NORTH MIAMI
FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2025

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ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF NORTH MIAMI, FLORIDA

FISCAL YEAR ENDED SEPTEMBER 30, 2025

PREPARED BY THE FINANCE DEPARTMENT

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Our Mission

Statement

The mission of the city of North Miami is to enhance the quality of life, environment, and safety for citizens, businesses, customers, visitors and employees in an atmosphere of courtesy, integrity, quality and fiscally responsible service.

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CITY OF NORTH MIAMI, FLORIDA

Fiscal Year Ended September 30, 2025

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INTRODUCTION

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NORTH MIAMI
FLORIDA
Finance Administration

June 22, 2026

To the Honorable Mayor,
Members of the City Council
and the Citizens of the City of North Miami:

We are pleased to submit the Annual Comprehensive Financial Report for the City of North Miami, Florida (the "City") for the fiscal year ended September 30, 2025. The financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). This report is published to fulfill the requirements of Chapter 11.45 of the Florida Statutes and Section 16 of the City Charter, which require that City accounts be audited annually by independent auditors.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. The City operates under a comprehensive internal control framework designed to prevent and protect the City's assets from loss, theft, or misuse, and ensure the reliability of financial records. Considering the cost of internal controls should not exceed the benefits, the objective of this report is to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement.

The City's accounts and financial statements have been audited by Anthony Brunson, P.A. The firm has issued an unmodified opinion on the City's financial statements for the year ended September 30, 2025. The independent auditor's report is located at the beginning of the financial report section on page 1.

As a recipient of federal, state, and local grants, the City is also subject to an annual Single Audit in conformity with the provisions of the Federal Single Audit Act and Chapter 10.550 of the Rules of the Auditor General of the State of Florida. The standards governing Single Audit engagements require the independent auditor to report, not only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements, with special emphasis on the administration of federal and state awards. Information related to the Single Audit, including the Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Financial Assistance and Local Awards, findings and recommendations, and auditor's reports on the internal controls and compliance with applicable laws and regulations, are included in the compliance section.

The management's discussion and analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter and should be read in conjunction with it. The City of North Miami's MD&A can be found in the section immediately following the report of the independent Certified Public Accountants.

CITY PROFILE

The City is located in the Northeastern region of Miami-Dade County, Florida. The City of North Miami is the seventh largest city in Miami-Dade County. It encompasses 10 square miles in area and has a population of more than 60,000 residents.

The City was incorporated on February 5, 1926, and has been governed by a Council-Manager form of government. All powers of the city are vested by an elected Council. The Council consists of four Council members, a Mayor, and City Clerk. City elections are held on the first Tuesday after the first Monday in the month of November on a non-partisan basis. At each election, each member of the Council is elected for four-year terms and limited to serving no more than two consecutive terms. Thus, the terms are alternated so that there are always at least two experienced members on the Council. The Mayor is elected at-large for a two-year term and limited to serving no more than two consecutive terms. Furthermore, on the first Tuesday after the first Monday in the month of November on a non-partisan basis, the City Clerk is elected to hold office for a term of four years and is limited to serving no more than two consecutive terms.

The Council is responsible for enacting ordinances, resolutions, and regulations governing the City, as well as appointing members of the various advisory boards, the City Manager, and the City Attorney. The City Manager is the City's Chief Executive Officer, and as such, is responsible for the daily operations of the City, implementing policies adopted by the City Council and overseeing the employment function. The City Manager is also charged with preparing and submitting the annual budget and capital improvement plan for the City Council.

The City provides a full range of municipal services: general government, public safety, streets and public works, housing, economic and community development, education through its library, recreation, and cultural services. In addition, the city also operates water and sewer, and stormwater utilities as enterprise activities.

The financial reporting entity covered in this report includes all the funds of the City and its component units. Component units are legally separate entities for which the City is financially accountable, or the nature and significance of the relationship between the City and the entity is such that exclusion would cause the City's financial statements to be misleading or incomplete. The North Miami Community Redevelopment Agency ("CRA") which was created in June 2004, in accordance with Chapter 163.356, Florida Statutes, is a blended component unit. The Museum of Contemporary Art ("MOCA") is a not-for- profit organization established by City Ordinance in 1980 to fundraise on behalf of the museum. This entity met the criteria to be classified as a discrete component unit of the City for the FY 2024 and FY 2025. Additional information on component units and related entities can be found in Note 1 of the notes to the Basic Financial Statements section.

Budget Cycle and Controls

The annual budget serves as the foundation for the City's financial planning and control. Departments are required to submit appropriation requests to the Budget department, which uses them as the starting point for developing a proposed budget. The Budget Department advises the City Manager and Chief Financial Officer as to the financial condition and needs of the City. Then submits an annual budget for their consideration. Once the budget is submitted to City Council by the City Manager for consideration, the City Council is required to hold public hearings on the proposed budget and to adopt a final budget by September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, function, and department. Budgetary control over expenditure is legally maintained at the fund level except for the General Fund, which is at the departmental level. The budget-to-actual comparisons for the General Fund and the CRA, Cagni Park Project Fund and Building Fund, which are major funds, are included as Required Supplementary Information ("RSI") following the Notes to the Basic Financial Statements.

Budget-to-actual comparisons are provided in this report for each major individual governmental fund for which an appropriated annual budget has been adopted and all non-major governmental funds with appropriated annual budgets.

The major phases of the budget process are detailed in the notes to the RSI of this report.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates. The City is strategically located between Fort Lauderdale and Miami. It is served by an excellent transportation system, making it less than a 30-minute drive from two of Florida's major international airports. It is also near the Port of Miami and Port Everglades, both important gateways to major national and international markets. North Miami's major communities like Sunkist Grove, Central North Miami, Keystone Point and San Souci are primarily comprised of younger families of multi-ethnic backgrounds, making the City one of the youngest, most culturally diverse cities in South Florida.

The City is home to an increasingly active, growing, and prosperous business community. It boasts a variety of shopping centers and specialty retail stores, including gourmet and award-winning restaurants. The City is a hub of health care, education and retail, and also has with a thriving music industry that includes the full creative supply chain, anchored by award-winning recording studios. North Miami features a strong industrial market, and its one million square foot office market continues to prosper, bucking national trends.

The City's housing features a diverse mix of single-family homes, apartment buildings, and condominiums, along with luxury estates offering stunning views of Biscayne Bay. In North Miami, the median sale price for all home types reached $457,400 in November 2025, up 10.2% year-over-year — a rebound after some mid-cycle moderation

Florida International University's Biscayne Bay Campus is located in North Miami. The school is designated as top-tier and world-class research institution and has positioned itself as one of South Florida's anchor institutions. The City is served by six elementary schools, two K-8 educational centers, two middle schools and three senior high schools which are all part of the public school system administered by the Miami-Dade County School Board.

North Miami's economy continues to thrive, with property values steadily increasing as new investments fuel diverse developments and businesses. Employment growth remains strong, bringing the unemployment rate down to 2.7.% as of mid 2025. North Miami has experienced a period of revitalization and investment in recent years, which has been in part due to the redevelopment initiatives that have helped improve market conditions for new business investment and development.

The City's leaders followed through with their commitment to support North Miami's local businesses by developing business assistance programs and workforce training, and development incentives that address financial feasibility gaps for projects that are providing new residential and commercial space that will help keep the City's economy and business community moving forward.

The single-family residential properties make up approximately 55% of the City's housing stock, while condominiums represent around 41%. The net-assessed value of both personal and real property has seen a modest increase in recent years. These economic factors continue to affect discretionary spending, which in turn influences other revenue sources. Over the past four years, property values have risen by 50%.

Under Florida State law, Ch. 200.065 (5), F.S., the maximum millage rate that the City can levy is a rolled- back rate based on the amount of taxes which would have been levied in the prior year if the maximum millage rate had been applied and adjusted for the change in per capita income, unless a higher rate is adopted, in which case the maximum is the adopted rate. The City levy for the fiscal year ended September 30, 2025, was 7.4000 mills.

MAJOR REDEVELOPMENT INITIATIVES AND OUTLOOK

The City of North Miami envisions transforming its downtown into a vibrant, active, and walkable hub that fosters economic growth, community engagement, and modern urban living. This redevelopment plan includes creating a new civic center that serves as a central gathering place for government services, cultural events, and public activities. The project will also attract new businesses, blending public and private enterprises to create a dynamic environment for residents and visitors alike. By enhancing pedestrian-friendly infrastructure, green spaces, and mixed-use developments, North Miami aims to revitalize its downtown into a thriving destination where people can work, live, and enjoy a high quality of life.

This initiative will provide significant economic and fiscal benefits to the City of North Miami in jobs, economic output, earnings, and direct fiscal revenue to the city and the redevelopment agency.

Active Development

Continuum 12000

A proposed luxury high-rise development located at 12000 North Bayshore Drive. The project will include 267 multifamily residential units and 422 structured parking spaces. The architectural design emphasizes and complements the natural setting and views of Biscayne Bay

North Miami Hotel & Convention Center

Approval has been granted for the City's first hotel and convention center development, which will include 326 hotel units, 528 parking spaces, and convention facilities. The project is located at 13860–13890 NE 6th Court

Cocoanut Avenue

This project consists of an approved 9-story residential condominium building containing 35 residential units and 48 parking spaces, including six spaces designated for hybrid or eco-efficient vehicles. The development is located at 13132 NE 9th Avenue and 895 NE 131st Street.

Griffin Parkview Apartments

The City's first Live Local project, located at 12300 W. Dixie Highway, has received approval for a multifamily residential development consisting of 75 dwelling units. The project has completed the approval process and is preparing to submit permit applications to the Building Department.

North Miami Opportunity Zones

On June 14, 2018, the U.S. Department of the Treasury certified the designation of 427 census tracts as Opportunity Zones in the State of Florida, a key initiative of the Tax Cuts and Jobs Act of 2017. Among these, three Opportunity Zones are located within the City of North Miami, each positioned in strategic development areas primed for investment.

The first Opportunity Zone, designated as 12086000405, is situated in Census Tract 4.05 and encompasses the Cultural Arts & Innovation District in the western part of the city. The second, Opportunity Zone 12086000209, is located in Census Tract 2.09 and spans the area from N.E. 135th Street to N.E. 151st Street to the north, West Dixie Highway to the west, and Biscayne Boulevard to the east. The third Opportunity Zone, 12086000109, falls within Census Tract 1.09 and includes the SoLē Mia Master Plan Development in the northeastern section of the city.

The City of North Miami continues to collaborate with developers and stakeholders to attract investment to these Opportunity Zones. The designation is expected to spur significant economic growth, with targeted marketing efforts highlighting the area's potential for development and revitalization.

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AWARDS AND ACKNOWLEDGEMENTS

The successful preparation of this report would not have been possible without the tireless and dedicated efforts of the entire staff of the Finance Department and the valuable contributions of the City's Departments that provided support to Finance to complete the Fiscal Year 2025 external audit.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Miami for its annual comprehensive financial report for the fiscal year ended September 30, 2024. This was the ninth consecutive year that the government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Government Finance Officers Association (GFOA) of the United States and Canada also presented a Distinguished Budget Presentation Award to the City for its annual budget for the fiscal year 2024.

Respectfully submitted,

Angela Reyes-Santana
Chief Financial Officer

ELECTED OFFICIALS

Alix Desulme, Ed.D.
Mayor

Kevin Burns
District 1
Councilman

Kassandra Timothe, MPA
District 2
Vice-Mayor

Mary Estimé-Irvin
District 3
Councilwoman

Pierre Frantz Charles, Ed.D.
District 4
Councilman

Vanessa Joseph, Esq.

City Clerk

EXECUTIVE STAFF

Theresa Therilus, Esq.

City Manager

Jeff P. H. Cazeau, Esq.

City Attorney

Organizational Structure

City of North Miami Residents and Businesses

Mayor and Council

City Clerk

City Manager
Theresa Therilus, Esq.

City Attorney
Jeff P.H. Cazeau, Esq.

Senior Assistant City Manager
John R. Lorfils, MBA, FRA-RA

Assistant City Manager
Katia Philippeaux, MPA

Chief of Staff
Yama Paillere

Chief Financial Officer
Angela Reyes-Santana

Budget
Erjeta Diamanti
Director

Building
Mashaer Ismail
Chief Building Official

Code Compliance
Sammie L. Walthour
Director

Communications
Katie Murphy
Director

Community Planning & Department
Debbie Love, AICP
Director

Economic Development
John R. Lorfils, MBA, FRA-RA
Interim Director

Finance
Marie Schafer, CPA
Director

Housing & Social Services
Alberte Bazile
Director

Human Resources
Gerald's Larkins, PSHRA-SCP, SPHR
Director

Information Technology
Claude L. Charles, MBA, CGCIO
Director

Library
Paul Bazile, MLIS, MPA
Director

MOCA
Chana Sheldon
Director

Parks & Recreation
Federick L. Petrine, Jr., CPRP, CPSI
Director

Police
Cherise G. Gjuse
Chief

Procurement
Alberto Destrade, CPPO
Director

Public Works
Kerrith Fiddler, CFM
Director

Risk Management
Kenneth C. McCoy
Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of North Miami
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL

II. Financial Section

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Management's Discussion and Analysis
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- Fund Level Fund Statements
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Required Supplementary Information (Unaudited)

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- Pension Plan Schedules

Supplementary Information (Unaudited)

- Nonmajor Governmental Funds
- Internal Service Funds
- Pension Trust Funds

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
North Miami, 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 (the City), Florida as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise entity's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Clair T. Singerman Plan and the Police Pension Plan which represent 100 percent of the total assets, total net position/fund balance and total revenues/ additions of the fiduciary fund information. We did not audit the financial statements of the Community Redevelopment Agency, which is a major fund and represents approximately 22 percent, 8 percent and 14 percent of the total assets, net position, revenues of the governmental activities opinion unit, respectively. We also did not audit the financial statements of the Museum of Contemporary Art, which is a discretely presented component unit of the City. Those statements were audited by other auditors which reports have been furnished to us, and our opinions, insofar as it relates to those amounts, are based solely on the report of the other auditors.

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

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Emphasis of Matter – Correction of Errors

As described in Note 15 to the financial statements, the City identified and corrected errors related to the accounting for leases in accordance with applicable GASB standards. The correction required a restatement of the beginning net position of the governmental activities and the beginning fund balance of the General Fund to properly reflect the effects of the lease-related adjustments. Our opinions are not modified with respect to these matters.

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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in 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 and budgetary comparison information and other post-employment benefits and pension related schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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 and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and *Florida Single Audit Act* 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 and state financial assistance projects are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2026 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 City's internal control over financial reporting and compliance.

Alley Bynum P.A.

North Miami, Florida
June 22, 2026

Management's Discussion and Analysis - Unaudited

(MD&A)

The Management's Discussion and Analysis ("MD&A") provides a narrative overview and analysis of the financial activities of the City of North Miami, Florida (the "City") for the fiscal year ended September 30, 2025. This MD&A is offered by the management of the City to assist readers of its financial statements. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the Letter of Transmittal, which can be found in the Introductory Section of this report. For simplification, all amounts in this section have been rounded to the nearest one hundred thousand dollars, and as a result, may vary somewhat from certain numbers shown in the body of this report.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements include the governmental activities, business-type activities, and the Museum of Contemporary Art ("MOCA"), a discretely presented component unit. In addition, the government-wide financial statements include the Community Redevelopment Agency (CRA), as a blended component unit. MOCA and CRA, which are separate legal entities for which the City is financially accountable. More detailed information for MOCA and CRA may be obtained from their separately issued financial statement on their website:

CRA - North Miami CRA, FL | Official Website and MOCA - About - Museum of Contemporary Art North Miami

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the 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 for some items that will only result in cash flows in future periods, such as uncollected taxes and earned but unused leave.

Both government-wide financial statements distinguish functions 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 (business-type activities). The government-wide includes general government, public safety, physical environment, transportation and public works, cultural and recreation, development services, and economic development. The business-type activities of the City include the Water and Sewer Utility Fund and the Stormwater Utility Fund.

Fund Financial Statements

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

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 assessing a government’s near-term financing requirements.

Because the focus of the 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. This will assist the reader with a better understanding of the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The City maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheets and in the governmental funds statements of revenues, expenditures and changes in fund balances for the General Fund, Building Fund, Cagni Park Project Fund and CRA Component Unit, which are all considered major funds. Information for the other governmental funds is combined into a single aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combined statements.

Proprietary Funds

The City maintains two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the Water and Sewer Utility Fund and the Stormwater Utility Fund. Internal service funds account for the City's Fleet Management and Risk Management functions. Because both internal service funds predominantly benefit governmental activities, they have been included in the governmental activities column of the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer and stormwater operations. Both funds are considered major funds of the City.

The internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements.

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. The accounting used for fiduciary funds is much like that used for proprietary funds. The City’s fiduciary funds comprise the general employee and the police pension funds.

Notes to the Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found in the Notes section of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information regarding the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees and retirees and budgetary comparison schedules.

Financial Summary

The following represents the most significant financial highlights for the City of North Miami for the fiscal year ended September 30, 2025 (FY 2025):

- As of September 30, 2025, the government-wide assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by $174.4 million (total net position), compared with $153.6 million (restated) in the prior fiscal year. Change in net position was $20.8 million.
- The City's total net position for governmental activities increased by $20.4 million primarily due to growth in property tax revenues, grant reimbursements from intergovernmental and other miscellaneous revenues.
- The unrestricted net position for governmental activities was a deficit of ($113.4 million). The City recognized OPEB and pension liabilities required under GASB accounting standards. As of September 30, 2025, these liabilities, net of the related deferred inflows and outflows, contributed to the unrestricted deficit by $25 million.
- The City's business-type activities (water and sewer, and stormwater) reported a combined net position of $79.0 million, reflecting a modest increase of $0.4 million. The Water and Sewer Fund reported operating income of $8.7 million and the Stormwater Fund of $1.2 million for FY 2025, driven by billings for services.
- As of September 30, 2025, the City's governmental funds reported a combined ending fund balance of $103.5 million. Restricted fund balances totaled $97.9 million, including $5 million for the CRA, $12.7 million for Building and Code Compliance, and $7.0 million for capital projects, among others. Non-spendable fund balance was $2.1 million and Unassigned fund balance for total governmental funds was $3.5 million.
- The General Fund reported a total fund balance of $22.1 million as of September 30, 2025, of which $13.2 million was unassigned, representing approximately 15.5% of total General Fund expenditures.
- The City recorded a prior period adjustment in governmental activities and at the governmental funds related to a calculation error for the recognition of its leases. This was identified after the issuance of the prior year's financial statements. The original government-wide net position was $154.6 million after the prior-period adjustment, a decrease of $1.0 million. The net position was restated to $153.6 million. Total governmental funds, the original fund balance was $102.3 million, after the prior period adjustment of an increase of $0.4 million, the fund balance was restated to $102.7 million.
- The City identified two new major governmental funds in FY 2025: the Building Fund and the Cagni Park Project Fund, reflecting their significance to the City's financial reporting. Landfill Closure, American Rescue Plan Act (ARPA), and C.D.B.G. Entitlement Funds, which were major funds in fiscal year 2024 (FY 2024), were moved to non-major funds in FY2025 as these funds no longer met the GASB 34 requirements as major funds.

