.6369
2016	1,882,680	116,515	1,392	2,000,587	4,444	1,996,143	7.5769
2017	2,216,752	112,628	1,540	2,330,920	178,620	2,152,300	7.3360
2018	2,413,847	120,213	1,617	2,535,677	11,046	2,524,631	7.1752
2019	2,800,223	130,600	1,635	2,932,458	236,878	2,695,580	7.0158
2020	3,266,071	129,421	3,546	3,399,038	300,884	3,098,154	6.8194
2021	3,413,851	113,089	2,974	3,529,914	30,312	3,499,602	6.8021
2022	3,517,383	145,108	2,991	3,665,482	22,870	3,642,612	6.7740
2023	4,559,544	187,285	3,714	4,750,543	(768)	4,751,311	6.5111

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

Source: Miami Dade County Property Appraiser's Office for Certification of Taxable Value for the City of North Miami Beach.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Overlapping Rates (1)										
	City of North Miami Beach			Miami-Dade County			Miami-Dade County School Board			Other Taxing Authorities & Special Districts	Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage		
2014	6.6036	1.1016	7.7052	4.7035	0.4220	5.1255	7.6440	0.3330	7.9770	3.4078	24.2155
2015	6.6036	1.0333	7.6369	4.6669	0.4500	5.1169	7.7750	0.1990	7.9740	3.3508	24.0786
2016	6.6036	0.9733	7.5769	4.6669	0.4500	5.1169	7.4130	0.1990	7.6120	3.3164	23.6222
2017	6.5000	0.8360	7.3360	4.6669	0.4000	5.0669	7.1380	0.1840	7.3220	3.2909	23.0158
2018	6.4000	0.7752	7.1752	4.6669	0.4000	5.0669	6.7740	0.2200	6.9940	3.2375	22.4736
2019	6.3000	0.7158	7.0158	4.6669	0.4644	5.1313	6.5040	0.2290	6.7330	3.1878	22.0679
2020	6.2000	0.6194	6.8194	4.6669	0.4780	5.1449	7.0250	0.1230	7.1480	3.2002	22.3125
2021	6.2000	0.6021	6.8021	4.6669	0.4780	5.1449	6.9360	0.1930	7.1290	3.1709	22.2469
2022	6.2000	0.5740	6.7740	4.6669	0.5075	5.1744	6.8290	0.1800	7.0090	3.2099	22.1673
2023	6.1000	0.4111	6.5111	4.5740	0.4355	5.0095	5.5660	0.1330	5.6990	3.2180	20.4376

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

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

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

Note: Information was obtained from Appraiser's office under millage rate.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2023</u>			<u>2014</u>		
		<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Taxable Assessed Value</u>
Florida Power & Light	Utility	\$ 93,991	1	2.58%	\$ 43,847	1	2.52%
North MB Owner LLC	Multi Family Units	61,349	2	1.68%	12,645	10	0.73%
Dezer Intracoastal Mall LLC	Retail	53,165	3	1.46%	52,000	-	2.99%
Biscayne Commons (Edens) LLC	Retail	35,110	4	0.71%	26,070	4	1.50%
CK Prive Group 1800 LLC	Retail	31,990	5	0.88%	-	-	0.00%
Oleta Partners Biscayne	Retail	26,030	6	0.71%	-	-	0.00%
2150 Aventura Realty LLC	Real Estate	23,480	7	0.64%	-	-	0.00%
Target Corp	Retail	21,286	8	0.58%	-	-	0.00%
BKDL LP	Commercial Real Estate	19,977	9	0.55%	-	-	0.00%
Dezer NMB Campus LLC	University Campus	19,410	10	0.53%	-	-	0.00%
CJUF III Intracoastal LLC	Retail	-	-	0.00%	36,000	2	2.07%
Costco Corporation	Retail	-	-	0.00%	16,939	5	0.97%
Sonic Ward Inc (K-Mart)	Retail	-	-	0.00%	15,415	8	0.89%
Arena Shops (Edens) LLC	Retail	-	-	0.00%	15,200	6	0.87%
Dayton Hudson Corp (Target)	Retail	-	-	0.00%	13,500	9	0.78%
RK Associated XVIII llc	Retail	-	-	0.00%	10,010	8	0.57%
Coramar Investment Inc.	Condo	-	-	0.00%	8,748	9	0.50%
Grand Island Place LLC	Real Estate	-	-	0.00%	-	-	0.00%
<b>Total</b>		<b>\$ 385,788</b>		<b>10.32%</b>	<b>\$ 250,374</b>		<b>14.39%</b>
<b>Total assessed value</b>		<b>\$ 3,642,612</b>			<b>\$ 1,741,336</b>		

Source: Miami Dade County Property Appraisers Office.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**

Fiscal Year Ended <u>September 30,</u>	Total Taxes Levied for Operating Purposes for <u>Fiscal Year</u>	Levied Taxes Collected within the Fiscal Year			Total Tax Collections	
		<u>Amount</u>	<u>Percent of Levy</u>	<u>Delinquent Tax Collections <sup>(1)</sup></u>	<u>Amount</u>	<u>Percent of Levy</u>
2014	11,498	10,663	93%	384	11,047	96%
2015	12,343	11,918	97%	-	11,918	97%
2016	13,211	11,721	89%	491	12,212	92%
2017	15,159	13,923	92%	692	14,615	96%
2018	16,482	14,845	90%	633	15,478	94%
2019	18,474	16,823	91%	851	17,674	96%
2020	21,414	18,315	86%	1,363	19,678	92%
2021	21,885	19,886	91%	1,038	20,924	96%
2022	22,726	20,944	92%	802	21,746	96%
2023	23,837	23,347	98%	963	24,310	102%

(1) Property Taxes are levied and collected by Miami-Dade County for all municipalities within the County.