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Government-Wide Financial Analysis

Net Position

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. At the end of FY 2025, the City's total net position was $174.4 million, a change in net position of an increase of $20.8 million, approximately 13.5%, compared with $153 million (restated) in FY 2024.

The following table summarizes the condensed Statement of Net Position as of September 30, 2025, compared with September 30, 2024:

Summary Statement of Net Position	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	(Restated) 2024	2025	2024	2025	(Restated) 2024
Current and other assets	$ 173,360,403	$ 153,978,920	$ 48,750,503	$ 43,877,260	$ 222,110,906	$ 197,856,180
Capital assets	95,650,572	86,550,012	55,521,103	56,880,357	151,171,675	143,430,369
Total assets	269,010,975	240,528,932	104,271,606	100,757,617	373,282,581	341,286,549
Deferred outflows of resources:						
Deferred outflow related to OPEB	1,729,884	1,038,385	255,950	142,623	1,985,834	1,181,008
Deferred outflow related to pensions	19,951,805	25,318,770	2,923,292	3,214,563	22,875,097	28,533,333
Total deferred outflows of resources	21,681,689	26,357,155	3,179,242	3,357,186	24,860,931	29,714,341
Other liabilities	21,456,669	25,974,149	13,381,853	10,971,899	34,838,522	36,946,048
Noncurrent liabilities:						
Due within one year	7,867,156	7,652,712	813,474	713,407	8,680,630	8,366,119
Due in more than one year	137,957,539	147,902,658	10,821,539	11,258,524	148,779,079	159,161,182
Long-term liabilities outstanding	145,824,695	155,555,370	11,635,013	11,971,931	157,459,709	167,527,301
Total liabilities	167,281,364	181,529,519	25,016,866	22,943,830	192,298,231	204,473,349
Deferred inflows of resources:						
Deferred inflow related to OPEB	3,551,066	3,666,455	542,803	561,714	4,093,869	4,228,169
Deferred inflow related to pensions	18,298,062	2,273,861	2,937,697	2,063,818	21,235,759	4,337,679
Deferred inflow other	6,074,377	4,318,583	-	-	6,074,377	4,318,583
Deferred inflow lease related	5,000	27,582	-	-	5,000	27,582.00
Total deferred inflows of resources	27,928,505	10,286,481	3,480,500	2,625,532	31,409,005	12,912,013
Net position						
Net investment in capital assets	90,348,696	82,327,292	51,565,991	52,353,375	141,914,687	134,680,667
Restricted	118,502,080	98,430,489	1,150,149	218,514	119,652,229	98,649,003
Unrestricted (deficit)	(113,367,981)	(105,687,699)	26,237,342	25,973,552	(87,130,639)	(79,714,147)
Total net position	**$ 95,482,795**	**$ 75,070,082**	**$ 78,953,482**	**$ 78,545,441**	**$ 174,436,276**	**$ 153,615,523**

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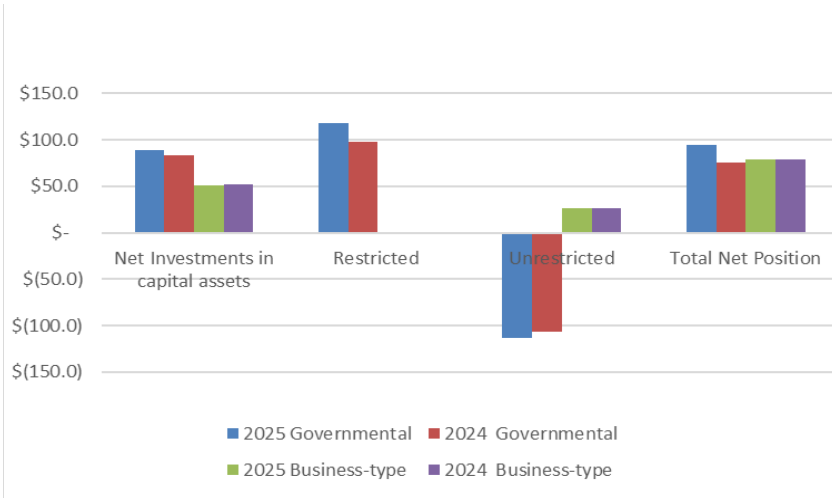
The following graph compares the total net position by governmental activities and business-type from FY 2025 versus FY 2024:

Net Position- Governmental vs. Business-Type Activities
FY 2025 vs. FY 2024 (in Millions)



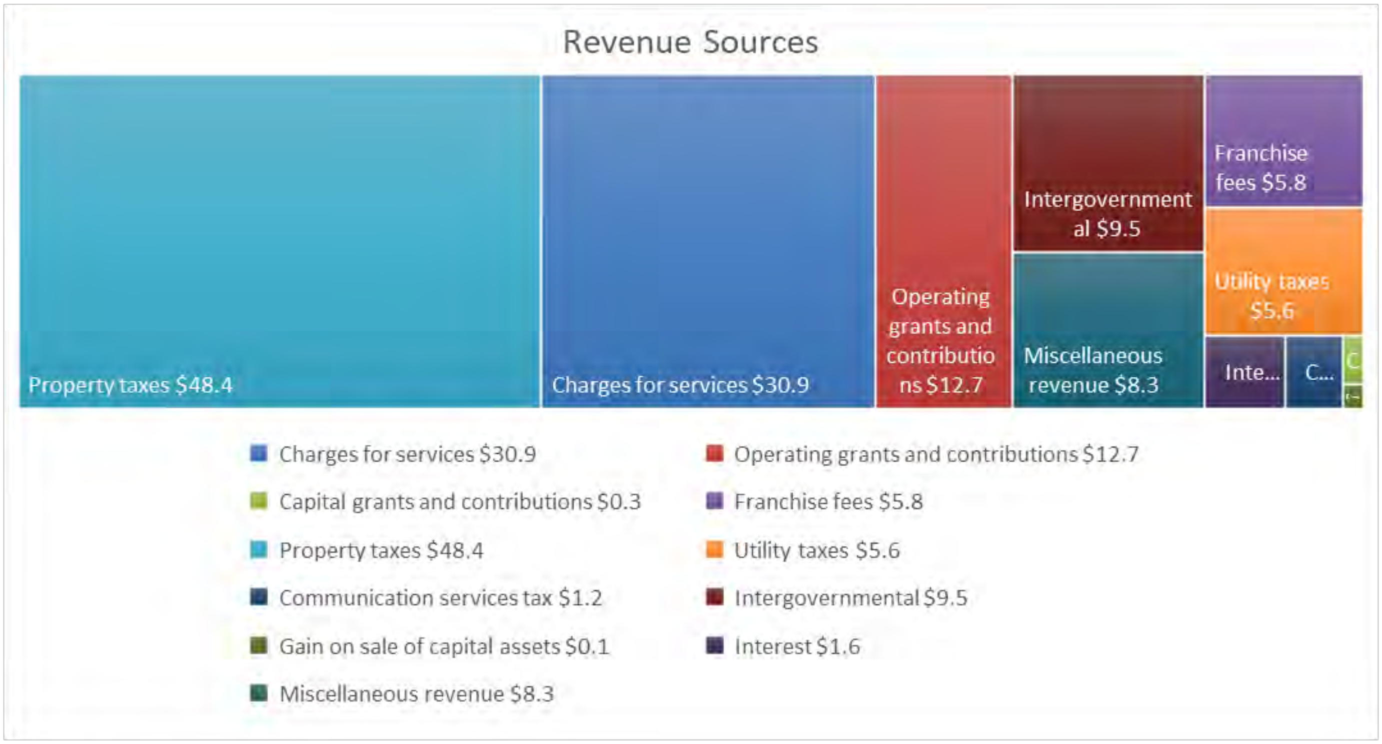
	Governmental Activities		Business-type		Total	Total
Components	**FY 2025**	**(Restated) FY 2024**	**FY 2025**	**FY 2024**	**FY 2025**	**(Restated) FY 2024**
Net Investments in capital assets	$90.3	$82.8	$51.6	$52.3	$141.9	$135.2
Restricted	$118.5	$98.4	$1.1	$0.2	$119.6	$98.6
Unrestricted	($113.4)	($106.2)	$26.2	$26.0	($87.2)	($80.2)
Total Net Position	$95.5	$75.1	$78.9	$78.5	$174.4	$153.6

The largest component of the City's net position continues to be its net investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), totaling $141.9 million or approximately 81.4% of total net position. These assets are not available for future spending, as the resources needed to repay the debt associated with them must be provided from other sources.

The restricted net position of $119.6 million represents resources subject to external restrictions, most notably $53.7 million for CRA projects, and $4.1 million CRA debt reserve, $20.7 million for pension assets, $12.7 million for building and code compliance, $7.2 million for transportation, $7.0 million for capital projects, and $5.6 million for landfill closure.

The unrestricted net position government-wide deficit of ($87.2 million) is comprised of governmental activities deficit of ($113.4 million), offset by business-type activities of a net position of $26.2 million. The governmental activities reflect a deficit of ($113.4 million), which includes pension and OPEB liabilities (net of the related deferred outflows and inflows), contributing to the deficit.

Revenue by Source – Governmental Activities
Fiscal Year Ended September 30, 2025 (Total $124.8 Million)



Governmental Activities

Governmental activities for FY 2025 increased the City's net position by $20.4 million, compared to FY 2024 change in net position of $15.4 million, an increase of $5 million or 32.4%. Total revenues for governmental activities were $124.8 million (excluding net transfers of $10.1 million) and $134.9 million with net transfers, compared with $128.2 million (with net transfers) in the prior year, an increase of $6.7 million or 5.2%.

In fiscal year 2025, program revenues (charges for services, operating grants, and capital grants) for governmental activities totaled $44.3 million, representing approximately 35.5% of total governmental revenues (excluding net transfers). Property taxes represent 60.1% of general revenues and 38.8% of total governmental revenue (excluding net transfers).

Net increase of $6.7 million in revenues and net transfers: The following were the most significant revenue changes:

- FY 2025 Property taxes of $48.4 million increased by $5.1 million or 11.8%, from FY 2024 of $43.3 million. The increase reflects continued growth in assessed property values driven by new development, market conditions, and increased taxable values City-wide.
- Charges for services of $31.3 million decreased by $1.0 million or -3.2% from FY 2024 of $32.4 million, primarily attributable to decreased building permit fees and licensing activity in the Building Fund.

Changes in Net Position

The following table presents a comparative analysis of changes in net position for September 30, 2025, and the prior year for governmental and business-type activities:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Program Revenues:						
Charges for services	$ 31,338,528	$ 32,379,002	$ 47,239,870	$ 45,245,820	$ 78,578,398	$ 77,624,822
Operating grants/contributions	12,676,512	11,524,784	-	-	12,676,512	11,524,784
Capital grants/contributions	279,183	291,055	-	-	279,183	291,055
General Revenues:						
Property taxes	48,399,459	43,305,771	-	-	48,399,459	43,305,771
Utility and gas taxes	5,600,634	5,427,631	-	-	5,600,634	5,427,631
Communication services tax	1,154,845	1,087,693	-	-	1,154,845	1,087,693
Franchise fees	5,815,895	5,950,820	-	-	5,815,895	5,950,820
Intergovernmental	9,465,287	9,603,125	-	-	9,465,287	9,603,125
Gain on sale of capital assets	133,436	1,539,484	27,850	-	161,286	1,539,484
Investment earnings	1,649,553	2,063,345	-	-	1,649,553	2,063,345
Miscellaneous revenues	8,254,555	5,877,972	594,833	1,010,194	8,849,388	6,888,166
Total revenues	124,767,887	119,050,682	47,862,553	46,256,014	172,630,440	165,306,696
Expenses:						
General government	38,861,491	45,225,592	-	-	38,861,491	45,225,592
Public safety	41,959,591	40,178,445	-	-	41,959,591	40,178,445
Physical environment	145,648	585,428	-	-	145,648	585,428
Transportation and public works	7,982,272	6,709,879	-	-	7,982,272	6,709,879
Housing and social services	4,170,461	3,440,987	-	-	4,170,461	3,440,987
Culture and recreation	12,927,942	10,073,990	-	-	12,927,942	10,073,990
Development services (formerly CP&D)	2,984,355	3,865,059	-	-	2,984,355	3,865,059
Economic development	837,229	-	-	-	837,229	-
Communications	1,370,589	672,408	-	-	1,370,589	672,408
Debt service - interest	3,226,020	2,073,111	-	-	3,226,020	2,073,111
Water and sewer	-	-	35,604,626	33,914,491	35,604,626	33,914,491
Stormwater	-	-	1,739,463	1,677,250	1,739,463	1,677,250
Total expenses	114,465,597	112,824,899	37,344,089	35,591,741	151,809,686	148,416,640
Change in net position before transfers	10,302,290	6,225,783	10,518,464	10,664,273	20,820,754	16,890,056
Transfers - net	10,110,423	9,189,991	(10,110,423)	(9,189,991)	-	-
Change in net position	20,412,713	15,415,774	408,041	1,474,282	20,820,754	16,890,056
Net position beginning as previous reported	75,070,082	60,670,005	78,545,441	77,071,159	153,615,523	137,741,164
Error correction prior period adjustment	-	(1,015,697)	-	-	-	(1,015,697)
Net position, beginning as restated	75,070,082	59,654,308	78,545,441	77,071,159	153,615,523	136,725,467
Net position - ending	**$ 95,482,795**	**$ 75,070,082**	**$ 78,953,482**	**$ 78,545,441**	**$ 174,436,277**	**$ 153,615,523**

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- Franchise fees decreased by $0.1 million or -2.3%, primarily due to fewer collections from the Florida Power and Light (FPL) franchise tax.
- Miscellaneous revenues of $8.3 million increased by $2.4 million or 40.4% from FY 2024 of $5.9 million. This variance is largely attributable to the recognition of revenue that was previously deferred for capital commitments for the Scott Galvin Community Center Parking Lot and Biscayne Landing. Other contributing factors include proceeds from PFAS litigation settlements.
- FY 2025 Investment earnings of $1.6 million decreased by $0.4 million or -20.1%, from FY 2024 of $2.1 million. The decrease was due to investments that were not reinvested in FY 2025.
- FY 2025 Operating grants and contributions of $12.7 million increased by $1.2 million or 10.0 %, from FY 2024 of $11.5 million. This revenue stream is attributable to the timing of the reimbursement and continues to provide essential support for the City's core public services.
- FY 2025 gain on sale of assets of $0.1 million decreased by $1.4 million or -91.3% from FY 2024 of $1.5 million due to fewer sales of assets.
- FY 2025 net transfers of $10.1 million increased by $0.9 million or 10.02% from FY 2024 of $9.2 million, primarily due to additional service from the general fund.

Net increase of $1.7 million in expenses: Total governmental expenses were $115.9 million, an increase of $1.6 million or 1.5.%, compared with $112.8 million in FY 2024. The most significant changes were:

- *General government* expenses decreased by $6.3 million or -14.07%, from $45.2 million in FY 2024 to $38.9 million in FY 2025. The decrease was primarily due to non-recurring grant funding for the Golden Hill Project, $3.7 million, and the $5.0 million purchase of the Scott Galvin Community Center. This overall decrease was partially offset by a $2.2 million increase in spending for transit infrastructure improvements.
- *Public safety* in FY 2025 increased by $1.8 million or 4.4%, due to salary and benefits for sworn officer personnel, expanded neighborhood services operations, and technology investments.
- *Transportation and Public Works* expenses of $7.9 million increased by $1.2 million, or 19.0%, from FY 2024 of $6.7 million. This increase was primarily driven by enhanced infrastructure maintenance, rising operational costs, and the increased cost of specialized equipment repairs necessary to maintain City assets.
- *Housing and social services* expenses increased by $0.7 million, or 21.2%, from $3.4 million in FY 2024 to $4.2 million in FY 2025. This variance was primarily due to the expansion of assistance programs dedicated to supporting senior and low-to-moderate-income residents.
- *Culture and recreation expenses* increased by $2.8 million or 28.3%, from $10.1 million in FY 2024 to $12.9 million in FY 2025. This increase was primarily driven by $1.5 million in upgraded and maintained park infrastructure, including the Breezeswept playground, Pepper Park tennis court resurfacing, combined with an additional $0.4 million grant to MOCA, and $0.9 million in administrative expenses, salaries, benefits, events and other operating costs.
- *Economic Development* in FY 2025 was separated from the Development Services Department; both departments' expenditures totaled $3.8 million in FY 25, compared to a slight decrease from FY 2024 of $3.9 million.
- *Communications in* FY 2025 of $1.4 million increased by $0.7 million, due to salaries, taxes, and benefits.
- *Interest expense* on long-term debt in FY 2025 of $3.2 million, increased by $1.2 million or 55.6%, from $2.1 million in FY 2024. The increase is primarily attributable to the full-year impact of the CRA revenue bond issued in September 2024.