Information on delinquent taxes is not distributed by the County. Prior period delinquent real estate taxes are recorded as collections of the current year.

Source: City of North Miami Beach Certificate of Taxable Value. Tax Revenue Munis Advolorem

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**WATER PRODUCED AND CONSUMED**  
**LAST TEN FISCAL YEARS**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**

Fiscal Year Ended <u>September 30.</u>	Gallons of Water Produced by City's Norwood <u>Treatment Plant (1)</u>	Gallons of Water Purchased from Miami-Dade <u>County WASA (1)</u>	Gallons of Water <u>Consumed (2)</u>	Water Operating Revenue <u>Collected</u>	Direct Rate (3)
2014	7,586,722	237	6,368,875	27,547	26.11
2015	7,375,327	3,640	6,913,853	33,374	26.11
2016	7,380,058	585	6,490,459	31,511	26.11
2017	7,410,600	889	6,566,017	32,232	26.11
2018	7,556,118	107	6,624,810	31,656	26.11
2019	7,508,100	49	6,387,217	34,804	33.25
2020	7,718,835	273	6,338,872	35,979	31.31
2021	8,322,432	231	6,589,103	36,717	32.70
2022	8,343,148	6,689	6,574,519	39,548	35.85
2023	8,102,027	51,244	6,616,044	33,426	50.71

Notes:

- (1) Gallons are presented in thousands.
- (2) Gallons are presented in thousands and includes bulk sales.
- (3) Direct rate used represents a typical single-family residential customer consuming 7,000 gallons per month. For 2019 Billing went from quarterly to monthly.

Sources:

- (1) & (2) City of North Miami Beach Water Department
- (3) City of North Miami Beach Finance Department

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**WATER RATE HISTORY**  
**LAST TEN FISCAL YEARS**  
**(MONTHLY)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>(1) Minimum Chg - Single Family:</b>										
5/8"	\$ 10.71	\$ 10.71	\$ 10.71	\$ 10.71	\$ 10.71	\$ 10.71	\$ 13.70	\$ 14.32	\$ 14.96	\$ 16.33
3/4"	10.71	10.71	10.71	10.71	10.71	10.71	13.70	14.32	14.96	16.33
1"	26.78	26.78	26.78	26.78	26.78	26.78	34.25	35.79	37.40	40.84
1 1/2"	53.55	53.55	53.55	53.55	53.55	53.55	68.50	71.58	74.80	81.69
2"	85.68	85.68	85.68	85.68	85.68	85.68	109.60	114.53	119.68	130.70
3"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Minimum Chg - Multi-Fam/Non-Residential:</b>										
5/8"	\$ 12.40	\$ 12.40	\$ 12.40	\$ 12.40	\$ 12.40	\$ 12.40	\$ 12.40	\$ 12.96	\$ 13.54	\$ 14.79
3/4"	12.40	12.40	12.40	12.40	12.40	12.40	12.40	12.96	13.54	14.79
1"	31.00	31.00	31.00	31.00	31.00	31.00	31.00	32.40	33.86	36.97
1 1/2"	62.00	62.00	62.00	62.00	62.00	62.00	62.00	64.79	67.71	73.94
2"	99.20	99.20	99.20	99.20	99.20	99.20	99.20	103.66	108.32	118.28
3"	198.40	198.40	198.40	198.40	198.40	186.00	186.00	194.37	203.12	221.81
4"	310.00	310.00	310.00	310.00	310.00	310.00	310.00	323.95	338.53	369.68
6"	620.00	620.00	620.00	620.00	620.00	620.00	620.00	647.90	677.06	739.37
8"	992.00	992.00	992.00	992.00	992.00	992.00	992.00	1,036.64	1,083.29	1,182.98
10"	1,426.00	1,426.00	1,426.00	1,426.00	1,426.00	1,426.00	1,426.00	1,490.17	1,557.23	1,700.54
<b>(2) Conservation Increments (Blocks):</b>										
<u>Single Fam/Non-Resi</u>										
0 - 7 mgs	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.82	\$ 3.99	\$ 4.17	\$ 4.56
8 - 12 mgs	3.59	3.59	3.59	3.59	3.59	3.59	4.25	4.44	4.64	5.07
over 12 mgs	4.47	4.47	4.47	4.47	4.47	4.47	5.30	5.54	5.79	6.32
<u>Multi-family</u>										
0 - 5 mgs/unit	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.82	\$ 3.99	\$ 4.17	\$ 4.56
6 - 9 mgs/unit	3.59	3.59	3.59	3.59	3.59	3.59	4.25	4.44	4.64	5.07
over 9 mgs/unit	4.47	4.47	4.47	4.47	4.47	4.47	5.30	5.54	5.79	6.32

(1) Single family customers are charged minimum charge based on the meter size.  
(2) Non-Residential customers are charged for all consumption based on the Tier Rates