Business-type Activities

	Water and Sewer		Stormwater		Total Business-type Activities	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
OPERATING REVENUES						
Water fees	$ 21,654,998	$ 19,668,437	$ -	$ -	$ 21,654,998	$ 19,668,437
Sanitary sewer fees	21,953,196	21,689,486	-		21,953,196	21,689,486
Stormwater charges	-	-	2,930,486	2,938,813	2,930,486	2,938,813
Premiums and charges for services provided to other fu	-		-		-	-
Other revenues	701,190	949,084	-	-	701,190	949,084
Total operating revenues	44,309,384	42,307,007	2,930,486	2,938,813	47,239,870	45,245,820
OPERATING EXPENSES						
Personnel services	6,744,509	5,385,547	325,688	558,176	7,070,197	5,943,723
Wholesale water cost and sewage disposal	18,680,274	21,717,902	-	-	18,680,274	21,717,902
Materials, supplies, services and other operating expens	6,048,748	4,107,778	1,058,644	694,254	7,107,392	4,802,032
Insurance claims	-		-		-	-
Capital outlay	-	-	-	-	-	-
Depreciation	4,101,847	2,670,887	355,131	424,820	4,456,978	3,095,707
Total operating expenses	35,575,378	33,882,114	1,739,463	1,677,250	37,314,841	35,559,364
Operating income/(loss)	8,734,006	8,424,893	1,191,023	1,261,563	9,925,029	9,686,456
Non-capital subsidies						
Transfers in	55,000	624,179	-	354,546	55,000	978,725
Transfers out	(8,864,586)	(8,867,570)	(1,300,837)	(1,301,146)	(10,165,423)	(10,168,716)
Total noncapital subsidies	(8,809,586)	(8,243,391)	(1,300,837)	(946,600)	(10,110,423)	(9,189,991)
Operating income/(loss) and noncapital subsidies	(75,580)	181,502	(109,814)	314,963	(185,394)	496,465
NON-OPERATING REVENUES (EXPENSES)						
Interest income	577,499	709,739	17,334	21,104	594,833	730,843
Gain from sale of capital assets	27,850		-	-	27,850	-
Other non-operating revenues	-	279,351	-		-	279,351
Interest expense	(29,248)	(32,377)	-	-	(29,248)	(32,377)
Total non-operating revenues	576,101	956,713	17,334	21,104	593,435	977,817
Increase (decrease) in net position	500,521	1,138,215	(92,480)	336,067	408,041	1,474,282
Net position, beginning	69,337,152	68,198,937	9,208,289	8,872,222	78,545,441	77,071,159
Net position, ending	**$ 69,837,673**	**$ 69,337,152**	**$ 9,115,809**	**$ 9,208,289**	**$ 78,953,482**	**$ 78,545,441**

The City's business-type activities, consisting of Water and Sewer and Stormwater operations, in FY 2025, with an increase in net position of $0.4 million. FY 2025 net position was $78.9 million, compared to $78.5 million in the prior year.

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Business-Type Activities

Revenues

Total operating revenues were $47.2 million in FY 2025, an increase of $2.0 million or 4.4% from FY 2024 of $45.2 million.

- Water fee charges for services increased by $2.0 million or 10.1%, from FY 2025 of $21.7 million, compared to FY 2024 of $19.7 million. This growth is primarily attributable to modest rate adjustments and an expanded customer base driven by new residential and commercial developments.
- Sanitary sewer fees remained steady at $22.0 million, representing a slight increase of $0.3 million from FY 2024.
- Stormwater charges remained consistent at $2.9 million, showing a marginal decrease of less than $0.1 million compared to the prior year.

Expenses

Operating expenses for these activities totaled $37.3 million in FY 2025, an increase of $1.8 million or 4.8% from $35.6 million in FY 2024. This increase was primarily due to:

- *Personnel services:* increased by $1.18 million, for staffing, benefits, as well as pension and OPEB valuations adjustments.
- *Materials and other operating expenses*: increased by $2.3 million, largely due to inflationary pressures on supplies and contracted services.
- *Wholesale costs:* wholesale water and sewage disposal costs decreased by $3.0 million, from $21.7 million in the prior year to $18.7 million in FY 2025. The decrease is due to more sewer treatment in FY 2024.

Operating Income, Non-Capital Subsidies and Non-Operating Revenues/(Expenses)

Operating income before non-operating revenues/(expenses) and non-capital subsidies (transfers), business-type activities generated an operating income of $9.9 million in FY 2025. After including non-capital subsidies net transfers out of $10.1 million, investment earnings of $0.6 million and other net non-operating items, the increase in net position was $0.4 million. Transfers out are primarily reimbursement to the General Fund for indirect administrative costs, shared internal services, and proportional overhead allocated to the enterprise operations.

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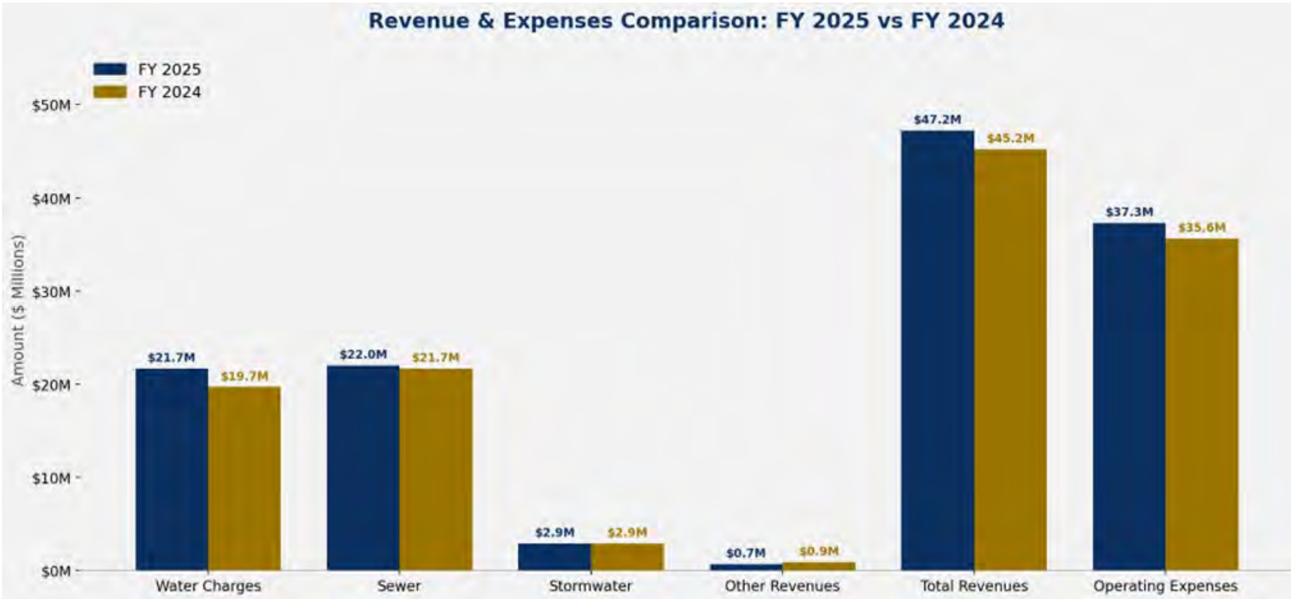


Financial Analysis of the City's Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

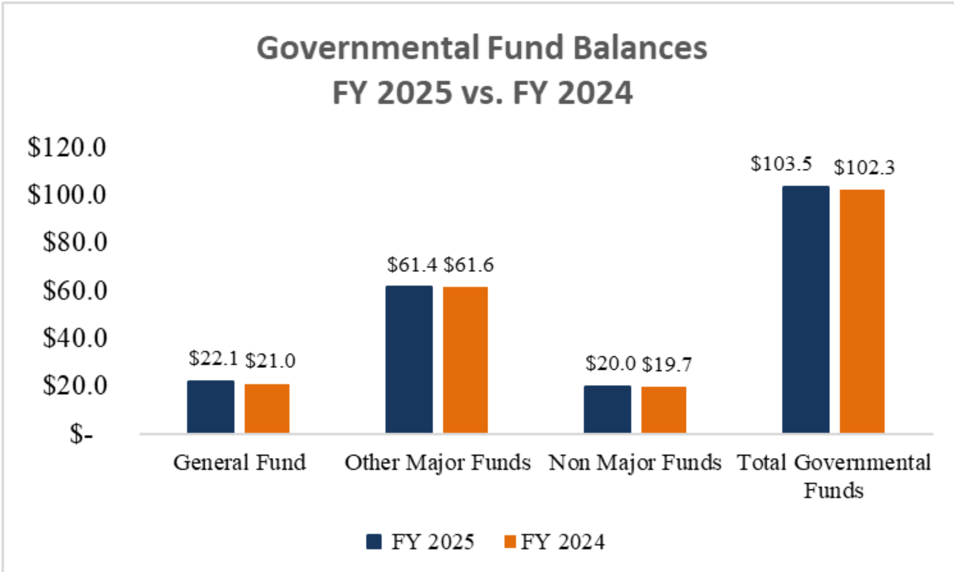
Governmental Funds Overview

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

As of September 30, 2025, the City's governmental funds reported a combined ending fund balance of $103.5 million, compared with $102.3 million in FY 2024, an increase of $1.2 million or an increase of 1.2%. Fund balance consists of $2.1 million of non-spendable, $97.9 million of restricted and $3.5 million of unrestricted.

FY 2025 restricted fund balances of $97.8 million constituted the largest portion of total fund balances and are comprised of the following primary components:

- $53.7 million restricted for CRA projects (FY 2024: $55.4 million).
- $12.7 million for Building and Code Compliance activities (FY 2024: $10.9 million).
- $7.2 million for Transportation purposes (gas tax and half-cent surtax)
- $7.0 million restricted for Capital Projects (General Fund)
- $5.6 million for Landfill Closure, consistent with prior year
- $4.1 million for Debt Service Reserve for CRA
- $3.5 million for Culture and Recreation from Impact Fees
- $1.8 million for Developer Impact Fees Other
- $1.3 million for Grants and Housing programs
- $0.9 million for Law Enforcement and Public Safety
- $0.2 million for Pension Obligation Bond



General Fund

The General Fund is the primary operating fund of the City. General tax revenues and other receipts not allocated to another fund are accounted for in this fund. As of September 30, 2025, the General Fund reported a total fund balance of $22.1 million, compared with $21.0 million in the prior year, an increase of $1.1 million. Of the $22.1 million total fund balance, $13.2 million was unassigned, representing approximately 15.5% of total General Fund expenditures and 17.0% of total revenues.

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General Fund Revenues

General Fund Revenues	2025	Percent of Total	2024	Percent of Total	Change Increase (Decrease) From Prior Year	
Taxes:						
Ad valorem taxes	$ 31,284,017	36.6%	$ 28,901,089	31.2%	$ 2,382,928	8.2%
Utility and communication taxes	6,014,782	7.0%	5,753,697	6.2%	261,085	4.5%
Franchise fees	5,815,895	6.8%	5,950,820	6.4%	(134,925)	-2.3%
Total taxes	43,114,694	50.4%	40,605,606	43.8%	2,509,088	6.2%
General revenues:						
Charges for services	8,089,159	9.5%	8,950,440	9.7%	(861,281)	-9.6%
Fines and forfeitures	575,778	0.7%	601,450	0.6%	(25,672)	-4.3%
Intergovernmental	10,264,879	12.0%	10,533,127	11.4%	(268,248)	-2.5%
Licenses and permits	1,207,204	1.4%	1,116,241	1.2%	90,963	8.1%
Interest and other earnings	10,591,182	12.4%	7,324,890	7.9%	3,266,292	44.6%
Rents and royalties	1,312,334	1.5%	1,864,231	2.0%	(551,897)	-29.6%
Total general revenues	32,040,536	37.5%	30,390,379	32.8%	1,650,157	5.4%
Total revenues	**$ 75,155,230**	**87.9%**	**$ 70,995,985**	**76.6%**	**4,159,245**	**5.9%**

General Fund revenues (excluding other financing sources) totaled approximately $75.2 million in FY 2025, an increase of approximately $4.2 million, or 5.9%, from the prior year. The most significant revenue changes include:

- *Ad Valorem Taxes:* Property taxes increased by $2.4 million, 8.2%, due to continued growth in taxable assessed property values and new development activity City-wide.
- *Utility and Communication Taxes***:** Collections remained steady at $6.0 million, a modest increase of $0.3 million over the prior year. This increase was primarily due to an expanded tax base.
- *Franchise Fees***:** Remained consistent with a slight decrease of $0.1 million, totaling $5.8 million.
- *Charges for Services:* Fees collected for City services reached $8.1 million, a decrease of $0.9 million from the previous year. This fluctuation is often tied to the timing of specific permit activities or seasonal service demands.
- *Intergovernmental Revenues:* Revenues from other governmental agencies totaled $10.3 million, a slight decrease of $0.2 million compared to FY 2024. Despite this marginal change, intergovernmental sources remain a vital component of the City's revenue base, representing approximately 13.7% of total revenues.
- *Interest and Other Earnings:* Reached $10.6 million, representing an increase of $3.3 million or 44.6% from the $7.3 million recorded in FY 2024. This growth was primarily driven by the recognition of $1.0 million in prior-year deferred revenue and a $2.3 million litigation settlement.
- *Rent and Royalties*: Revenues from rents and royalties totaled $1.3 million, a decrease of $0.6 million compared to the $1.9 million collected in the prior fiscal year. This variance is primarily due to the timing of collections and measurement adjustments required for GASB 63 compliance, rather than a true decline in underlying activity.

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General Fund Expenditures

The following table presents General Fund expenditures for FY 2025 and FY 2024:

General Fund Expenditures	2025	Percent of Total	2024	Percent of Total	Change Increase (Decrease) From Prior Year	
General government	$ 19,198,765	22.6%	$ 16,113,978	18.4%	$ 3,084,787	19.1%
Public safety	41,204,292	48.6%	39,024,780	44.6%	2,179,512	5.6%
Physical environment and transportation	4,882,317	5.8%	4,205,937	4.8%	676,380	16.1%
Housing and social services	1,918,023	2.3%	1,401,062	1.6%	516,961	36.9%
Culture and recreation	12,306,204	14.5%	9,577,880	10.9%	2,728,324	28.5%
Development services (formerly community planning & development)	1,194,943	1.4%	1,994,948	2.3%	(800,005)	-40.1%
Economic development	837,229	1.0%	-	0.0%	837,229	100.0%
Communications	1,370,589	1.6%	672,408	0.8%	698,181	100.0%
Debt service	249,055	0.3%	1,725,638	2.0%	(1,476,583)	-85.6%
Capital outlay	1,640,840	1.9%	12,777,050	14.6%	(11,136,210)	-87.2%
Total expenditures	**$84,802,257**	**100%**	**$87,493,681**	**100%**	**$ (2,691,424)**	**-3.08%**

For FY 2025, total General Fund expenditures were $84.8 million, a decrease of $2.7 million or -3.1% compared to the $87.5 million in FY 2024. This overall reduction was primarily driven by a community center acquisition in FY 2024, which offset increases in core departmental operating costs.

General Government

General Government expenditures in FY 2025 totaled $19.2 million, representing an increase of $3.1 million or 19.1% compared to FY 2024. This growth was primarily driven by a net increase of $1.4 million for salaries and related benefits, largely due to new staff positions and budget adjustments. Additionally, $1.3 million was dedicated to critical investments in city-wide technology infrastructure, specifically for post-cyber-incident security upgrades and the new MUNIS system implementation. The remaining variance reflects a net increase of $0.4 million in other operating costs, including allocated interfund charges for equipment maintenance, operations, equipment rentals, and miscellaneous expenses.

Public Safety

Public Safety expenditures totaled $41.2 million, representing an increase of $2.2 million or 5.3% from FY 2024. This growth reflects the City's continued commitment to emergency services and police protection, with the variance primarily driven by the acquisition of the new World CAD/RMS software, the addition of five sworn police officers, and expanded neighborhood services operations. Additionally, the increase accounts for personnel cost adjustments, including annual COLA and merit increases, alongside essential equipment maintenance required to maintain community safety standards.

Physical Environment and Transportation

Expenditures in this category totaled $4.8 million, an increase of $0.7 million or 16.1% over the prior year. The additional funding supported maintenance of City streets, right-of-way landscaping, and environmental initiatives to enhance the City's physical infrastructure.

Culture and Recreation

Expenses for culture and recreation increased by $2.7 million, an increase from $9.6 million in FY 2024 to $12.3 million in FY 2025. This growth was mainly due to $1.7 million spent on park infrastructure upgrades and maintenance—such as the Breezeswept playground and Pepper Park tennis court resurfacing—along with a $0.4 million grant to MOCA and $0.8 million in personnel a ministrative costs.

Communications

FY 2025 expenditures totaled $1.4 million, compared to FY 2024 of $0.7 million; the increase was due to staffing and associated benefits.

Debt Service and Other Charges

Debt service in FY 2025 was $0.3 million, a decrease of $1.5 million from FY 2024 of $1.7 million. The decrease was due to the non-recurrence of the Scott Galvin Community Center obligation following the community center's acquisition in FY 2024.

Capital Outlay

Expenditures were $1.6 million in FY 2025, a decrease of $11.2 million from FY 2024 of $12.7 million. The decrease was primarily due to the acquisition of the Scott Galvin Community Center in FY 2024.

Other Financing Sources (Uses)

The following table presents the General Fund other financing sources (uses) for FY 2025 and FY 2024:

Other Financing Sources (Uses)	2025	2024	Change Increase (Decrease) From Prior Year	
Contribution	$ -	$ 5,000,000	$ (5,000,000)	-100.0%
Proceeds from sale of capital assets	-	1,770,000	(1,770,000)	-100.0%
Transfer out	(1,418,605)	(1,460,540)	41,935	-2.9%
Transfers in	11,759,983	14,867,254	(3,107,271)	-20.9%
Total other financing source	$ 10,341,378	$ 20,176,714	$ (9,835,336)	-48.7%

Total net other financing sources and uses for FY 2025 were $10.3 million, representing a decrease of $9.9 million or -48.7%, compared to the $20.2 million in FY 2024.

This significant variance is primarily due to several one-time non-recurring items that occurred in the prior fiscal year:

- Capital Contributions: FY 2024 included a $5.0 million contribution from the Community Redevelopment Agency (CRA) specifically for the acquisition of the Scott Galvin Community Center.
- Sale of capital assets: The prior year also benefited from $1.7 million in proceeds from the sale of assets. Neither of these significant inflows recurred in FY 2025.