Source: City of North Miami Beach GSA-Customer Service Department

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**PRINCIPAL WATER CUSTOMERS**  
**CURRENT YEAR AND NINE YEARS AGO**

<u>Customer</u>	<u>Type of Business</u>	<u>2023</u>			<u>2014</u>		
		<u>Water Units Sold (MG)</u>	<u>Rank</u>	<u>% of Water Consumption</u>	<u>Water Units Sold (MG)</u>	<u>Rank</u>	<u>% of Water Consumption</u>
Plaza Del Prado	Condominium	56,735	1	0.86%	42,852	6	0.67%
Intracoastal Yacht Club	Condominium	48,949	2	0.74%	44,712	5	0.70%
Williams Island Ocean Club	Condominium	42,388	3	0.64%	52,020	3	0.82%
Commodore Plaza Condo Assoc.	Condominium	41,240	4	0.62%	36,576	9	0.57%
Plaza of the Americas Club	Condominium	40,123	5	0.61%	44,796	4	0.70%
South Florida Stadium LLC	Stadium	39,842	6	0.60%	53,340	2	0.84%
Winston Towers 400	Condominium	33,336	7	0.51%	-	-	0%
The Peninsula Condo Assoc.	Condominium	31,582	8	0.48%	-	-	0%
Arlen House E Condo Assoc.	Condominium	30,256	9	0.46%	37,116	8	0.58%
Trump Intl. Sonesta Beach	Condo/Hotel	28,579	10	0.43%	34,476	10	0.54%
Miami-Dade Water & Sewer	Water Mgmt	-	-	0.00%	69,244	1	1.09%
Admirals Port	Condominium	-	-	0.00%	39,612	7	0.62%
Total		393,030		5.95%	454,744		7.14%
Total Consumption		6,599,023			6,368,875		

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(AMOUNTS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA)**

Fiscal Year	Governmental Activities					Business-type Activities					Total	Per Capita (1)	Percentage of Personal Income (1)
	General Obligation Bonds	Leases	Subscriptions	Redevelopment Notes	Revenue Bonds	Water Revenue Bonds	Stormwater Notes	Leases	Subscription	State Revolving Loans			
2014	\$ 20,995	\$ 2,851	\$ -	\$ 2,083	\$ 3,711	\$ 62,938	\$ 1,276	\$ 2,725	\$ -	\$ 6,204	\$ 102,783	2,354	12.25%
2015	19,855	2,155	-	1,917	3,122	60,495	1,106	1,790	-	16,567	107,007	2,434	13.10%
2016	18,660	1,448	-	1,750	2,518	57,889	931	1,384	-	21,996	106,576	2,395	12.07%
2017	17,430	729	-	1,583	1,906	55,230	753	698	-	20,619	98,948	2,178	10.97%
2018	16,150	-	-	1,417	1,283	52,470	571	-	-	20,524	92,415	2,025	9.79%
2019	14,820	-	-	1,250	645	49,640	385	-	-	20,184	86,924	1,894	9.16%
2020	13,435	-	-	1,083	-	105,962	194	-	-	19,016	141,710	3,292	14.17%
2021	11,995	81	-	917	-	101,444	-	321	-	17,820	134,599	3,085	13.28%
2022	10,695	194	-	750	-	96,769	-	36	-	16,595	132,176	3,026	13.03%
2023	9,010	32	1,748	-	-	92,171	10,740	794	115	4,601	119,211	2,826	11.69%

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics on page 147 for personal income and population data.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**(AMOUNTS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA)**

<u>Fiscal Year</u>	<u>General Bonded Debt Outstanding</u>			<u>Percentage of Assessed</u>	
	<u>General Obligation Bonds</u>	<u>Less Amount in Debt Service</u>	<u>Net Amount</u>	<u>Property Value (1)</u>	<u>Per Capita(2)</u>
2014	20,995	139	20,856	1.20%	478
2015	19,855	31	19,824	1.06%	451
2016	18,660	31	18,629	0.93%	419
2017	17,430	31	17,399	0.81%	383
2018	16,150	-	16,150	0.64%	354
2019	14,820	-	14,820	0.55%	323
2020	13,435	-	13,435	0.43%	312
2021	11,995	-	11,995	0.34%	275
2022	10,695	-	10,695	0.29%	252
2023	9,010	-	9,010	0.52%	214

Note: Details regarding the City's outstanding debt can be found in the notes to the financial

- (1) See the Schedule of Net Assessed Value of Taxable Property on Page 136 for net assessed
- (2) See the Schedule of Demographic and Economic Statistics on Page 147 for population data.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**SEPTEMBER 30, 2023**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**

	2023		
<u>Government Unit</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to the City of North Miami Beach (1)</u>	<u>Amount Applicable to the City of North Miami Beach</u>
Debt repaid with property taxes:			
Miami-Dade County	\$ 2,336,015	0.93%	\$ 21,725
Miami-Dade County School Board	1,133,729	0.90%	10,204
Subtotal, Overlapping Debt			31,929
City of North Miami Beach Direct Debt			10,790
Total Direct and Overlapping Debt			\$ 42,719

Sources: Data provided by the Miami-Dade County Finance Department and the Miami-Dade County School Board.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using net taxable assessed property values. It is calculated by taking the value that is within the City's boundaries and dividing it by the County's and School Board's total net taxable assessed value. This approach was also used for the other debt.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**PLEGDED REVENUE COVERAGE**  
**LAST TEN FISCAL YEARS**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**