Financial Analysis of Other Governmental Funds

Community Redevelopment Agency (CRA)

The CRA, a component unit of the City, reported a fund balance of $57.8 million as of September 30, 2025, compared with $55.4 million in the prior year, an increase of approximately $2.5 million or 4.5%. The $57.8 million fund balance consists of $53.7 million restricted for community development and $4.1 million for debt reserve. During the year, the CRA recognized a net total of approximately $17.1 million in property tax increment (TIF) revenues, representing both City and Miami-Dade County portions. This net position reflects gross TIF receipts of $22.9 million, offset by a required refund of $5.8 million to the County and the City. The CRA continues to fund major redevelopment projects, including housing programs, commercial incentives, and infrastructure improvements within the redevelopment area. Expenditures in FY 2025 were $15.2 million compared to $12.4

million in FY 2024, an increase of $2.8 million or 22.6%, primarily due to the full year of debt service payments. See Fund Financial Statements pages 27 and 28.

Building Fund – Major Fund
The Building Fund was identified as a major governmental fund in FY 2025 due to its significance in the City's financial reporting. As of September 30, 2025, the fund reported a restricted fund balance of $12.8 million. Revenues in the Building Fund were primarily building permits, inspection fees, and plan review charges. Revenue in FY 2025 was $6.8 million compared to $12.0 million in FY 2024, a decrease of $5.1 million or -42.5%, primarily due to the timing of collection of revenue and the reduction of permitting activity. Expenditures in FY 2025 were $3.1 million, consistent with FY 2024. See Fund Financial Statements pages 27 and 28.

Cagni Park Project Fund – Major Fund
The Cagni Park Project Fund is classified as a major governmental fund for the FY 2025. This fund was established specifically to track the financial activity of the Cagni Park capital improvement project. As of September 30, 2025, the fund reported a deficit fund balance of ($9.3 million). This deficit is primarily due to project expenditures exceeding current recognized revenues. Because external sources partially fund this project, the City has recognized $5.0 million as "Due from other governments," representing anticipated reimbursements and grant funding. The remaining deficit is expected to be eliminated in future periods as additional intergovernmental revenues are received and project milestones are met. See Fund Financial Statements pages 27 and 28.

Other Governmental Funds (Nonmajor)
The combined ending fund balance for nonmajor governmental funds was $20.0 million as of September 30, 2025, compared with $19.7 million in the prior year. Non-major funds reported a net change in fund balance in FY 2025 of $3.9 million. In FY 2025, there were several fund changes within the financial reporting entity, see the Financial Statement Note 16. The positive change in fund balance for non-major funds was mainly from the Transportation Fund of $1.6 million and the Impact Fee Fund of $2.0 million. See Supplementary Information, Combining Statements, pages 127 and 134.

Significant items include:

- Half-Cent Transportation Surtax Fund: $6.7 million restricted for transportation improvements compared to FY 2024 of $4 million. The fund received more surtax receipts in FY 2025.
- Developer Impact Fees Fund: $6.1 million available for eligible capital projects and other initiatives.
- Neighborhood Stabilization Program (NSP): $0.4 million for housing rehabilitation.
- Law Enforcement Trust Fund and Federal Forfeiture: $0.2 million for public safety programs.
- Home Investment Partnership Program: $0.1 million for affordable housing activities.
- Nonmajor funds with negative fund balances (primarily FEMA Disaster Recovery and Justice Assistance Grants) totaled ($0.4 million), reflecting timing differences between expenditures and grant reimbursements.

Landfill Closure Fund – Non-Major Fund

For FY 2025, the Landfill Closure Fund no longer met the quantitative thresholds required by GASB Statement No. 34 for classification as a major fund. Consequently, the fund has been transitioned to the non-major governmental fund category. This reclassification is reflected as a restatement in the governmental fund financial statements to ensure accurate comparative reporting. See the Financial Statement Note 16.

The Landfill Closure Fund is restricted specifically for the remediation and long-term post-closure care of the City's former municipal landfill. As of September 30, 2025, the fund maintained a stable balance of $5.6 million, remaining consistent with the prior fiscal year. According to the most recent engineer's estimate, the long-term liability for post-closure care is approximately $5.6 million, indicating the fund is currently sufficient to meet its projected obligations. The fund continues to be supported by investment earnings and periodic adjustments based on updated cost assessments. See Financial Statement Note 11.

C.D.B.G Entitlement and American Rescue Plan (ARPA) – Non-Major Fund

Both of the aforementioned funds no longer met the quantitative thresholds established by GASB Statement No. 34 for classification as major funds in FY 2025. As a result, these funds have been transitioned to the non-major governmental fund category. To ensure accurate comparative reporting, the net fund balance has been restated within the governmental fund balance sheet to reflect this reclassification from major to non-major status. See the Financial Statement Note 16.

Internal Service Funds

Risk Management Fund

The Risk Management Fund reported a net position of $2.2 million as of September 30, 2025, compared with $1.2 million at the end of FY 2024, an increase of $1.0 million. Operating income for FY 2025 improved over the prior year, primarily due to a decrease in insurance claims by $1.7 million. Total assets of $7.7 million include cash and investments of $7.5 million and related receivables, with claims payable of $4.8 million representing the City's actuarially estimated self-insurance liability.

Fleet Management Fund

The Fleet Management Fund FY 2025 net position was $5.5 million, representing a $2.0 million increase over the $3.5 million reported in FY 2024. The fund remains essential to City operations, providing comprehensive fleet maintenance and vehicle replacement services to all municipal departments.

As of September 30, 2025, the fund's net investment in capital assets representing vehicles and equipment net of accumulated depreciation and any related debt totaled $3.2 million. This growth in net position reflects the City's commitment to maintaining a modern and efficient fleet to support diverse service requirements across the organization.

Fiduciary Funds

The City administers two defined benefit pension plans: the Clair T. Singerman Employees' Retirement System (CTS) and the North Miami Police Pension Plan (NMPP). These plans are not reflected in the government-wide financial statements, as the resources held in trust are not available to support the City's own programs and operations.

For FY 2025, both pension plans continued to benefit from favorable investment market conditions, with combined net investment income of $23.9 million from interest, dividends, and appreciation contributing to improved plan funding levels. Employer contributions for FY 2025, for both plans combined, were $7.8 million, consistent with the actuarially determined contribution. The City remains committed to meeting its long-term pension obligations and continues to monitor plan funding levels annually.

See the Financial Statements Note 1.

Capital Assets and Debt Administration

Capital Assets

As of September 30, 2025, the City's total investment in capital assets for its governmental and business-type activities was $151.1 million (net of accumulated depreciation). This total reflects an increase of $7.5 million, or 5.25%, from FY 2024 of $143.6 million. In FY 2025, a prior period adjustment occurred related to GASB 87 right to use leases, the calculation of which was adjusted and reflected in the FY 2025 ending balance. The majority of the increase was attributed to Cagni Park Project Fund expenditures. The City's capital portfolio includes land, buildings, infrastructure, and various types of machinery and equipment essential for municipal operations. See the Financial Statements Note 5 and Note 16. The following table summarizes the City's capital assets as of September 30, 2025, compared with September 30, 2024:

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Capital assets, not being depreciated:						
Land	$ 16,010,479	$ 16,010,479	$ 653,080	$ 653,080	$ 16,663,559	$ 16,663,559
Construction in progress	10,624,261	3,494,517	7,675,833	6,264,715	18,300,094	9,759,232
Total capital assets, not being depreciated	26,634,740	19,504,996	8,328,913	6,917,795	34,963,653	26,422,791
Capital assets, being depreciated, net:						
Land Improvements	19,531,008	19,451,864	1,249,069	1,249,069	20,780,077	20,700,933
Land - right-to-use	1,255,394	1,255,394	-	-	1,255,394	1,255,394
Buildings and improvements	38,764,100	38,163,518	2,559,179	2,549,278	41,323,279	40,712,796
Buildings - right-to-use	1,641,159	1,641,159	-	-	1,641,159	1,641,159
Infrastructure	68,571,898	67,198,295	102,268,018	100,807,921	170,839,916	168,006,216
Machinery and equipment	24,597,779	21,272,766	8,352,385	8,271,669	32,950,164	29,544,435
Equipment - right-to-use	170,047	170,047	7,969	7,969	178,016	178,016
Library books	2,525,882	2,509,450	-	-	2,525,882	2,509,450
Total capital assets, being depreciated	157,057,267	151,662,493	114,436,620	112,885,906	271,493,887	264,548,399
Accumulated depreciation:						
Land Improvements	(15,840,294)	(15,563,891)	(260,584)	(144,335)	(16,100,878)	(15,708,226)
Land - right-to-use	(400,453)	(300,340)	-	-	(400,453)	-
Buildings and improvements	(15,003,580)	(13,942,530)	(1,427,118)	(1,339,396)	(16,430,698)	(15,281,926)
Buildings - right-to-use	(610,228)	(448,185)	-	-	(610,228)	(448,185)
Infrastructure	(36,508,268)	(35,882,098)	(59,538,106)	(55,719,382)	(96,046,374)	(91,601,480)
Machinery and equipment	(17,192,745)	(16,036,668)	(6,013,021)	(5,823,368)	(23,205,766)	(21,860,036)
Equipment - right-to-use	(17,441)	-	(5,600)	(2,382)	(23,041)	(2,382)
Library books	(2,468,433)	(2,443,765)	-	-	(2,468,433)	(2,443,765)
Total accumulated depreciation	(88,041,442)	(84,617,477)	(67,244,429)	(63,028,863)	(155,285,871)	(147,346,000)
Total capital assets, being depreciated, net	69,015,826	67,045,016	47,192,190	49,857,043	116,208,015	117,202,399
Total Capital Assets, net	**$ 95,650,566**	**$ 86,550,012**	**$ 55,521,103**	**$ 56,774,838**	**$ 151,171,668**	**$ 143,625,190**

Governmental Activities – Capital Asset Changes: Significant changes include:

- Construction in Progress: The most significant capital asset activity occurred within construction in progress (CIP), which saw an increase of $7.1 million (or 202.9%). This growth reflects the City's active investment in multi-year infrastructure and park improvement projects—notably the Cagni Park redevelopment—and is net of a $1.1 million transfer out for completed projects shifted into service
- Acquisitions of machinery and equipment, including police vehicles, computers, and miscellaneous equipment, totaling approximately $3.7 million.
- Infrastructure improvements related to citywide road resurfacing, traffic calming measures, and pedestrian safety improvements of $1.0 million.
- FY 2024 reflects a prior period adjustment related to GASB 87 leases, which was recalculated for land right to use, net decrease of $0.3 million, building right to use, net decrease of $0.7 million, and equipment right to use, net increase of $0.15 million, totaling a net decrease adjustment of $0.9 million.
  See the Financial Statements Note 16.
- Depreciation expense for governmental activities was approximately $3.8 million for FY 2025.

Business-type Activities – Capital Asset Changes: Significant changes include:

- Continued investment in water distribution and sewer collection infrastructure, with capital outlay of approximately $1.6 million in the Water and Sewer Fund.
- Stormwater infrastructure improvements totaling approximately $0.6 million.
- Depreciation expense for business-type activities was approximately $4.5 million for FY 2025.

Long-term Debt

The following table summarizes the City's outstanding long-term debt as of September 30, 2025, compared with September 30, 2024:

	Governmental Activities		Business-type Activities		Totals	
		(Restated)				(Restated)
	2025	2024	2025	2024	2025	2024
Note payable	$ 6,020,000	$ 7,280,000	$ -	$ -	$ 6,020,000	$ 7,280,000
Unamortized bond discount	(123,585)	(166,484)	-	-	(123,585)	(166,484)
Redevelopment Revenue Bond, Series 2024 (CRA)	48,385,000	50,000,000	-	-	48,385,000	50,000,000
Unamortized bond premium - CRA	1,990,486	2,236,769	-	-	1,990,486	2,236,769
State revolving fund loan	-	-	3,875,119	4,176,769	3,875,119	4,176,769
Right-to-use lease obligation	4,889,261	4,164,231	305	1,861	4,889,566	4,166,092
Total	**$ 61,161,162**	**$ 63,514,516**	**$ 3,875,424**	**$ 4,178,630**	**$ 65,036,586**	**$ 67,693,146**

As of September 30, 2025, the City's total outstanding long-term debt was $65.0 million, representing a decrease of $2.6 million or -3.9% compared to the $67.7 million in FY 2024 restated. This overall reduction reflects the City's repayment of its bonded debt and other long-term obligations. The net decrease of $2.6 million is attributable to:

- Governmental Activities: Net increase primarily due to new right-to-use lease obligations of $2.2 million and prior period adjustment for lease obligation of $0.5 million, partially offset by scheduled repayments on notes of $1.3 million, lease obligations of $1.5 million, and the CRA revenue bonds of $1.6 million.
- Business-type Activities: Slight decrease due to scheduled principal repayments of $0.3 million for the state loans.

See the Financial Statements Note 6 and Note 16.

The City is subject to Florida Statutes governing debt limitations applicable to general obligation bonds, which require voter approval. The outstanding CRA revenue bonds are secured by tax increment revenues and do not constitute general obligations of the City.

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Currently Known Facts, Decisions, or Conditions

The Florida Legislature approved a proposed constitutional amendment, property tax reform, on June 2, 2026, that would significantly reduce property taxes for homestead properties. The measure will appear on the November 3, 2026 ballot and must receive at least 60% voter approval to take effect. Under the proposal, the homestead property tax exemption would increase from the current $50,000 to $150,000 in 2027 and to $250,000 in 2028, though the additional exemption would not apply to school district taxes. The amendment also restricts how local governments may use property tax revenues and imposes new caps on annual assessment increases for non-homestead properties. While the precise fiscal impact is not yet known, the resulting reduction in property tax revenue is expected to be substantial for the City.

In addition to property tax reform, the City continues to monitor economic and operational factors that may affect future financial performance, including changes in property tax values, inflationary pressures affecting operating and capital costs, and utility system maintenance requirements. Other factors that may impact the City are legislative, regulatory, and economic developments at the local, state, and federal levels that may affect revenues, expenditures, grant funding opportunities, and operational requirements

For its business-type activities, the City is closely monitoring utility operations to ensure that user charges remain sufficient to support operating costs, debt service requirements, and future capital replacement needs within the Water and Sewer and Stormwater Enterprise Funds. Rate sufficiency analyses and long-term capital planning remain an ongoing focus to preserve financial stability and service reliability.

Economic Factors and Next Year's Budgets and Rates

The City of North Miami continues to operate within a dynamic economic environment. The following economic factors were considered in preparing the FY 2026 budget:

- Property Values: Continued growth in Miami-Dade County property values, driven by strong real estate demand, new residential and commercial development, and ongoing urban revitalization, is expected to support property tax revenue growth in FY 2026. Property value growth is not expected at the same level in future years (see property tax reform above).
- Utility Rates: The City will continue to evaluate water, sewer, and stormwater utility rates to ensure adequate cost recovery and infrastructure improvements, in accordance with approved rate schedules.
- Personnel Costs: Collective bargaining agreements and merit adjustments for non-union employees will continue to be the primary cost driver. The City is committed to competitive compensation to attract and retain qualified personnel while managing costs and financial constraints.
- Infrastructure Investment: The City continues to analyze its capital improvement planning, with emphasis on water and sewer infrastructure renewal, park improvements, drainage improvements, and technology.
- Grant Funding: The City will continue to actively pursue federal, state, and county grant opportunities to supplement local funding for housing, transportation, public safety, and community development programs.

Request for Information

This financial report is designed to provide a general overview of the City of North Miami's finances to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the Finance Department at the address below or visit our website at: www.northmiamifl.gov.