Fiscal Year Ended September 30,	Transit Surtax Bonds - Series 2013					Community Redevelopment - CRA				
	County Transit Surtax	Debt Service		Coverage	TIF + Interest Revenue	Debt Service		Coverage		
		Principal	Interest			Principal	Interest			
2014	\$ 1,566	\$ 485	\$ 127	2.56	\$ 425	\$ 167	\$ 35	2.10		
2015	1,660	569	56	2.66	426	167	34	2.12		
2016	1,733	582	46	2.76	694	167	32	3.49		
2017	1,904	588	36	3.05	1,023	167	28	5.25		
2018	1,725	599	27	2.76	1,340	167	38	6.54		
2019	1,945	613	16	3.09	1,748	167	41	8.40		
2020	1,706	620	5	2.73	2,601	167	29	13.27		
2021	-	-	-	-	2,837	167	16	15.50		
2022	-	-	-	-	3,159	167	16	17.26		
2023	-	-	-	-	-	-	-	-		

Fiscal Year Ended September 30,	Stormwater - Series 2011A					Water Utility Bonds - Series 2012, 2015 and 2020B				
	Operating Revenue	Debt Service		Coverage	Gross Revenue	Debt Service		Coverage		
	Less Operating Expense	Principal	Interest			Principal	Interest			
2014	\$ 943	\$ 167	\$ 31	4.76	\$ 15,610	\$ 2,030	\$ 2,595	3.38		
2015	710	171	28	3.57	24,439	2,104	2,536	5.27		
2016	267	174	24	1.35	11,656	2,189	2,365	2.56		
2017	333	178	20	1.68	11,621	2,332	2,275	2.52		
2018	640	182	16	3.22	9,401	2,434	2,178	2.03		
2019	647	186	12	3.26	12,297	2,503	2,113	2.65		
2020	722	190	8	3.64	17,789	3,583	1,876	3.25		
2021	682	194	4	3.43	13,138	3,975	2,287	2.09		
2022	-	-	-	-	15,684	3,300	3,040	2.46		
2023	-	-	-	-	14,447	5,384	2,811	1.76		

Fiscal Year Ended September 30,	State Revolving Loan - Water					State Revolving Loan - Sewer				
	Gross Revenue	Debt Service		Coverage	Gross Revenue	Debt Service		Coverage		
	Less Operating Expense	Principal	Interest			Principal	Interest			
2014	\$ 15,610	\$ 497	\$ 233	21.38	\$ 4,891	\$ 254	\$ 125	12.91		
2015	24,439	829	443	19.21	3,454	425	179	5.72		
2016	11,656	829	444	9.16	1,005	426	179	1.66		
2017	11,621	857	444	8.93	1,944	469	136	3.21		
2018	3,593	919	383	2.76	(3,308)	493	111	(5.48)		
2019	12,297	854	267	10.97	2,651	322	130	5.87		
2020	17,789	774	357	15.73	2,726	394	110	5.41		
2021	13,138	794	337	11.62	2,408	402	114	4.67		
2022	15,684	415	316	21.46	7,818	410	106	15.15		
2023	14,447	5,000	3,330	1.73	2,048	418	98	3.97		

Fiscal Year Ended September 30,	Sewer Loan - Series 2020				
	Operating Revenue	Debt Service		Coverage	
	Less Operating Expense	Principal	Interest		
2020	\$ 2,726	\$ -	\$ 15	181.73	
2021	2,408	600	310	2.65	
2022	7,818	615	293	8.61	
2023	2,048	635	276	2.25	

Note \*: Capital Improvement Bonds 2003B Series was refunded in 2013.

Note \*\*: Stormwater Series 2011A paid off in 2021

Source: City of North Miami Beach

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (in Thousands) (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (2)</u>	<u>Unemployment Rate (3)</u>
2014	43,664	839,135	19,218	36.3	6.8%
2015	43,971	817,025	18,581	37.8	6.6%
2016	44,512	883,341	19,845	38.1	5.2%
2017	45,437	901,924	19,850	37.7	4.5%
2018	45,612	943,667	20,689	36.4	3.8%
2019	45,887	948,943	20,680	38.5	3.1%
2020	43,041	999,885	23,231	37.2	10.9%
2021	43,645	1,013,917	23,231	37.3	4.9%
2022	42,507	987,480	23,231	38.9	2.9%
2023	42,183	1,019,858	24,177	38.1	1.4%

Sources:

(1) Estimated by City of North Miami Beach Economic Development (for years 2008 to 2011). U S Census Bureau 2012-2019

(2) United States Census Bureau.

(3) U.S. Bureau of Labor Statistics.

(4)The drastic increase in the unemployment rate reflects the ramifications of the COVID-19

Note: Population information is based on surveys conducted during the last quarter of the calendar year. Unemployment rate information is an adjusted yearly average.