City of North Miami, Finance Department
776 NE 125th Street

Basic Financial Statements

Government-wide Financial Statements

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Primary Government			
	Governmental Activities	**Business-type Activities**	**Total**	**Component Unit MOCA**
ASSETS				
Cash and cash equivalents	$ 90,560,855	$ 889,690	$ 91,450,545	$ 1,756,573
Investments	18,553,878	13,144,746	31,698,624	2,119,718
Receivables, net	6,555,618	32,534,908	39,090,526	1,296,711
Due from other governments	8,147,217	-	8,147,217	-
Inventories and supplies	69,611	892,984	962,595	-
Prepaids, deposits and other assets	2,363,011	138,026	2,501,037	61,366
Right to use lease receivable	6,563,814	-	6,563,814	-
Notes receivable	1,617,370	-	1,617,370	-
Restricted cash	18,190,751	-	18,190,751	-
Net pension asset	20,738,278	1,150,149	21,888,427	-
Capital assets not being depreciated	26,634,740	8,328,913	34,963,653	-
Capital assets being depreciated, net	69,015,832	47,192,190	116,208,022	-
Total assets	**269,010,975**	**104,271,606**	**373,282,581**	**5,234,368**
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow related to OPEB	1,729,884	255,950	1,985,834	-
Deferred outflow related to pensions	19,951,805	2,923,292	22,875,097	-
Total deferred outflows of resources	21,681,689	3,179,242	24,860,931	-
LIABILITIES				
Accounts payable and accrued liabilities	5,684,315	9,287,503	14,971,818	321,700
Construction contracts payable	412,615	79,688	492,303	-
Accrued payroll and benefits	2,187,459	512,139	2,699,598	-
Unearned revenues	12,599,441	-	12,599,441	-
Deposits and other liabilities	440,889	3,502,523	3,943,412	-
Interest payable	131,950	-	131,950	-
Noncurrent liabilities:				
Due within one year	7,867,156	813,474	8,680,630	-
Due in more than one year	137,957,539	10,821,539	148,779,079	-
Total liabilities	**167,281,364**	**25,016,866**	**192,298,231**	**321,700**
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow related to OPEB	3,551,066	542,803	4,093,869	-
Deferred inflow related to pensions	18,298,062	2,937,697	21,235,759	-
Deferred inflows related to leases	6,074,377	-	6,074,377	-
Deferred inflows related to other	5,000	-	5,000	886,501
Total deferred inflows of resources	27,928,505	3,480,500	31,409,005	886,501
NET POSITION				
Net investments in capital assets	90,348,696	51,565,991	141,914,687	-
Restricted for:				
Building and code compliance	12,685,068		12,685,068	
Capital projects	7,000,000		7,000,000	
Community redevelopment	53,724,609		53,724,609	
Culture and recreation	3,489,144		3,489,144	
Debt service reserve	4,078,875		4,078,875	
Grants and housing	1,332,543		1,332,543	
Impact fees other	1,792,189		1,792,189	
Landfill closure	5,561,865		5,561,865	
Law enforcement and public safety	868,175		868,175	
Transportation	7,231,334		7,231,334	
Net pension asset	20,738,278	1,150,149	21,888,427	
Unrestricted (deficit)/net position	(113,367,981)	26,237,342	(87,130,639)	4,026,166
Total net position	**$ 95,482,795**	**$ 78,953,482**	**$ 174,436,276**	**$ 4,026,166**

See notes to basic financial statements

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**	**Component Unit MOCA**
Primary government								
Governmental activities:								
General government	$ 38,861,491	$ 13,088,309	$ 487,383	$ -	$ (25,285,799)	$ -	$ (25,285,799)	$ -
Public safety and development services	41,959,591	10,094,093	343,767	-	(31,521,731)	-	(31,521,731)	-
Physical environment	145,648	4,900,372	-	-	4,754,724	-	4,754,724	-
Transportation and public works	7,982,272	111,439	4,206,643	-	(3,664,190)	-	(3,664,190)	-
Housing and social services	4,170,461	-	2,357,931	-	(1,812,530)	-	(1,812,530)	-
Culture and recreation	12,927,942	2,052,892	4,992,933	-	(5,882,117)	-	(5,882,117)	-
Development services (formerly CP&D)	2,984,355	1,089,623	137,980	279,183	(1,477,569)	-	(1,477,569)	-
Economic development	837,229	1,800	149,875		(685,554)		(685,554)	
Communications	1,370,589				(1,370,589)		(1,370,589)	
Interest	3,226,020	-	-	-	(3,226,020)	-	(3,226,020)	-
Total governmental activities	114,465,597	31,338,528	12,676,512	279,183	(70,171,374)	-	(70,171,374)	-
Business-type activities:								
Water and sewer	35,604,626	44,309,384	-	-	-	8,704,758	8,704,758	
Stormwater	1,739,463	2,930,486	-	-	-	1,191,023	1,191,023	-
Total business-type activities	37,344,089	47,239,870	-	-	-	9,895,781	9,895,781	-
Total primary government	**$ 151,809,686**	**$ 78,578,398**	**$ 12,676,512**	**$ 279,183**	**$ (70,171,374)**	**$ 9,895,781**	**$ (60,275,593)**	**$ -**
Component unit - MOCA	**$ 4,693,078**	**$ 106,329**	**$ 5,412,430**	**$ -**				**$ 825,681**

	Governmental Activities	Business-type Activities	Total	Component Unit MOCA
General revenues				
Taxes:				
Property taxes levied for general purposes	$ 48,399,459	$ -	$ 48,399,459	-
Utility taxes	4,859,937	-	4,859,937	-
Local option gas tax	740,697	-	740,697	-
Communication services tax	1,154,845	-	1,154,845	-
Franchise fees based on gross receipts	5,815,895	-	5,815,895	-
Intergovernmental not restricted to specific programs	9,465,287	-	9,465,287	-
Gain on sale of capital assets	133,436	27,850	161,286	-
Unrestricted investment earnings	1,649,553	-	1,649,553	239,448
Miscellaneous revenues	8,254,555	594,833	8,849,388	35,189
Total general revenues	80,473,664	622,683	81,096,347	274,637
Transfers	10,110,423	(10,110,423)	-	-
Total general revenues and transfers	90,584,087	(9,487,740)	81,096,347	274,637
Change in net position	20,412,712	408,041	20,820,753	1,100,318
Net position, beginning, as previously reported 09/30/2024	76,085,779	78,545,441	154,631,220	2,925,848
Error correction prior period adjustments	(1,015,697)	-	(1,015,697)	-
Net position, beginning, as restated 09/30/2024	75,070,082	78,545,441	153,615,523	2,925,848
Net position, ending 09/30/2025	**$ 95,482,794**	**$ 78,953,482**	**$ 174,436,276**	**$ 4,026,166**

See notes to basic financial statements

Fund Financial Statements

CITY OF NORTH MIAMI, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General	CRA	Building Fund	Cagni Park	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 7,173,814	$ 54,315,977	$ 11,679,267	-	$ 12,167,587	$ 85,336,645
Pooled investments	5,688,601	-	1,501,622	-	5,186,507	12,376,730
Receivables, net	6,247,492	5,282	362	-	119	6,253,255
Due from other governments	849,438	-	-	4,963,529	2,310,125	8,123,092
Due from other funds	11,207,642	-	-	-	-	11,207,642
Due from component unit	299,035	-	-	-	-	299,035
Prepaids, deposits and other current assets	1,960,397	44,778	122,759	-	-	2,127,934
Right to use lease receivable	6,563,814	-	-	-	-	6,563,814
Restricted cash	7,000,000	4,078,875	-	-	7,111,876	18,190,751
Notes receivable	1,617,370	-	-	-	-	1,617,370
Total Assets	48,607,603	58,444,912	13,304,010	4,963,529	26,776,214	152,096,268
LIABILITIES						
Accounts payable	3,546,044	292,615	128,897	695,006	724,702	5,387,264
Construction contracts payable	362,465	-	-	-	13,378	375,843
Accrued payroll and benefits	1,765,738	-	78,187	-	30,643	1,874,568
Due to other funds	-	-	-	8,586,334	2,621,308	11,207,642
Due to primary government	-	299,035	-	-	-	299,035
Unearned revenues	9,666,426	-	-	-	2,933,013	12,599,439
Deposits and other liabilities	128,269	5,000	289,099	-	19,720	442,088
Total Liabilities	15,468,942	596,650	496,183	9,281,340	6,342,764	32,185,879
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues - from other sources	3,332,126	-	-	4,961,610	407,052	8,700,788
Unavailable revenues - lease related items	6,074,377	-	-	-	-	6,074,377
Unavailable revenue from notes receivable	1,617,370	-	-	-	-	1,617,370
Total deferred inflows of resources	11,023,873	-	-	4,961,610	407,052	16,392,535
FUND BALANCES (DEFICITS)						
Non-spendable	1,960,397	44,778	122,759	-	-	2,127,934
Restricted:					-	-
Building and code compliance	-	-	12,685,068	-	-	12,685,068
Capital projects	7,000,000				-	7,000,000
Community redevelopment	-	53,724,609	-	-	-	53,724,609
Culture and recreation	-	-	-	-	3,489,144	3,489,144
Debt service reserve	-	4,078,875	-	-	-	4,078,875
Grants and housing	-	-	-	-	1,332,543	1,332,543
Impact fees other	-	-	-	-	1,792,189	1,792,189
Landfill Closure	-	-	-	-	5,561,865	5,561,865
Law enforcement and public safety	-	-	-	-	868,175	868,175
Pension obligation bond	-	-	-	-	158,692	158,692
Transportation	-	-	-	-	7,231,334	7,231,334
Unassigned (deficit)	13,154,390	-	-	(9,279,421)	(407,544)	3,467,425
Total Fund Balances	22,114,787	57,848,262	12,807,827	(9,279,421)	20,026,398	103,517,853
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	**$ 48,607,603**	**$ 58,444,912**	**$ 13,304,010**	**$ 4,963,529**	**$ 26,776,214**	**$ 152,096,268**

See notes to basic financial statements.

CITY OF NORTH MIAMI, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Fund balance - total governmental funds		**$**	**103,517,853**
Amounts reported for governmental activities in the statement of net position (page 32) are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			89,909,783
Certain revenues are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the governmental funds.			
Other unavailable revenues	8,700,788		
Unavailable revenues relating to loans receivable	1,617,367		
			10,318,155
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:			
Unamortized bond discount	123,585		
Unamortized bond premium	(1,990,486)		
Bonds and loans payable	(54,405,000)		
Leases payable	(2,310,469)		
Compensated absences liability	(10,497,845)		
Landfill closure liability	(12,150,848)		
Claims payable	(435,864)		
Net pension liability	(45,478,988)		
Total other post-employment benefit (OPEB) liability	(10,540,889)		
			(137,686,804)
Accrued interest payable			(131,950)
Net deferred outflows (inflows) for pensions and OPEB which are not recognized under the modified accrual basis of accounting			21,824,431
Assets and liabilities of internal service funds are included in governmental activities statement of net position.			7,731,326
Net position of governmental activities		**$**	95,482,794

See notes to basic financial statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	General	CRA	Building Fund	Cagni Park	C.D.B.G. Entitlement	Landfill Closure	American Rescue Plan Act (ARPA)	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES									
Ad valorem taxes	$ 31,284,017	$ 17,115,442	-	-	-	-	-	$ -	$ 48,399,459
Utility and communication taxes	6,014,782	-	-	-	-	-	-	-	6,014,782
Charges for services:			-	-	-	-	-		
Sanitation fees	4,900,372	-	-	-	-	-	-	-	4,900,372
Other	3,188,787	-	-	-	-	-	-	1,916,612	5,105,399
Franchise fees	5,815,895	-	-	-	-	-	-	19,266	5,835,161
Fines and forfeitures	575,778	-	-	-	-	-	-	-	575,778
Intergovernmental	10,264,879	-	-	-	-	-	-	7,719,129	17,984,008
Licenses and permits	1,207,204	-	6,740,253	-	-	-	-	-	7,947,457
Interest and other earnings	10,591,182	591,571	66,156	-	-	-	-	771,629	12,020,538
Rents and royalties	1,312,334	-	-	-	-	-	-	-	1,312,334
Total revenues	75,155,230	17,707,013	6,806,409	-	-	-	-	10,426,636	110,095,288
EXPENDITURES									
Current:									
General government	19,198,765	4,898,409	-	-	-	-	-	580,460	24,677,634
Public safety and neighborhood services	41,204,292	-	3,018,134	-	-	-	-	414,036	44,636,462
Physical environment	4,882,317	-	-	-	-	-	-	2,594,373	7,476,690
Housing and social services	1,918,023	-	-	-	-	-	-	2,120,528	4,038,551
Culture and recreation	12,306,204	-	-	-	-	-	-	14,030	12,320,234
Development services (formerly CP&D)	1,194,943	6,236,696	-	-	-	-	-	-	7,431,639
Economic development	837,229	-	-	-	-	-	-	-	837,229
Communications	1,370,589	-	-	-	-	-	-	-	1,370,589
Debt service:									
Principal retirement	249,055	1,615,000	-	-	-	-	-	1,265,068	3,129,123
Interest and fiscal charges	-	2,459,625	-	-	-	-	-	527,799	2,987,424
Capital outlay	1,640,840	-	60,153	8,215,251	-	-	-	707,695	10,623,939
Total expenditures	84,802,257	15,209,730	3,078,287	8,215,251	-	-	-	8,223,989	119,529,514
Excess (deficiency) of revenues over (under) expenditures	**(9,647,027)**	**2,497,283**	**3,728,122**	**(8,215,251)**	-	-	-	**2,202,647**	**(9,434,226)**
OTHER FINANCING SOURCES (USES)									
Debt issued	-	-	-	-	-	-	-	-	-
Transfers in	11,759,983	-	-	-	-	-	-	1,786,324	13,546,307
Transfers out	(1,418,605)	-	(1,889,800)	-	-	-	-	(18,691)	(3,327,096)
Total other financing sources (uses)	10,341,378	-	(1,889,800)	-	-	-	-	1,767,633	10,219,211
Net change in fund balances/(deficits)	694,351	2,497,283	1,838,322	(8,215,251)	-	-	-	3,970,280	784,985
Fund balances, beginning, as previously reported	21,000,270	55,350,979	-	-	101,181	5,617,101	566,477	19,676,694	102,312,702
Change within financial reporting entity major to non major fund	-	-	-	-	(101,181)	(5,617,101)	(566,477)	6,284,759	-
Change within financial reporting entity non major to major fund	-	-	10,969,505	(1,064,170)	-	-	-	(9,905,335)	-
Error correction prior period adjustments	420,166	-	-	-	-	-	-	-	420,166
Fund balances, 09/30/2024 as adjusted or restated	21,420,436	55,350,979	10,969,505	(1,064,170)	-	-	-	16,056,118	102,732,868
Fund balances, 09/30/2025	**$ 22,114,787**	**$ 57,848,262**	**$ 12,807,827**	**$ (9,279,421)**	**$ -**	**$ -**	**$ -**	**$ 20,026,398**	**$ 103,517,853**

See notes to basic financials statements.

CITY OF NORTH MIAMI, 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, 2025

Net change in fund balances - total governmental funds		**$**	**784,985**
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is depreciated over their estimated useful lives:			
Expenditures for capital and right-to-use assets	10,623,939		
Less current year depreciation	(2,632,385)		
			7,991,554
Net effect of various miscellaneous transactions involving capital assets (i.e. termination of right-to-use leased assets, donations etc.) is to increase net position.			9,407,589
Certain revenues are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues:			
Grants	(1,647,297)		
Other revenues	(3,178,940)		
			(4,418,043)
Governmental funds do not report deferred outflows (inflows) related to pensions and OPEB. However, in the statement of activities, changes in these balances are recognized as adjustments to revenues and expenses.			(20,231,689)
Issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal is an expenditure in the governmental funds. The issuance increases long-term liabilities while the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums and discounts and similar items when debt is first issued whereas those amounts are deferred and amortized in the statement of activities over time:			
Amortization of bond discount	(42,899)		
Principal paid on bonds, loans and lease obligations	1,200,998		
			1,158,099
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds:			
Compensated absences	(1,120,596)		
Landfill and closure cost	287,943		
Total OPEB liability	(684,527)		
Net pension liability	24,179,520		
			22,662,340
Internal service funds are used by management to charge the costs of self insurance and fleet management services to individual funds. The change in net position of the internal service funds is reported with governmental activities.			3,057,877
Change in net position of governmental activities		**$**	**20,412,711**

PROPRIETARY FUNDS

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Business-type Activities - Enterprise Funds			Activities
	Water and Sewer	Stormwater	Total Enterprise Funds	Internal Service Funds
ASSETS				
Current assets:				
Cash and cash equivalents	$ -	$ 889,690	$ 889,690	$ 5,224,212
Pooled investments	12,751,298	393,448	13,144,746	6,177,148
Accounts receivables, net of allowance	30,810,087	1,724,821	32,534,908	3,328
Grants receivables from other governments	-	-	-	24,124
Inventories and supplies	892,984	-	892,984	69,611
Prepaids and deposits	136,451	1,575	138,026	235,077
Total current assets	44,590,820	3,009,534	47,600,354	11,733,500
Non-current assets:				
Net pension asset	920,120	230,029	1,150,149	48,241
Capital assets, net	48,180,158	7,340,945	55,521,103	5,740,789
Total non-current assets	49,100,278	7,570,974	56,671,252	5,789,030
Total assets	93,691,098	10,580,508	104,271,606	17,522,530
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow related to OPEB	225,556	30,394	255,950	40,373
Deferred outflow related to pension	2,607,051	316,241	2,923,292	1,475,977
Total deferred outflows of resources	2,832,607	346,635	3,179,242	1,516,350
LIABILITIES				
Current liabilities:				
Accounts payable	9,013,943	273,560	9,287,503	284,590
Constructions contracts payable	79,688	-	79,688	2,023
Accrued payroll and benefits	473,084	39,055	512,139	61,067
Deposits and performance bonds	3,502,525	-	3,502,525	-
Compensated absences	387,561	24,268	411,829	116,389
Loans and leases payable	304,216	-	304,216	993,996
Total OPEB liability	84,721	12,708	97,429	14,518
Total current liabilities	13,845,738	349,591	14,195,329	1,472,583
Non-current liabilities:				
Compensated absences	1,127,725	59,861	1,187,586	397,524
Loans and leases payable	3,571,208	-	3,571,208	1,584,796
Claims payable	-	-	-	4,754,824
Net pension liability	3,771,798	693,960	4,465,760	2,011,252
Total OPEB liability	1,369,348	227,637	1,596,985	275,848
Total non-current liabilities	9,840,080	981,458	10,821,539	9,024,243
Total liabilities	23,685,817	1,331,049	25,016,866	10,496,827
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow related to other	-	-	-	5,000
Deferred inflow related to OPEB	467,242	75,561	542,803	105,111
Deferred inflow related to pension	2,532,973	404,724	2,937,697	700,616
Total deferred inflows of resources	3,000,215	480,285	3,480,500	810,727
NET POSITION				
Net investment in capital assets	44,225,046	7,340,945	51,565,991	3,159,974
Restricted for:				
Net pension asset	920,120	230,029	1,150,149	48,241
Unrestricted	24,692,507	1,544,835	26,237,342	4,523,111
Total net position	$ 69,837,673	$ 9,115,809	$ 78,953,482	$ 7,731,326

See notes to basic financial statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Stormwater	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES				
Water fees	$ 21,654,998	$ -	$ 21,654,998	$ -
Sanitary sewer fees	21,953,196	-	21,953,196	-
Stormwater charges	-	2,930,486	2,930,486	-
Premiums and charges for services provided to other funds	-	-	-	8,841,113
Other revenues	701,190	-	701,190	175,674
Total operating revenues	44,309,384	2,930,486	47,239,870	9,016,787
OPERATING EXPENSES				
Personnel services	6,744,509	325,688	7,070,197	1,455,366
Wholesale water cost and sewage disposal	18,680,274	-	18,680,274	-
Materials, supplies, services and other operating expenses	6,048,748	1,058,644	7,107,392	2,977,135
Insurance claims	-	-	-	572,343
Depreciation	4,101,847	355,131	4,456,978	1,199,761
Total operating expenses	35,575,378	1,739,463	37,314,841	6,204,605
Operating income/(loss)	**8,734,006**	**1,191,023**	**9,925,029**	**2,812,182**
Noncapital subsidies				
Transfers in	55,000	-	55,000	-
Transfers out	(8,864,586)	(1,300,837)	(10,165,423)	(108,788)
Total noncapital subsidies	(8,809,586)	(1,300,837)	(10,110,423)	(108,788)
NON-OPERATING REVENUES (EXPENSES)				
Interest income	577,499	17,334	594,833	272,825
Gain from sale of capital assets	27,850	-	27,850	133,436
Other non-operating revenues	-	-	-	-
Interest expense	(29,248)	-	(29,248)	(51,778)
Total non-operating revenues	576,101	17,334	593,435	354,483
Operating income/(loss) and noncapital subsidies	9,310,107	1,208,357	10,518,464	3,166,665
Increase (decrease) in net position	500,521	(92,480)	408,041	3,057,877
Net position, beginning	69,337,152	9,208,289	78,545,441	4,673,449
Net position, ending	**$ 69,837,673**	**$ 9,115,809**	**$ 78,953,482**	**$ 7,731,326**

See notes to basic financial statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Stormwater Utility	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	$ 43,608,194	$ 2,930,486	$ 46,538,680	$ -
Cash receipts from other funds for premiums and charges for services	-	-	-	8,841,113
Other cash receipts	701,190	-	701,190	175,674
Payments to employees	(6,744,509)	(325,688)	(7,070,197)	(1,455,366)
Payments for wholesale water & sewer	(18,680,274)	-	(18,680,274)	-
Payments to suppliers	(6,539,550)	(1,012,234)	(7,551,784)	(3,168,535)
Payments for claims	-	-	-	(572,343)
Payments for interfund services	(3,152,836)	(26,988)	(3,179,824)	-
Net cash (used in) provided by operating activities	9,192,215	1,565,576	10,757,791	3,820,543
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Grants and other revenues	-	-	-	-
Transfers in	55,000	-	55,000	-
Transfers out	(8,864,586)	(1,300,837)	(10,165,423)	(108,788)
Net cash provided by (used in) non-financing activities	(8,809,586)	(1,300,837)	(10,110,423)	(108,788)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from loan	-	-	-	-
Principal paid on bonds, notes and leases	(303,206)	-	(303,206)	(1,046,732)
Interest paid on bonds, notes and leases	(29,248)	-	(29,248)	(51,778)
Acquisition and construction of capital assets	(2,557,613)	(645,631)	(3,203,244)	(1,074,506)
Net cash used in lease and related financing activities	(2,862,217)	(645,631)	(3,507,848)	(2,039,580)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(520,490)		(520,490)	(272,825)
Interest earnings	577,499	-	577,499	272,825
Net cash used in investing activities	57,009	-	57,009	-
Net (decrease) increase in pooled cash and cash equivalents	(2,422,579)	(380,892)	(2,803,471)	1,672,175
Pooled cash and cash equivalents, beginning	2,422,579	1,270,582	3,693,161	3,552,038
Pooled cash and cash equivalents, ending	$ -	$ 889,690	$ 889,690	$ 5,224,212
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES:				
Operating (loss)	$ 8,734,006	$ 1,191,023	$ 9,925,029	$ 2,812,182
Adjustments to reconcile operating income (loss) to net cash (used in) provided by operating activities:				
Depreciation expense	4,101,847	355,131	4,456,978	1,199,761
Changes in assets and liabilities, deferred inflows and outflows of resources:				
(Increase) decrease in accounts receivable	(6,620,940)	173,633	(6,447,307)	14,888
(Increase) decrease in grants receivable from other governments	-	-	-	(12,220)
(Increase) decrease in inventories and supplies	(78,060)	-	(78,060)	2,016
(Increase) decrease in prepaids and deposits	-	-	-	(134,602)
(Increase) decrease in net pension asset	(745,398)	(186,237)	(931,635)	12,978
(Increase) decrease in deferred outflows of resources	148,489	29,455	177,944	16,030
Increase (decrease) in vouchers payable	2,015,214	(148,499)	1,866,715	188,356
Increase (decrease) in constructions contracts payable	(163,145)	-	(163,145)	-
Increase (decrease) in accrued payroll and benefits	294,373	6,646	301,019	17,247
Increase (decrease) in deposits and performance bonds	(2,636)	-	(2,636)	-
Increase (decrease) in compensated absences	343,871	8,693	352,564	(155,023)
Increase (decrease) in claims payable	-		-	(7,742)
Increase (decrease) in other post-employment benefits obligation	90,211	7,212	97,423	68,801
Increase (decrease) in net pension liability	309,496	19,527	329,023	(438,077)
Increase (decrease) in deferred inflows of resources	764,887	108,992	873,879	235,948
Net cash (used in) provided by operating activities	$ 9,192,215	$ 1,565,576	$ 10,757,791	$ 3,820,543
Non-cash investing, capital and financing activities:				
Construction contracts payable	79,688	-	79,688	2,023
Total non-cash investing, lease and financing activities	$ 79,688	$ -	$ 79,688	$ 2,023

See notes to basic financial statements.

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PENSION FUNDS

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF FIDUCIARY FUNDS NET POSITION
SEPTEMBER 30, 2025

	Pension Trust Funds
ASSETS	
Cash	$ 102,446
Investments:	
Short-term investments	6,867,665
U.S. treasuries	15,895,428
U.S. agency obligations	19,758,752
Corporate bonds	2,250,623
Equity mutual funds	42,135,996
Common stock and mutual funds	85,189,614
Real estate funds	41,316,179
Bond index fund	29,910,762
Index funds (collective investment trust funds)	65,323,614
Total investments	308,648,633
Receivables:	
Plan members' contributions	27,076
Due from participants	514
CNM Share Plan	-
Receivable from broker on investments sold	203,945
Due from State	625,982
Due from 592 Plan	31,997
Accrued interest	238,178
Accrued dividends	37,264
Total receivables	1,207,983
Total assets	309,959,062
LIABILITIES	
Accounts payable	97,061
Payable to broker for investments purchased	169,323
Benefits payable	6,753
Total liabilities	273,137
NET POSITION	
Net position restricted for pension benefits	$ 309,685,925

See notes to basic fiancial statements

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY FUNDS NET POSITION
FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Pension Trust Funds
ADDITIONS	
Contributions:	
Employer	$ 7,028,910
Plan members	1,445,794
County	711,409
Total contributions	9,186,113
Investment income:	
Net increase (decrease) in fair value of investments	17,025,996
Interest	2,501,647
Dividends	4,368,563
Gross investment income	23,896,206
Less investment expenses	(845,854)
Other Additions	3,964,563
Net investment income	27,014,915
Total additions	36,201,028
DEDUCTIONS	
Benefits paid directly to Plan members:	
Normal retirement (pension benefits)	15,276,256
Lump sum retirement	4,094,148
Total benefits paid	19,370,404
Administrative expenses	1,632,695
Total deductions	21,003,099
Increase in net position	15,197,929
Net position restricted for pension benefits, beginning	294,487,996
Net position restricted for pension benefits, ending	$ 309,685,925

See notes to basic financial statements

Notes to Basic Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of North Miami (the "City"), located in Miami-Dade County, Florida, was incorporated in 1926. The City operates under a Council-Manager form of government and provides the following services: general government, public safety, public works, water and sewer utility, stormwater management, culture and recreation, including library services and community planning and development.

The accounting policies of the City conform to generally accepted accounting principles ("GAAP"), in the United States for local governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the City's significant accounting policies applied in the preparation of the accompanying financial statements are described below.

A. FINANCIAL REPORTING ENTITY

The financial reporting entity covered by this report includes the City and its component units. The reporting entity has been defined in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards (Section 2100). The accompanying financial statements include those of the City (the primary government) and those of its component units. Component units are legally separate organizations for which the primary government is financially accountable or organizations that should be included in the City's financial statements because of the nature and significance of their relationship with the primary government. GASB Codification Section 2100 provides guidance for the inclusion of a legally separate entity as a component unit of an entity. The application of this guidance provides for the identification of entities for which the City is financially accountable or organizations for which the nature and significance of their relationship with the City are such that exclusions would cause the City's basic financial statements to be misleading or incomplete.

Based upon the application of GASB Codification Section 2100, the component units listed below have been included in the City's reporting entity as either blended or discretely presented component units.

Blended component units, although legally separate entities, are in substance part of the City's operations. Accordingly, data from these component units are included with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the financial statements, when applicable, to emphasize that they are legally separate from the City. The financial balances and activities for each blended and discretely presented component unit are as of and for the year ended September 30, 2025.

Blended Component Unit

North Miami Community Redevelopment Agency (CRA) – The CRA was created on June 7, 2004, in accordance with Chapter 163.356, Florida Statutes, to establish and carry out redevelopment objectives in economically deprived areas of the City. The CRA, whose board members are the same as the City Council's, provides services that exclusively benefit the City.

The CRA is fiscally dependent on the City because the City Council approves the CRA's budget, levies taxes, and must approve any debt issuances. Complete financial statements for the CRA can be obtained by writing to: Director, North Miami Community Redevelopment Agency, 776 N.E. 125 Street, North Miami, Florida 33161.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Discretely Presented Component Unit

Museum of Contemporary Art ("MOCA") - MOCA is a non-profit organization established by City Ordinance in 1980 to provide cultural benefits to the City. The museum is operated and managed by a board of trustees, which was established to consist of a minimum of eleven (11) members and a maximum of thirty-one (31) members, including: one (1) ex officio (non-voting) member from the staff of the City selected by the City Manager and the Mayor as a voting member. Each member of the City Council can appoint two (2) members to the board. The remaining members, not to exceed twenty (20) members, can be appointed by the board of trustees.

In 2008, the City entered into a management agreement with MOCA and its board of trustees under which the City primarily funds the operations of the museum based on its annual budget. The building, land and most of the furniture and equipment, which approximates $2.9 million, is owned by the City and the City is also obligated to maintain and repair the museum's facilities.

Complete financial statements for MOCA can be obtained by writing to: Director, Museum of Contemporary Art, 770 N.E. 125 Street, North Miami, Florida 33161.

Related Entity

The following related entities do not meet the criteria for component units and are not included in the City's financial statements. City Officials appointed the initial boards and continue to appoint members to the boards of the following organizations. The City's accountability for these organizations does not extend beyond making appointments:

North Miami Educational Foundation Inc. ("NMEF Foundation") – The NMEF is a non-profit organization incorporated in 2012. The original purpose of the NMEF was to provide financial assistance to at-risk students and economically disadvantaged residents in their pursuit of. education. The NMEF Foundation's founding board of nine members was selected by the City Council. The City awarded an initial contribution of $350,000 to establish an endowment fund. An investment firm holds the funds and the earnings are used to fund the mission of the NMEF.

North Miami Low Income Home Utility Bills Assistance Foundation, Inc. ("Foundation") – The Foundation is a non-profit organization incorporated in 2018. The original purpose of the Foundation was to provide funding for an emergency utilities assistance program - NOMI Water Bill Assistance Program (the "Program") and to solicit and accept contributions from the public, or private institutions and governmental agencies to support the Program. The goal of the Program was to provide North Miami residents with emergency assistance with past due utility bills to ensure the safety of residents. The Foundation's founding board of seven was selected by the City Council. A third party coordinates the operations of the Foundation to ensure the mission of the Foundation is achieved.

NOMI Food Pantry, Inc. ("Pantry") – The Pantry is a non-profit organization incorporated in 2021. The purpose of the Pantry is to provide a stable source of nutrition to economically disadvantaged North Miami residents experiencing financial hardship, and to solicit and accept contributions from the public, public or private institutions, and governmental agencies to achieve the goals, purposes, and mission of the Pantry. The Pantry has a seven-member board of directors selected by the City Council.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities report information on all the non-fiduciary activities of the City and its component units. 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 user fees and charges to recover their costs and for capital renewal.

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 clearly identifiable with a specific function or segment. Program revenues include:

(1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and

(2) grants and contributions 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 instead as general revenues. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter is 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. The remaining non-major governmental funds are aggregated and reported as non-major governmental funds as a separate column.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds and fiduciary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within 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, claims and judgments, pension, postemployment benefits other than pensions, and landfill closure cost are recorded only when payment is due. General capital asset acquisitions, including contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. The issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, franchise fees and other taxes, licenses, permits, intergovernmental revenues, non-utility charges forgiveness, rent royalties and interest associated with the current fiscal period are all considered

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

to be subject to accrual and are recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **CRA Fund** accounts for incremental tax revenues received from the City and Miami-Dade County to finance redevelopment projects intended to stimulate rehabilitation or development in the CRA area.

The **Building Fund** accounts for license and permit revenues and is responsible for Florida Building-related plans and inspections, which safeguard the public safety and general welfare of our residents.

The **Cagni Park Fund** accounts for funding with Miami-Dade County and Miami-Dade Schools to design and construct a new recreation complex.

The City reports the following major proprietary funds:

The **Water and Sewer Utility Fund** accounts for the activity related to providing water treatment and distribution services and sewage treatment to all areas within the City limits and certain cities outside the City limits.

The **Stormwater Utility Fund** accounts for the activity of the City's stormwater systems and pollution resulting from stormwater runoff.

Additionally, the City reports the following fund types:

The **Internal Service Funds** account for the cost of insuring the City in the areas of workers' compensation and general liability risks, and providing fleet management services to other departments on a cost-reimbursement basis.

The **Pension Trust Funds** Clair T. Singerman Employee Retirement System (CTS) and North Miami Police Pension Plan (NMPP) are used to account for the City's two single-employer defined benefit pension plans. The Clair T. Singerman Plan and the Police Pension Plan were frozen to new participants in June 2016 and December 2016, respectively. Employees hired after such date participate in the State of Florida Retirement System (FRS).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reconciliation of Government-wide and Fund Financial Statements

A summary reconciliation of the difference between total fund balances as reflected on the governmental funds balance sheet and total net position for governmental activities as shown on the government-wide statement of net position is presented in an accompanying schedule to the governmental funds balance sheet. The asset, liability and deferred inflow/outflow of resource elements that comprise the reconciliation differences stem from governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting, while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting.

A summary reconciliation of the differences between net changes in fund balances as reflected on the governmental funds statement of revenues, expenditures, and changes in fund balances, and changes in net position for governmental activities as shown on the government-wide statement of activities, is presented in an accompanying schedule to the governmental funds statement of revenues, expenditures, and changes in fund balances. The revenue and expense elements, which comprise the reconciliation differences, stem from governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting, while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's various utility and other functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

In the government-wide statement of activities, amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes with the exception of local option fuel taxes and the half-cent transportation surtax. Proceeds from these taxes are used to fund transportation-related expenditures and, therefore, are reported as *program revenues* under the function "transportation".

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's ongoing operations.

The principal operating revenues of the City's water and sewer fund, stormwater utility fund and internal service fund, are charges for services. Operating expenses for enterprise funds and internal service funds include the costs 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.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources when they are needed. Unrestricted resources include committed, assigned and unassigned amounts, which are available and can be used for the intended purpose. When unrestricted resources are available for use, it is the City's policy to use committed resources first, then assigned and then unassigned as they are needed.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE

1. Cash, Cash Equivalents and Investments

The City's cash and cash equivalents include cash on hand, time and demand deposits, and short-term investments consisting primarily of collateralized interest on public funds, checking accounts and investments with the State Board of Administration Investment Pool. The City pools cash from most of its funds for accounting and investment purposes. This gives the City the ability to maximize earnings potential for significant cash balances. The relationship of an individual fund to the pooled cash account is similar to that of a demand deposit account. Individual funds can withdraw cash from the account as needed and, therefore, all equity in the pooled cash is considered highly liquid.

Resources of all funds, except the pension trust funds and certain other cash and investment accounts, which are maintained in accordance with legal requirements, 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 based on equity balances of the respective funds.

The types of investments that can be purchased and held by the City are governed by the City's investment policy and the provisions of Florida Statutes Section 218.415. Under City policy and the statute, authorized investments are limited, unless otherwise authorized by law or ordinance, to the State Board of Administration Investment Pool, money market funds, direct or unconditionally guaranteed obligations of the United States Government, obligations of certain governmental agencies, interest-bearing time deposits or savings accounts. Cash and cash equivalents, for purposes of the statement of cash flows, include cash and investments that are defined as short-term, highly liquid investments with original maturities of three months or less when purchased.

Investments

Certain investments are recorded at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Certain investments are recorded at net asset value (NAV) per share. This method of determining fair value uses member units to which a proportionate share of net assets is attributed. Certain investments are recorded at amortized cost.

The fair value hierarchy established by GASB Statement 72 categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 – Investments' fair values based on prices quoted in active markets for identical assets.

Level 2 – Investments' fair values based on observable inputs for the assets either directly or indirectly, other than those considered Level 1 inputs, which may include quoted prices for identical assets in markets that are not considered to be active, and quoted prices of similar assets in active or inactive markets.

Level 3 – Investments' fair values based upon unobservable inputs.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net appreciation or depreciation in fair value of investments includes realized and unrealized gains and losses. Realized gains and losses are determined on the basis of specific cost. Purchases and sales of securities are recorded on the trade-date. Dividends are recorded on the ex-dividend date.

Alternative investments are measured at net asset value based on their proportionate share of the value of the investments as determined by the fund managers and are valued according to methodologies, which include pricing models, discounted cash flow models and similar techniques.

Real estate partnerships provide quarterly valuations to management. Individual properties are valued by the investment management at least annually and are adjusted as frequently as quarterly if material market or operational changes have occurred. Properties are generally externally appraised every one to five years, depending on the investment. Annual audits of partnerships include a review of compliance with each partnership's valuation policies.

Collective investment trusts are valued by obtaining fair values of the underlying holdings using reputable pricing sources and computing an overall net asset value per share. The holdings within each fund are publicly traded securities. The funds have daily openings whereby contributions and withdrawals can be made daily.

2. Interfund Receivables, Payables and Transfers

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

3. Receivables

All trade and other receivables are shown net of an allowance for uncollectable amounts. Long-term receivables are analyzed for their collectability based on the terms and conditions of the agreements. In addition to those receivables specifically identified as uncollectable based on management's assessment of individual creditor's ability to pay, a general allowance is calculated based on the City's historical collection experience to ensure all receivables are recorded at their net realizable value.

Water and wastewater charges to customers are based on actual water consumption. The City recognizes revenue and a related receivable for the estimated unbilled consumption as of September 30th of each year.