Personal income information is a total for the year.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

<u>Employer</u>	<u>2023</u>		<u>2014</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
Vitas Innovative Hospice Care	1,224	1	N/A	N/A
Jackson North Medical Center	1,200	2	790	1
City of North Miami Beach	600	3	574	2
Bryant Security Corporation	338	4	N/A	N/A
Publix	330	5	268	3
Target	180	6	N/A	N/A
Douglas Gardens A.C.L.F.	165	7	N/A	N/A
P.F. Chang's	125	8	N/A	N/A
TJ Maxx	85	9	N/A	N/A
T.G.I.Friday's	80	10	N/A	N/A
Costco	N/A		226	4
Waste Management of Dade County	N/A		254	5
Target	N/A		199	6
Madison National Life Insurance	N/A		140	7
Prestige Motor Car Imports, Inc.	N/A		117	8
Houston's Restaurant	N/A		106	9
Douglas Gardens A.C.L.F.	N/A		98	10
Total	<u>4,403</u>		<u>2,772</u>	

Special Note: The above list includes private and public employers in the Greater North Miami Beach area. City of NMB total includes 144 part-timers.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Number of employees:											
Attorney's office	5	5	6	6	6	6	5	5	0	0	0
Clerk's office	4	4	4	4	4	4	4	4	4	4	4
Mayor and Council's office	-	1	1	1	1	0	0.3	1.5	2.3	2.3	1
Executive	18	25	27	27	31.5	35.5	33.7	36.5	36.45	36.45	36.45
Human Resources	6	6	6	6	11	8	8	8	8	8	8
Financial Services	12	12	12	13	11	12	13	14	14	14	15
Police:											
Police Officers	85	110	106	105	108	113	113	113	113	113	95
Civilians	34	20	36	36	34	35	35	38	33	33	35
Library	7	7	7	6	8	8	8	9	9	9	13
Parks and R.E.C.	28	32	28	28	29	29	29	31	30	30	30
Public Works	34	34	36	32	34	35	37.5	37.5	38	38	40.5
Stormwater	9	9	6	4	4	5.5	5.5	5	5.5	5.5	5.5
Water	86	90	91	92	84	4	4	9	101	101	94
Sewer	11	13	14	14	13	-	-	-	-	-	-
Building Permit	9	12	13	13	14.25	14.5	14	15	15.25	15.25	24.27
Solid Waste	53	48	46	18	14.25	13.5	14	14.5	14.5	14.5	1
Customer Service	21	21	23	26	22	-	-	-	26	26	31.53
Total number of employees	<u>422</u>	<u>449</u>	<u>462</u>	<u>431</u>	<u>429</u>	<u>323</u>	<u>324</u>	<u>341</u>	<u>450</u>	<u>450</u>	<u>434</u>

Source: City of North Miami Beach annual budgets

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Public safety:										
Police (2):										
Police calls for service	82,997	97,366	98,684	100,883	98,304	98,809	68,669	85,744	89,125	96,920
Parking citations	1,256	1,474	1,316	1,332	1,351	1,368	744	913	1,027	1,502
Traffic citations	4,399	5,757	5,726	5,949	5,145	5,644	1,989	5,413	3,722	3,495
Arrests	1,562	1,561	1,600	1,453	1,351	1,491	665	1,025	868	839
SRT call outs	53	52	13	12	27	26	14	15	17	16
Community development:										
Building permits issued (3)	2,714	2,878	3,712	3,584	3,180	3,537	769	2,522	2,699	2,757
Library:										
Number of registered borrowers (4)	36,955	38,410	36,410	38,541	38,828	39,299	39,336	40,989	25,461	29,054
Total annual circulation	120,741	135,487	136,532	150,773	226,347	271,320	198,743	232,597	245,648	315,314
Total reference transactions	105,574	94,210	94,241	93,632	92,928	91,837	74,055	58,133	58,345	42,888
Annual number of users of public internet computers	56,903	68,892	69,630	69,718	69,889	83,265	58,336	41,256	41,290	20,984
Annual WiFi Sessions	n/a	n/a	n/a	n/a	n/a	51,336	36,581	39,916	41,854	40,984
Visitors	n/a	n/a	n/a	n/a	n/a	287,126	156,875	240,313	506,382	883,432
Program Attendees	n/a	n/a	n/a	n/a	n/a	59,843	56,396	58,905	54,965	44,778
Programs Provided	n/a	n/a	n/a	n/a	n/a	737	905	972	860	873
Parks and recreation:										
After school program enrollment (3)	287	302	300	256	272	349	261	109	196	245
Summer camp program enrollment (3)	519	588	556	554	442	574	48	285	285	358
Camp No-Mi-Be enrollment (1)	55	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Sanitation:										
Refuse collected (tons / year)	36,285	34,718	28,788	32,559	42,644	44,954	40,698	42,899	43,723	38,168
Water:										
Number of customers	32,522	32,047	32,424	34,053	39,700	32,579	32,507	34,484	32,806	33,426
Average daily water consumption (millions of gallons)	19.07	20.21	20.22	20.30	20.70	17.50	21.09	18.1	18.01	22.70
Annual water produced (millions of gallons)	6,960	7,375	7,380	7,410	7,556	7,508	7,806	8,322	8,343	8,102
Sewer:										
Number of customers	7,662	7,645	7,754	8,003	8,058	7,804	7,783	7,844	7,879	7,991

(1) Camp No-Mi-Be was eliminated in FY15.

(2) Police numbers for FY 19 are based on estimates.

(3) The numbers refelect the impact of COVID-19 due to the worldwide pandemic of 2020

(4) The system was purged, as customary, every 3 years to reduce cost of the ILS upgrade for both registered borrowers and items owned.