4. Inventories and Prepaids

Inventories consist principally of materials and supplies held for consumption and are recorded at cost. In governmental funds, the cost of inventories are recorded as expenditures at the time of purchase since such amounts are not material to the financial statements. In the proprietary funds, the cost of inventories are recorded as expenses when consumed. Certain payments to vendors reflect costs applicable to the future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Such costs are recognized during the period benefited by the prepayment (consumption method).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Capital Assets

Capital assets, which include land, buildings, machinery, equipment, and infrastructure assets (e.g., utility lines, roads, bridges, sidewalks, and similar items) are reported at cost or estimated historical cost in the applicable governmental or business-type activities columns in the government-wide financial statements. Donated capital assets are recorded at their acquisition value at the date of donation. The City's capitalization thresholds are: $1,000 for equipment and $5,000 each for land, buildings, and infrastructure items.

The City's capitalization threshold for intangible assets is $30,000 for software and $75,000 for easements. The costs of normal maintenance and repairs that do not increase the capacity or efficiency of the asset or materially extend asset lives beyond one year are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right-to-use leased equipment, right-to-use SBITAs and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

Asset Categories	Years
Buildings	50
Building & land improvements	20
Computer equipment	3-4
Intangibles	5-25
Land improvements	20
Library books	5
Office equipment	3-10
Public domain infrastructure	10-50
Right-to-use leased buildings	11-33
Right-to-use leased equipment	5-20
System & Public domain infrastructure	5-50
Vehicles, and other outdoor equipment	3-10

6. Use of Estimates and Rounding

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, such estimates may ultimately differ from actual results.

The tables within the notes to the financial statements may not be exact due to rounding.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Deferred Outflows/Inflows of Resources

Deferred Outflows and Inflows of Resources

The Statement of Net Position also includes a separate section for deferred outflows of resources. This represents the consumption of net assets applicable to future periods and will be recognized as expenses in the future period to which it applies. The City currently reports deferred outflows related to debt refunding, pensions and other post-employment benefits (OPEB).

The deferred outflow relating to debt (loss on debt refunding) includes the difference between the carrying value of refunded debt and its reacquisition price. Because new sources were used for the refunding, this amount is being deferred and amortized over the life of the refunding debt.

The deferred outflows related to pensions and OPEB are calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* and GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* respectively. These will be recognized as either pension/OPEB expense or a reduction in the net pension/OPEB liability, respectively, in future reporting years. Details on the composition of deferred outflows related to pensions and OPEB are reported in subsequent notes.

In addition to liabilities, the Statement of Net Position also displays a separate section for deferred inflow of resources. This represents the acquisition of net assets that apply to future periods and will not be recognized as an inflow of resources (revenue) until that time. In this category, the City currently reports deferred inflows of resources related to pensions and OPEB.

The deferred inflows related to pensions and OPEB are calculated in accordance with GASB Statement No. 68 and GASB Statement No. 75, respectively. The deferred inflows related to pensions and OPEB will be recognized as a component of pension/OPEB expense in future reporting years. Details on the composition of deferred inflows related to pensions and OPEB are reported in subsequent notes.

The governmental funds report unavailable revenue from various sources, which primarily include grants and contributions, charges for services and special assessments.

The government-wide Statement of Net Position and Statement of Net Position of the proprietary funds report deferred inflows of resources related to pensions, OPEB and leases.

8. Unearned Revenues

Unearned revenues are a liability and represent items for which the City has not met all eligibility requirements imposed by the provider to allow for revenue recognition at year end. Unearned revenues are reported in both the government-wide and the fund financial statements.

9. Compensated Absences

It is the City’s policy to permit employees to accumulate, within certain limits, earned but unused vacation time and sick leave, which will be paid to employe on separation from City service. All vacation and

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

sick leave pay are 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, due to employee resignation or retirement. The estimated liability is measured using rates in effect at the balance sheet date; benefits are computed at current salary rates at the time of payment. Upon separation from City service, vacation leave is paid at 100% and sick leave is paid at 25% to 100%, depending on years of service.

10. Other post-employment benefits (OPEB)

Pursuant to Section 112.0801, Florida Statutes, the City is mandated to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. The rates provide for an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the Plan on average than those of active employees. The City is financing the post-employment benefits on a pay-as-you-go basis as no assets are held in trust for payment of the OPEB liability. As determined by

an actuarial valuation, the City records the total OPEB liability in its proprietary and government-wide financial statements related to the implicit subsidy. See Note 7 for further information.

11. Pensions

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's pension plans and additions to/deductions from the plans' fiduciary net position have been determined 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 the benefit terms. Investments are reported at fair value, net asset value or amortized cost as applicable.

12. Long-Term Debt

In the government-wide financial statements and the proprietary 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 statement of net position. Bond premiums and discounts, as well as prepaid bond insurance costs, are deferred and amortized over the life of the bonds using the straight-line amortization method. The result of using this method does not differ significantly from the effective interest method. All other debt issuance costs are expensed as incurred. Bonds payable are reported net of the applicable bond premium or discount. In addition, the difference between the reacquisition price (new debt) and the net carrying value of the old debt on refunded debt transactions is deferred and amortized as a component of interest expense over the shorter of the remaining life of the old debt or the life of the new debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as another financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing use. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Net Position and Fund Balance

Net Position is the result of assets plus deferred outflows of resources, less liabilities and deferred inflows of resources in the government-wide and proprietary funds. Net position balances are displayed in three categories:

Net investment in capital assets – This category consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets, excluding unexpended proceeds. Deferred inflow/outflow of resources attributable to the acquisition, construction, or improvement of those assets and related debt are included in this component of net position.

Restricted **–** This category is the portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions.

Unrestricted **–** This category of net position consists of all net position that do not meet the definition of either of the other two categories above.

Fund Balance – Governmental funds financial statements report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is legally bound to honor the specific purposes for which amounts in fund balance may be spent.

Fund balances are displayed in the following categories, depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

Non-spendable Fund Balances – This category includes amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts), or legally or contractually required to remain intact (e.g. endowment).

Restricted Fund Balances – This category includes amounts that are restricted for specific purposes either by: (a) constraints imposed by external providers (such as grantors, creditors, bondholders, contributors, or laws or regulations of other governments), or (b) imposed by constitutional provisions. The City's restricted fund includes: Landfill, Housing and Other Community Development, Public Safety Projects, Transportation Programs, Capital Projects, Impact Fees, and Other Purposes.

Committed Fund Balances – This category includes amounts that can only be used for specific purposes pursuant to constraints imposed by City Council, which is the City's highest level of decision-making authority, set in place to the end of the fiscal year. An ordinance is the formal action required to establish, modify or rescind a fund balance commitment since it constitutes the highest binding constraint. The same type of formal action that created the constraint is required to change or remove the specified use. There was no committed fund balance as of fiscal year end.

Assigned Fund Balances – This category includes amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balances are made by the City Manager based upon the direction of the City Council.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unassigned Fund Balances (Deficits) – This category includes amounts that have not been restricted, committed or assigned. An unassigned fund balance deficit will require future funding.

The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds, other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

E. LEASES

The City as Lessee

The City is a lessee for noncancellable leases of vehicles, equipment, land and building spaces. The City recognizes a lease liability and a right-to-use leased asset in the government-wide financial statements. At the commencement of a lease, the City measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life or the lease period, whichever is shorter. Key estimates and judgments related to leases include how the City determines (1) the discount rate used to discount the expected lease payments to present value, (2) the lease term, and (3) lease payments. The City uses its estimated incremental borrowing rate of 3.49% as the discount rate for leases. The lease term includes the noncancellable period of the lease.

Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the City is reasonably certain to exercise. The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly alter the amount of the lease liability.

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

The City as Lessor – Leases Receivable

The City is a lessor for noncancellable leases of land, buildings and other structures. The accounting treatment is very similar for leases (where the City is a lessor). In each cases, the City recognizes both a receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

Key estimates and judgments include how the City determines the discount rate it uses to discount the expected receipts to present value, lease term, and lease receipts. The City uses its estimated incremental

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

borrowing rate of 3.49% as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the receivable is composed of fixed payments from the lessees.

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

F. PROPERTY TAXES

Under Florida Law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to 10.0 mils. The fiscal year 2025 millage rate assessed by the City was 7.4 mills.

The tax levy of the City is established by the City's Council prior to October 1 each year and the County Property Appraiser incorporates the millage into the total tax levy, which includes Miami-Dade County (the County), Miami-Dade County School Board and special taxing districts. All property is reassessed according to its fair market value as of January 1st each year.

All real and tangible personal property taxes are due and payable on November 1 each year or as soon as practicable thereafter as the assessment roll is certified by the County Property Appraiser. The County mails to each property owner on the assessment roll a notice of the taxes due and the County also collects the taxes for the City. Taxes may be paid upon receipt of such notice from the County, with discounts at the rate of 4% if paid in the month of November, 3% if paid in the month of December, 2% if paid in the month of January and 1% if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent on April 1 of the year following the year in which taxes were assessed. Procedures for the collection of delinquent taxes by the County are provided for in the laws of Florida. There are not material delinquent property taxes for the City as of September 30, 2025.

G. IMPACT OF RECENTLY ISSUED GOVERNMENTAL STANDARDS

The City implemented and monitored the impacts of the following Governmental Accounting Standards Board (GASB) Statements during the fiscal year ended September 30, 2025:

GASB Statement No. 102, *Certain Risk Disclosures,* was issued in December 2023. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The Statement was implemented for the current fiscal year with no additional disclosures for the City. The Statement was incorporated into the current fiscal year.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB Statement No. 103, *Financial Reporting Model Improvements*, was issued in April 2024 and is effective for fiscal years beginning after June 15, 2025. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision-making and assessing a government's accountability. The City will fully implement this GASB starting in fiscal year 2026, which begins on October 1, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, was issued in September 2024 and is effective for fiscal years beginning after June 15, 2025. The objective of this statement is to establish requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments. The City will fully implement this GASB starting in fiscal year 2026, which begins on October 1, 2025.

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NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash -Primary Government

In addition to insurance provided by the Federal Depository Insurance Corporation (FDIC), 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, the Florida Security for Public Deposits Act, the State Treasurer requires all Florida-qualified public depositories to deposit eligible collateral with the Treasurer or another banking institution. 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 under Florida Statutes Chapter 280 or the `FDIC.

As of September 30, 2025, the City's deposit balances, including balances for the City's blended component unit, were as follows:

Cash	Governmental	Business-type	Total
Pooled - cash	$ 36,165,969	$ 889,690	$ 37,055,659
Non - pool cash CRA	54,315,977	-	54,315,977
Miscellaneous cash	78,909	-	78,909
Total cash	$ 90,560,855	$ 889,690	$ 91,450,545
Restricted cash			
Debt service reserve - CRA	$ 4,078,875	$ -	$ 4,078,875
Cash in escrow - capital project	7,000,000	-	7,000,000
Impact Fees Fund (restricted portion)	1,550,011	-	1,550,011
Landfill Closure	5,561,865	-	5,561,865
Total restricted cash	$ 18,190,751	-	$ 18,190,751

Investments – Primary Government

The State Board Administration (SBA) administers the Florida PRIME which is governed by Ch. 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 Florida Palm and the Florida PRIME, which is a money market fund, are recorded at amortized cost.

GASB Statement No. 72, *Fair Value Measurement and Application*, requires that investments be categorized according to the fair value hierarchy established by this Statement. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The investments in the Florida Prime S A and Florida Palm are recorded at amorti ed cost

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

As of September 30, 2025, the City's investment balances and GASB 72 fair market level hierarchy, including balances for the City's blended component unit, were as follows:

Pool Investments	Governmental	Business-type	Total	% of Investment	Fair Market Measurement Using Level 1	Level 2
Florida Prime (SBA)	$ 4,513,814	$ 3,405,158	$ 7,918,972	25%	$ -	$ 7,918,972
Certificate of Deposit- Florida Palm	12,540,065	9,739,588	22,279,652	70%	-	22,279,652
Certificate of Deposit- Florida Horizon	1,500,000	-	1,500,000	5%	1,500,000	-
	$ 18,553,878	$ 13,144,746	$ 31,698,624	100%	$ 1,500,000	$ 30,198,624

Level 1- Uses quoted prices in active markets for identical assets
Level 2- Uses significant other observable inputs

The average interest rate earned on investments was approximately 4.53% for fiscal year 2025.

Interest Rate Risk

The City has an investment policy that limits the maturities on individual investments to no more than five years. The investments as of September 30, 2025, meet the City's investment policy restrictions.

Credit Risk

The City has an investment policy that limits investments to the highest ratings by two nationally recognized statistical rating organizations (NRSRO), Standard and Poor's and Moody's Investment Services. Excess funds are invested with the SBA Florida PRIME which is rated AAAM by Standard and Poor's.

f the City s total investments of 31 9 2 the certificates of deposit are not rated totalin 23 9 52

Concentration Credit Risk

The City's investment policy limits its investments to no more than 15% in any one issuer. This includes certificates of deposit, U.S. Federal Agencies, and federal instrumentalities. The maximum limit for total investments varies from 35% to 60% by type. The City does not have an issuer's limit for the SBA Trust Funds and Florida Palm. GASB 40 requires disclosure when 5% or more of any investment is held in any one issuer. More than 5% of the City's investments are in certificates of deposit. These investments are 75% of the City's total investments.

Custodial Credit Risk

This is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are held by the counterparty. All securities purchased by the City are designated as an asset in the City's name and are held in safekeeping by the City's custodian bank or a third-party custodian institution.

Risks and Uncertainties

The City investments are in a combination of stocks, bonds, government securities and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect balances and the amounts reported in the financial statements.

Investments – Pension Trust Funds

The City's Pension Trust Funds are Clair T. Singerman ("CTS") Retirement System and the North Miami Police Pension Plan ("NMPP").

As of September 30, 2025, the City's Pension Trust Funds had the following combined investments:

Combined Investments - CTS Retirement System and NMPP Plan

		Investment Maturities (In Years)			
Investment Type	Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	10 or More Years
U.S. Treasuries	$ 15,895,428	$ -	$ 12,078,307	$ 3,817,121	$ -
U.S. Agency Obligations	19,758,752	-	-	-	19,758,752
Corporate bonds	2,250,623	-	793,407	1,457,216	-
Bond index funds	932,385	-	538,726	393,659	-
Total	$ 38,837,188	$ -	$ 13,410,440	$ 5,667,996	$ 19,758,752

Investment Policy - (CTS) Retirement System and North Miami Police Pension (NMPP) Plan

All investments made or held by the CTS and NMPP shall be limited to the following, as per the investment policies:

1. Time, savings and money market deposit accounts of a national bank, a state bank or a savings and loan association insured by the Federal Deposit Insurance Corporation provided the amount deposited does not exceed the insured amount.

2. Obligations issued by the U.S. government or an agency or instrumentality of the U.S. government, including mortgage-related securities.

3. Domestic and international equities.

4. Fixed income investments are defined as preferred issues and fixed income securities.

5. Money market funds, defined as fixed income securities having a maturity of less than one year.

6. Bonds issued by the State of Israel.

7. Commingled stock, bond, or money market funds whose investments are restricted to securities.

8. Domestic commercial real estate property holdings.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investment Maturity

Neither State law nor the CTS and NMPP investment policies limit the maturity term on fixed income holdings.

As of September 30, 2025, the following are the distributions of the CTS and NMPP investments by maturity:

Investments - CTS Retirement System

	Investment Maturities (In Years)				
Investment Type	Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	10 or More Years
U.S. Treasuries	$ 8,358,930	$ -	$ 5,715,389	$ 2,643,541	$ -
U.S. Agency Obligations	10,519,860	-	-	-	10,519,860
Corporate bonds	1,318,238	-	254,681	1,063,557	-
Total	$ 20,197,028	$ -	$ 5,970,070	$ 3,707,098	$ 10,519,860

Investments - NMPP Plan

	Investment Maturities (In Years)				
Investment Type	Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	10 or More Years
U.S. Treasuries	$ 7,536,498	$ -	$ 6,362,918	$ 1,173,580	$ -
U.S. Agency Obligations	9,238,892	-	-	-	9,238,892
Corporate bonds	932,385	-	538,726	393,659	-
Total	$ 17,707,775	$ -	$ 6,901,644	$ 1,567,239	$ 9,238,892

Interest Rate Risk

Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The CTS and NMPP do not have a formal investment policy that limits investment maturities as a means of managing its exposure to market value losses arising from increasing interest rates.

Rate of Return

For the fiscal year ended September 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for CTS was 6.88% and NMPP was 8.53%. The money-weighted rate of return expresses investment performance, net of investment manager and consultant expenses, adjusted for the changing amounts actually invested. Inputs to the internal rate of return calculation are determined monthly.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Credit Risk

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The CTS and NMPP investment policies utilize portfolio diversification in order to control this risk. State law limits investments in bonds, stocks, or other evidence of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, any state or organized territory of the United States, or the City of Columbia, provided the corporation is listed on any one or more of the recognized national stock exchanges or on the National Market System of the NASDAQ Stock Market and, in the case of bonds only, holds a rating in one of the three highest classifications by a major rating service.

The CTS and NMPP Plans investment policies limit fixed income investments to a rating no lower than Standard & Poor's BBB to Moody's Baa. The Plans' corporate bonds and agency bonds were all rated "A" or better under Standard & Poor's ratings and at least "A" under Moody's ratings. The Plans' mutual bond fund investments were rated an average of "A" under both Standard & Poor's and Moody's.

Concentration of Credit Risk

The CTS and NMPP Retirement System's investment policies stipulate that not more than 5% of its assets can be invested in the common stock of any company, nor can the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of any company.

As of September 30, 2025, the value of each position held by the CTS and NMPP Plans portfolio comprised less than 5% of the fiduciary net position and less than 5% of the value of the outstanding capital stock of any company. GASB 40 requires disclosure when 5% or more in any investment is held with any one issuer. The CTS and NMPP Retirement System do not have more than 5% of their investment in any one issuer.

Custodial Credit Risk

This is the risk that in the event of the failure of the counterparty, the CTS and NMPP will not be able to recover the value of its investments or collateral securities that are held by the counterparty. The CTS and NMPP Plans have third-party custodial arrangements with financial institutions to accept securities on a delivery versus payment basis for direct purchase agreements.

All securities purchased by the CTS and NMPP are designated as assets of CTS and NMPP in the respective Plans' name and are held in safekeeping by the respective Plans' custodial banks or a third-party custodial institution.