Sources: Various city departments

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General government:										
General government buildings	1	1	1	1	1	1	1	1	1	1
Public safety:										
Police:										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire stations (operated by Miami-Dade County)	3	3	3	3	3	3	3	3	3	3
Library:										
Libraries	1	1	1	1	1	1	1	1	1	1
Print materials in catalog	56,567	55,563	55,091	46,227	33,642	50,960	48,587	58,762	60,932	77,205
Number of licensed databases	50	64	66	74	74	74	55	57	57	57
Audio materials volumes	2,415	1,405	1,162	1,290	1,300	1,396	2,841	2,705	2,147	2,356
Video materials volumes	4,156	4,269	4,230	5,748	5,758	4,405	5,424	3,405	4,278	4,298
Non-print Material	n/a	n/a	n/a	n/a	n/a	12,203	15,145	17,029	17,674	18,772
Total number of outlets (1+ Bookmobile)	n/a	n/a	n/a	n/a	n/a	1	1	2	1	1
Library Service Hours	n/a	n/a	n/a	n/a	n/a	66	48	52	50	48
Professional Staff per Capita	n/a	n/a	n/a	n/a	n/a	0.2	0.13	0.04	4	3
Support Staff per Capita	n/a	n/a	n/a	n/a	n/a	0.29	0.27	0.23	11	10
Materials per Capita	n/a	n/a	n/a	n/a	n/a	1.4	1.4	1.6	1.7	1.8
Total FTE	n/a	n/a	n/a	n/a	n/a	16	16	13	14	13
Parks and R.E.C.:										
Parks	26	26	27	27	28	28	28	28	28	28
Senior centers	1	1	1	1	1	1	1	1	1	1
Municipal swim centers	3	3	3	3	3	3	3	3	3	3
Tennis centers	1	1	1	1	1	1	1	1	1	1
Recreational centers	5	5	5	5	5	5	5	5	6	6
Performing arts centers	1	1	1	1	1	1	1	1	1	1
Amphitheaters	1	1	1	1	1	1	1	1	1	1
Parks acreage	86.0	86.0	87.0	87.0	88.0	88.0	88.0	88.0	83.8	83.8
Streets:										
Miles of streets and alleys	119.99	119.99	119.99	120.0	119.99	120.0	119.99	119.99	119.99	119.99
Water:										
Water mains (miles)	550	550	555	603	605	566	565	565	568	565
Fire hydrants	2,930	2,945	2,959	3,052	3,052	3,062	3,072	3,070	3,145	3,153
Valves	10,425	10,705	10,996	11,000	11,627	11,682	11,331	11,380	11,740	11,933
Sewer:										
Lift stations	33	33	33	35	35	35	35	35	35	37
Sewer mains (miles)	114	112	113	132	132	132	131	131	117	118

Sources: Various city departments

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## **IV. COMPLIANCE SECTION**

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## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Miami Beach, Florida (the "City"), as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 10, 2024. Our report includes a reference to other auditors who audited the financial statements of the Retirement Plan for the General Employees and the Retirement Plan for the Police Officers and Firefighters of the City of North Miami Beach, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify two deficiencies in internal control, as described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. The matters are presented as items 2022-01 and 2023-02.

### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2023-01.

### **City's Response to Findings**

The City's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

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

*Caballero Fierman Llerena & Garcia, LLP*

Caballero Fierman Llerena & Garcia, LLP  
Miami, Florida  
October 10, 2024



Accountants

Advisors

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR ITS MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

### **Report on Compliance for Its Federal Program**

#### ***Opinion on Its Major Federal Program***

We have audited the City of North Miami Beach, Florida's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City's major federal program for the fiscal year ended September 30, 2023. The City's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the fiscal year ended September 30, 2023.

#### ***Basis for Opinion on Its Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of City's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal program.

#### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of its major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Caballero Fierman Llerena & Garcia, LLP*

Caballero Fierman Llerena & Garcia, LLP  
Miami, Florida  
October 10, 2024

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

<b>Federal Grantor/Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Pass Through Agency &amp; Number</b>	<b>Expenditures</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
<b>Pass through Florida Division of Emergency Management</b>			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z1143	\$ 27,930
<b>Total U.S. Department of Homeland Security</b>			<u>27,930</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
Equitable Sharing Program	16.922	N/A	15,186
Total Equitable Sharing Program			<u>15,186</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	10,580
Total Edward Byrne Memorial Justice Assistance Grant Program			<u>10,580</u>
Public Safety Partnership and Community Policing Grant	16.710	N/A	5,940
Total Public Safety Partnership and Community Policing Grant			<u>5,940</u>
<b>Pass through Office of the Attorney General</b>			
Crime Victim Assistance	16.575	VOCA-2021-CNMB-00664	89,819
Total Crime Victim Assistance			<u>89,819</u>
<b>Total U.S. Department of Justice</b>			<u>121,525</u>
<b>U.S. DEPARTMENT OF TREASURY</b>			
Coronavirus State and Local Fiscal Recovery Funds	21.027	Y5233	1,939,224
<b>Total U.S. Department of Treasury</b>			<u>1,939,224</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 2,088,679</u>

See notes to schedule of expenditures of federal awards.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal grant activity of the City of North Miami Beach (the “City”) for the fiscal year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it’s not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for grants which are accounted for in the governmental fund types and on the accrual basis of accounting for grants which are accounted for in the proprietary fund types. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**NOTE 3 – CONTINGENCY**

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by grantor agency as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

**NOTE 4 – INDIRECT COST RECOVERY**

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**PRIOR YEAR COMMENTS AND STATUS**

The following addresses the status of financial statement findings reported in the fiscal year ended September 30, 2022 schedule of findings and responses:

Matters that are repeated in the accompanying schedule of findings and responses:

- 2022-01 Bank Reconciliations

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued:	<i>Unmodified Opinion</i>
Internal control over financial reporting:	
Material weakness(es) identified?	___ yes <u>X</u> no
Significant deficiencies identified not considered to be Material weakness?	<u>X</u> yes ___ None reported
Non-compliance material to financial statements noted?	___ yes <u>X</u> no

**Federal Awards Programs**

Internal control over major federal awards programs:	
Material weakness(es) identified?	___ yes <u>X</u> no
Significant deficiencies identified not considered to be Material weakness?	___ yes <u>X</u> None reported

Type of auditors' report issued on compliance for major federal awards:	<i>Unmodified Opinion</i>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ yes <u>X</u> no

Identification of major programs:

<u>Federal Assistance Listing Number</u>	<u>Name of Federal Awards Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
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Auditee qualified as low risk auditee for audit of federal awards programs?	<u>X</u> yes ___ no
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**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**SIGNIFICANT DEFICIENCY**

**2022-01 Bank Reconciliations**

**Criteria:**

Best practices dictate that bank reconciliations are preferably prepared and reviewed within 45 days from period end with the appropriate sign off as evidence of the completeness, the accuracy, and timeliness of the reconciliation. Bank reconciliations should be prepared by one individual and reviewed by a separate individual in management. Properly reviewed bank reconciliations reduce the risk of errors, fraud, or possible misappropriations of assets.

**Condition:**

During the performance of our audit planning procedures for the fiscal year ended September 30, 2023, we noted three bank reconciliations were not prepared and reviewed timely as evidenced by dated signatures.

**Cause:**

Lack of internal controls in place to ensure that bank reconciliations are prepared and reviewed in a timely manner. Additionally, during the year, there was turnover in management in finance.

**Effect:**

Without bank reconciliations being reviewed timely for accuracy and completeness, the City would not know if the cash position at a point in time is accurate and whether or not there are errors, fraud, or misuse of funds. In addition, unreconciled transactions could cause accounts to be over/understated.

**Recommendation:**

We recommend the City implement internal controls associated with the review of bank reconciliations that will ensure reconciliations are prepared and reviewed within 45 days subsequent to the month end to ensure the accuracy and completeness of cash balances reported by the City.

**View of Responsible Officials and Planned Corrective Actions:**

Management accepts the Auditors' recommendation to the City to implement internal controls associated with the review of bank reconciliation that will ensure reconciliations are prepared and reviewed within 45 days after the month end to ensure the accuracy and completeness of cash balances reported by the City.

For more than half of FY2023, City continued to experience system issues resulting from the Tyler EnerGov Implementation that severely impacted the timeliness of cash/bank reconciliations during the fiscal year. As of August 1, 2023, management implemented a work-around process, which included adding a part-time staff to assist with certain aspects of the reconciliation process. The City has since been completing the reconciliations within the 45-days timeframe after month-end.

**2023-02 Financial Close and Reporting**

**Criteria:**

Timely preparation and accurate account reconciliations are key to maintaining adequate control over financial reporting. During the performance of our fieldwork procedures, we noted several misstatements in the areas of revenues, accounts receivable, debt, and capital assets suggesting the financial information provided was not complete and not fully adjusted.

**Condition:**

Prudent timely completion and review of account reconciliations and closure of accounting periods provides the ability to apply proper fiscal management/oversight. Municipalities should have adequate staffing to provide for a formal review of general ledger activity and account balances periodically to identify potential concerns and imbalances throughout fund activity.

**Cause:**

Insufficient controls in place to ensure appropriate review of financial reporting and timely closure of accounting periods. The City currently lacks personnel to allow for an appropriate and adequate review of accounting data and financial information.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**SIGNIFICANT DEFICIENCY (CONTINUED)**

**2023-02 Financial Close and Reporting**

**Effect:**

We identified several misstatements during the course of our audit and provided them to management, who made the corrections to the appropriate accounts and reconciliations. Without the presence of an appropriate review, the effects may lead to misappropriation of assets, delays in financial reporting, and material misstatements.

**Recommendation:**

We recommend the City evaluate manpower needs in the finance department to provide for timely accounting period closure and proper review of account activity.

**View of Responsible Officials and Planned Corrective Actions:**

Management accepts the Auditors' recommendation to the City to implement internal controls associated with the year-end close process. As with many other departments within the City, the Finance Department experienced attrition with staffing at critical time in the fiscal year; and around the FY2023 fiscal year-end. In addition to limited staffing, there were multiple issues that impacted the review and timeliness of the year-end close process, namely, multiple items in the General Ledger that were never addressed or adjusted in prior years as well as delays in closing out A/P and P-CARDS. The Finance Department has since hired additional staff that will be assisting to ensure proper review, and timely closure with the accounting and year-end close processes.

**NONCOMPLIANCE**

**2023-01 Annual Financial Audit Report**

**Criteria:**

Florida Statutes section 218.39 states that local government entity shall have an annual financial audit of its account and records completed within 9 months after the end of its fiscal year by an independent certified public accountant retained by it and paid from its public funds.

**Cause:**

The City did not complete its annual financial audit for the fiscal year ended 2023 within 9 months after year end.

**Effect:**

Delays in the financial close and reporting procedures of the City.

**Recommendation:**

We recommend that, in the future, the City completes its annual financial audits within 9 months after its fiscal year end.

**View of Responsible Officials and Planned Corrective Actions:**

Management accepts the Auditors' recommendation to the City to implement internal controls associated with the timely completion of the of the audit and financial reporting within nine (9) months after the end of the fiscal year. For the FY2024 fiscal year, the City implemented an automation tool to allow for timely preparation of the financial statements. In addition, the City will work with the external auditors to schedule the year-end audit timeline and ensure that we are strictly adhering to milestones and timelines as scheduled.

**CITY OF NORTH MIAMI BEACH, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None



Accountants  
Advisors

## MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

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

### Report on the Financial Statements

We have audited the financial statements of the City of North Miami Beach, Florida (the "City"), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated October 10, 2024. Our report includes a reference to other auditors. Other auditors audited the financial statements of the Retirement Plan for the General Employees and the Retirement Plan for the Police Officers and Firefighters of the City of North Miami Beach, Florida.

### Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

### Other Reporting Requests

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for each Major Federal Program, and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated October 10, 2024, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There was one finding repeated for the current fiscal year further described in the Summary Schedule of Prior Audit Findings.

### Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in the notes to the financial statements. The City included the following blended component unit: The North Miami Beach Community Redevelopment Agency (the "CRA").

### Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to we apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

### **Financial Condition and Management (Continued)**

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. This assessment was done as of the fiscal year end.

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

### **Additional Matters**

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

### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and State awarding agencies, the Mayor, Members of the City Commission and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

*Caballero Fierman Llerena & Garcia, LLP*

Caballero Fierman Llerena & Garcia, LLP  
Miami, Florida  
October 10, 2024



Accountants

Advisors

**INDEPENDENT ACCOUNTANTS' REPORT PURSUANT THE  
REQUIREMENTS OF SECTION 218.415 FLORIDA STATUTES**

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

We have examined the City of North Miami Beach, Florida (the "City"), Florida, compliance with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2022 to September 30, 2023. Management of the City is responsible for the City's compliance with those specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the City's compliance with specified requirements. In our opinion, the City complied, in all material respects, with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2022 to September 30, 2023.

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

*Caballero Fierman Llerena & Garcia, LLP*

Caballero Fierman Llerena & Garcia, LLP  
Miami, Florida  
October 10, 2024



# City of North Miami Beach, Florida

Finance Department

### IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared **Sophia Taylor**, Director of Finance, who being duly sworn, deposes and says on oath that:

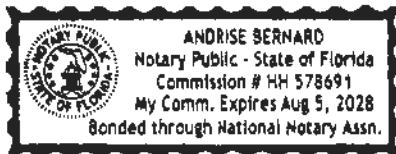
1. I am the Chief Financial Officer<sup>1</sup> of **City of North Miami Beach** which is a local governmental entity of the State of Florida.
2. The governing body of City of North Miami Beach adopted (Ordinance No. **1974-18 & 1983-3A** or Resolution No. \_\_\_\_\_) implementing an impact fee or authorized (Name of Entity) to receive and expend proceeds of an impact fee implemented by **City of North Miami Beach**.
3. **City of North Miami Beach** has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

**Sophia Taylor, Finance Director**

STATE OF FLORIDA  
COUNTY OF **Miami Dade County**

SWORN TO AND SUBSCRIBED before me this 7 day of October, 2024.



*Andrise Bernard*  
NOTARY PUBLIC  
Print Name Andrise Bernard

Personally known  or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:

August 5, 2028

<sup>1</sup> Pursuant to Section 163.31801(8), Florida Statutes, if there is no chief financial officer, the executive officer must sign the affidavit



## ***City of North Miami Beach, Florida***

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### **FINANCE DEPARTMENT**

#### **Significant Deficiency**

##### **2022-01 Bank Reconciliations**

###### **View of Responsible Officials and Planned Corrective Actions:**

Management accepts the Auditors' recommendation to the City to implement internal controls associated with the review of bank reconciliation that will ensure reconciliations are prepared and reviewed within 45 days after the month end to ensure the accuracy and completeness of cash balances reported by the City.

For more than half of FY2023, City continued to experience system issues resulting from the Tyler EnerGov Implementation that severely impacted the timeliness of cash/bank reconciliations during the fiscal year. As of August 1, 2023, management implemented a work-around process, which included adding a part-time staff to assist with certain aspects of the reconciliation process. The City has since been completing the reconciliations within the 45-days timeframe after month-end.

##### **2023-02 Financial Close and Reporting**

###### **View of Responsible Officials and Planned Corrective Actions:**

Management accepts the Auditors' recommendation to the City to implement internal controls associated with the year-end close process. As with many other departments within the City, the Finance Department experienced attrition with staffing at critical time in the fiscal year; and around the FY2023 fiscal year-end. In addition to limited staffing, there were multiple issues that impacted the review and timeliness of the year-end close process, namely, multiple items in the General Ledger that were never addressed or adjusted in prior years as well as delays in closing out A/P and P-CARDS. The Finance Department has since hired additional staff that will be assisting to ensure proper review, and timely closure with the accounting and year-end close processes.

#### **Noncompliance**

##### **2023-01 Annual Financial Audit Report**

###### **View of Responsible Officials and Planned Corrective Actions:**

Management accepts the Auditors' recommendation to the City to implement internal controls associated with the timely completion of the of the audit and financial reporting within nine (9) months after the end of the fiscal year. For the FY2024 fiscal year, the City implemented an automation tool to allow for timely preparation of the financial statements. In addition, the City will work with the external auditors to schedule the year-end audit timeline and ensure that we are strictly adhering to milestones and timelines as scheduled.

Responsible Party:

Sophia Taylor

Interim Finance Director  
City of North Miami Beach