Risks and Uncertainties

The CTS and NMPP Plans invest in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statement of fiduciary net position. The Plans, through its investment advisors, monitor the Plans' investment and the risks associated therewith on a regular basis, which the Plans believe minimizes these risks.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 - Investments' fair values based on prices quoted in active markets for identical assets.

Level 2 - Investments' fair values based on observable inputs for the assets either directly or indirectly, other than those considered Level 1 inputs, which may include quoted prices for identical assets in markets that are not considered to be active, and quoted prices of similar assets in active or inactive markets.

Level 3 - Investments' fair values based upon unobservable inputs.

The following is a description of the fair value measurements used for the CTS and NMPP investments.

Level 1 and 2 prices are obtained from various pricing sources by the CTS's and NMPPs' custodian bank:

- Money market funds are reported at amortized cost.

- Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This includes common stock and mutual fund equities. Debt securities classified as Level 2 are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity. This includes U.S. Treasury Bonds and notes, U.S. federal agencies, mortgage-backed and collateralized securities, municipal bonds, and corporate obligations, including asset-backed bonds and notes.

- Debt securities classified as Level 2 are valued using pricing inputs that reflect the assumptions market participants would use to price an assets or liability and are developed based on market data obtained from sources independent of the reporting entity. This includes U.S. federal agencies, mortgage-backed and collateralized securities, municipal bonds and corporate obligations, including asset-backed bonds and notes.

- The Plans have investments in alternative assets consisting of real estate funds, equity securities index fund and bond index fund which hold a variety of investment vehicles that do not have readily available market quotations. The alternative investments are measured at net asset value based on their proportionate share of the value of the investments as determined by the fund managers and are valued according to methodologies which include pricing models, discounted cash flow models and similar techniques.

- Real estate partnerships provide quarterly valuations to the pension trust fund management. Individual properties are valued by the investment management at least annually and are adjusted as frequently as quarterly if material market or operational changes have occurred. Properties are generally externally appraised every one to five years, depending on the investment. Annual audits of partnerships include a review of compli with each partnership's valuation policies.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

The Plans also invests in collective investment trusts which determine fair value by obtaining fair values of the underlying holdings using reputable pricing sources and computing an overall net asset value per share. The holdings within each fund are publicly traded securities. The funds have daily openings and contributions and withdrawals can be made on a daily basis.

The CTS investments are categorized as follows according to the GASB 72 fair value hierarchy as of September 30, 2025:

CTS Retirement System

		Fair Value Measurements Using	
Investments by Fair Value Level	9/30/2025	(Level 1)	(Level 2)
Debt securities:			
U.S. Treasury	$ 8,358,930	$ 8,358,930	$ -
U.S. Agencies	10,519,860	-	10,519,860
Corporate bonds	1,318,238	-	1,318,238
Total Debt Securities	20,197,028	8,358,930	11,838,098
Equity securities:			
Common stock	52,885,776	52,885,776	-
Equity mutual fund	23,188,274	23,188,274	-
Total Equity Securities	76,074,050	76,074,050	-
Total Investments by Fair Value	$ 96,271,078	$ 84,432,980	$ 11,838,098
Investments Measured at Net Asset Value (NAV)*			
Real estate funds	$ 24,065,527		
Collective investment trust funds:			
Bond index fund	20,139,079		
Equity securities index fund	34,540,611		
Total investments measured at NAV	78,745,217		
Money market funds (exempt)	4,372,891		
Total Investments	$ 179,389,186		

Level 1- Uses quoted prices in active markets for identical assets
Level 2- Uses significant other observable inputs

*As required by GAAP, certain investments measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

The NMPP investments are categorized as follows according to the GASB 72 fair value hierarchy as of September 30, 2025:

NMPP Plan		Fair Value Measurements Using	
Investments by Fair Value Level	9/30/2025	(Level 1)	(Level 2)
Debt securities:			
U.S. Treasury	$ 7,536,498	$ 7,536,498	$ -
U.S. Agencies	9,238,892	-	9,238,892
Corporate bonds	932,385	-	932,385
Total Debt Securities	17,707,775	7,536,498	10,171,277
Equity securities:			
Common stock	32,303,838	32,303,838	-
Equity mutual fund	18,967,722	18,967,722	-
Total Equity Securities	51,271,560	51,271,560	-
Total Investments by Fair Value	68,979,335	$ 58,808,058	$ 10,171,277
Investments Measured at Net Asset Value (NAV)*			
Real estate funds	$ 17,250,652		
Collective investment trust fund:			
Bond index fund	9,771,683		
Equity securities index funds	30,783,003		
Total investments measured at NAV	57,805,338		
Money market funds (exempt)	2,494,774		
Total Investments	$ 129,279,447		

Level 1- Uses quoted prices in active markets for identical assets
Level 2- Uses significant other observable inputs

*As required by GAAP, certain investments measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

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NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

The following table summarizes investments for which fair value is measured using the net asset value (NAV) per share practical expedient method:

CTS Retirement System

Investments Measured at NAV	Net Asset Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period (Day)
Real estate funds [1]	$ 24,065,527	$ 7,650,000	Quarterly	10
Collective investment trust funds:				
Bond index fund [2]	20,139,079	-	Quarterly	90
Equity securities index fund [2]	34,540,611	-	Daily	1
Total investments measured at NAV	$ 78,745,217			

NMPP Plan

Investments Measured at NAV	Net Asset Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period (Day)
Real estate funds [1]	$ 17,250,652	$ -	Quarterly	10
Collective investment trust fund				
Bond index fund [2]	9,771,683		Quarterly	90
Equity securities [2]	30,783,003		Daily	1
Total investments measured at NAV	$ 57,805,338			

1 Real estate funds – Consists of two real estate partnerships. One of the funds is an open-end diversified core real estate commingled fund whose primary objective is to provide returns that are attractive to other asset classes with stable multi family, office, and retail properties located throughout the United States, and is diversified by product type, geographic region, and economic exposure in order to mitigate investment risk. Requests for redemption in this fund may be made at any time with 10 days' notice. The ·other fund invests directly and indirectly in real estate using vehicles such as joint ventures, partnerships and other participation interests with real estate owners, developers, and others. The fund seeks a diversified portfolio consisting of yield-driven real estate value added investments consisting of multi-family, industrial, retail, residential and mixed-use properties. The fund provides for redemptions with 90 days' notice.

2 Collective investment trust funds – Consists of three index funds considered commingled in nature which are designed to match the return of its respective benchmark index. The fund is valued at the net asset value held at the end of the period based upon the fair value of the underlying investments. These funds are open for withdrawal daily and provide for redemptions with 1-day notice.

NOTE 3. RECEIVABLES

Receivables as of September 30, 2025, for the City's individual major funds and non-major funds, in the aggregate, net of the allowances for uncollectible accounts, are as follows:

	General	CRA	Building Fund	Cagni Park	Nonmajor Governmental	Water and Sewer	Stormwater	Internal Service Funds	Total
Receivables									
Accounts	$ 4,091,335	$ -	$ -	$ -	$ -	$ 36,380,472	$ 2,041,208	$ -	$ 42,513,015
Liens	3,937,391	-	-	-	-	-	-	-	3,937,391
Franchise & Utility Fees	1,051	-	-	-	-	-	-	-	1,051
Miscellaneous - receivable	2,819,141	5,282	362	-	119	448,050	-	3,328	3,276,282
Due from component unit	241,747	-	-	-	-	-	-	-	241,747
Due from other governments	849,438	-	-	4,963,529	2,310,125	-	-	24,124	8,147,216
Gross receivables	11,940,103	5,282	362	4,963,529	2,310,244	36,828,522	2,041,208	27,452	58,116,702
Less allowance for uncollectable	(4,544,138)	-	-	-	-	(6,018,435)	(316,387)	-	(10,878,960)
Total net receivables	$ 7,395,965	$ 5,282	$ 362	$ 4,963,529	$ 2,310,244	$ 30,810,087	$ 1,724,821	$ 27,452	$ 47,237,742

Notes Receivable - Oleta Partners

The City had notes receivable originally in the amount of $17,504,000 in connection with the sale of parcels of the Biscayne Landing land to Oleta Partners that occurred in November 2015. The notes are payable over ten years at an interest rate of 3.5% on the outstanding balances. The notes are recorded at the net present value.

The future minimum receipts are as follows:

Fiscal year ending	**Note 1**		**Note 2**		**Total**	
September 30:	Principal	Interest	Principal	Interest	Principal	Interest
2026	801,684	65,430	815,686	57,098	1,617,370	122,528
Total	$ 801,684	$ 65,430	$ 815,686	$ 57,098	$ 1,617,370	$ 122,528

Mortgage Loans Receivable - Housing Urban Development (HUD)

The City administers the Home Purchase Assistance and Owner-Occupied Rehabilitation programs using federal HUD guidelines to assist qualified residents. Under these programs, participants may receive financial assistance up to $50,000 for the acquisition or rehabilitation of a primary residence. This assistance is structured as deferred loans that are forgivable over a seven-to-fifteen-year period. Each subsidy is secured by a subordinate mortgage on the property, which becomes due and payable only in the event of a default. As of September 30, 2025, the total outstanding balance of these mortgage loans receivable was $4,773,105.

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NOTE 4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Due to and from and advances to and from other funds consisted of the following balances as of September 30, 2025:

Funds	Receivable	Payable
General Fund	$ 11,506,677	$ -
Major Funds:		
CRA	-	299,035
Cagni Park	-	8,586,334
	-	8,885,369
Non-major Funds:		
HOME Investment Partnership	-	15,710
Justice Assistance Grants	-	179,928
FEMA Disaster Recovery	-	602,566
ARPA (American Rescue Plan Act)	-	1,795,401
C.D.B.G. Entitlement Fund	-	27,703
Total Non-major Funds	-	2,621,308
Total	$ 11,506,677	$ 11,506,677

These outstanding balances between funds result mainly from the time lag between the dates that (a) interfund goods and services are provided or reimbursable expenditures occur, (b) transactions are recorded in the accounting system, and (c) payments between funds are made.

Interfund Transfers

Bond covenants and City financial policies require the use of interfund transfers to move financial resources from funds designated to receive them to the funds required to expend them. The transfers from the general fund and other funds to the non-major debt service fund were made to fund the principal and interest payment on the pension obligation bonds.

Other transfers were made to cover operating expenditures incurred on behalf of other funds.

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NOTE 4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

Interfund transfers for the year ended September 30, 2025, consisted of the following:

	Transfer Out	Transfer In			
Funds	Total	General Fund	Debt Service	Water and Sewer	Total
General	$ 1,418,605	$ -	$ 1,422,167	$ -	$ 1,422,167
Building Fund	1,889,800	1,781,016	51,458	-	1,832,474
Half-Cent Transportation Surtax	18,691	-	19,163	-	19,163
	3,327,096	1,781,016	1,492,788	-	3,273,804
Water and sewer	8,864,586	8,652,774	214,795	55,000	8,922,569
Stormwater utility	1,300,837	1,275,577	59,996	-	1,335,573
	10,165,423	9,928,351	274,791	55,000	10,258,142
Internal services	108,788	50,616	18,745	-	69,361
Total	$ 13,601,307	$ 11,759,983	$ 1,786,324	$ 55,000	$ 13,601,307

NOTE 5. CAPITAL ASSETS

Governmental capital assets activities for the year ended September 30, 2025, are as follows:

	Beginning Balance	Reclassifications	Prior Period Adjustment	Beg. Balance Restated	Additions	Deletions	Transfers	Ending Balance
Governmental activities:								
Capital assets, not being depreciated:								
Land	$ 16,010,479		$ -	16,010,479	$ -	$ -	$ -	$ 16,010,479
Land - right-to-use	1,268,967	(1,268,967)	-					
Construction in progress	3,494,517		-	3,494,517	8,215,251	-	(1,085,507)	10,624,261
Total capital assets, not being depreciated	20,773,963	(1,268,967)	-	19,504,996	8,215,251	-	(1,085,507)	26,634,740
Capital assets, being depreciated:								
Land improvements	19,451,864		-	19,451,864	79,144	-	-	19,531,008
Land - right-to-use	-	1,268,967	(13,573)	1,255,394	-	-	-	1,255,394
Building and improvements	38,163,518		-	38,163,518	600,972	(390)	-	38,764,100
Buildings - right-to-use	2,296,875		(655,716)	1,641,159	-	-	-	1,641,159
Infrastructure	67,198,295		-	67,198,295	288,095		1,085,507	68,571,897
Machinery and equipment	21,272,766		-	21,272,766	3,732,810	(407,797)	-	24,597,779
Equipment - right-to-use	97,954		72,093	170,047	-		-	170,047
Library Books	2,509,450		-	2,509,450	16,432	-	-	2,525,882
Total capital assets, being depreciated	150,990,722	1,268,967	(597,196)	151,662,493	4,717,453	(408,187)	1,085,507	157,057,266
Less accumulated depreciation for:	-							
Land improvements	(15,563,891)		-	(15,563,891)	(276,403)	-	-	(15,840,294)
Land - right-to-use	-		(300,340)	(300,340)	(100,113)	-		(400,453)
Building and improvements	(13,942,530)		-	(13,942,530)	(1,061,440)	390	-	(15,003,580)
Buildings - right-to-use	(343,985)		(104,200)	(448,185)	(162,043)	-	-	(610,228)
Infrastructure	(35,882,098)		-	(35,882,098)	(626,170)	-	-	(36,508,268)
Machinery and equipment	(16,036,668)		-	(16,036,668)	(1,563,874)	407,797	-	(17,192,745)
Equipment - right-to-use	(75,784)		75,784	-	(17,441)	-	-	(17,441)
Library Books	(2,443,765)		-	(2,443,765)	(24,662)	-	-	(2,468,427)
Total accumulated depreciation	(84,288,721)	-	(328,756)	(84,617,477)	(3,832,146)	408,187	-	(88,041,436)
Total capital assets, being depreciated, net	66,702,001	1,268,967	(925,952)	67,045,016	885,307	-	1,085,507	69,015,832
Governmental activities capital assets, net	$ 87,475,964	$ -	$ (925,952)	$ 86,550,012	$ 9,100,558	$ -	$ -	$ 95,650,572

NOTE 5. CAPITAL ASSETS (Continued)

Business-type capital assets activities for the year ended September 30, 2025, are as follows:

	Beginning Balance	Additions	Deletions	Transfers/ Reclassifications	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 653,080	$ -	$ -	$ -	$ 653,080
Construction in progress	6,264,715	1,618,456	-	(207,338)	7,675,833
Total capital assets, not being depreciated	6,917,795	1,618,456	-	(207,338)	8,328,913
Capital assets, being depreciated:					
Land improvements	1,249,069	-	-	-	1,249,069
Building and improvements	2,549,278	9,900	-	-	2,559,178
Infrastructure	100,807,920	1,279,452	(26,691)	207,338	102,268,019
Machinery and equipment	8,271,669	295,435	(214,720)	-	8,352,384
Equipment - right-to-use	7,969	-	-	-	7,969
Total capital assets, being depreciated	112,885,905	1,584,787	(241,411)	207,338	114,436,619
					-
Less accumulated depreciation for:	-	-			-
Land improvements	(144,335)	(116,250)	-	-	(260,585)
Building and improvements	(1,339,396)	(87,722)	-	-	(1,427,118)
Infrastructure	(55,719,382)	(3,845,415)	26,691	-	(59,538,106)
Machinery and equipment	(5,820,149)	(407,591)	214,720	-	(6,013,020)
Equipment - right-to-use	(5,600)	-	-	-	(5,600)
Total accumulated depreciation	(63,028,862)	(4,456,978)	241,411	-	(67,244,429)
	-				-
Total capital assets, being depreciated, net	49,857,043	(2,872,191)	-	207,338	47,192,190
Business-type activities capital assets, net	$ 56,774,838	$ (1,253,735)	$ -	$ -	$ 55,521,103

Depreciation expense was charged to the functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 1,091,275
Public safety	171,441
Transportation and public works	641,444
Housing & Social Services	127,580
Culture and recreation	600,645
Subtotal	2,632,385
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of assets	1,199,761
Total depreciation expense – governmental activities	$ 3,832,146
Business-type activities:	
Water and sewer	$ 4,101,847
Stormwater	355,131
Total depreciation expense – business-type activities	$ 4,456,978

NOTE 6. LONG-TERM LIABILITIES

Governmental Activities

The following is a summary of changes in long-term liabilities for governmental activities for the year ended September 30, 2025:

	Beginning Balance	Prior Period Adjustment	Beg. Balance Restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities							
Debt payable:							
Pension obligation note-Series 2010	$ 7,280,000	$ -	$ 7,280,000	$ -	$ (1,260,000)	$ 6,020,000	$ 1,350,000
Unamortized bond discount	(166,484)	-	(166,484)	-	42,899	(123,585)	
Redevelopment Revenue Bond, Series 2024 (CRA)	50,000,000	-	50,000,000		(1,615,000)	48,385,000	1,700,000
Unamortized bond premium - CRA	2,236,769	-	2,236,769		(246,283)	1,990,486	
Right-to-use lease obligations	3,654,325	509,906	4,164,231	2,274,445	(1,549,415)	4,889,261	1,263,798
Total debt payable	63,004,610	509,906	63,514,516	2,274,445	(4,627,799)	61,161,162	4,313,798
Other liabilities:							
Compensated absences	10,046,185	-	10,046,185	3,510,600	(2,545,029)	11,011,756	3,553,358
Landfill closure	12,438,791	-	12,438,791		(287,943)	12,150,848	-
Total OPEB liability	10,121,409	-	10,121,409	709,846	-	10,831,255	
Net pension liability - NMPP	34,656,538	-	34,656,538	-	(6,811,716)	27,844,822	-
Net pension liability - FRS and HIS	19,579,501	-	19,579,501	-	(1,945,337)	17,634,164	-
Claims payable (risk)	4,762,566	-	4,762,566	-	(7,742)	4,754,824	-
Claims payable (other)	435,864	-	435,864	-	-	435,864	-
Total other liabilities	92,040,854	-	92,040,854	4,220,446	(11,597,767)	84,663,533	3,553,358
Governmental activities - long-term liabilities	**$ 155,045,464**	**$ 509,906**	**$ 155,555,370**	**$ 6,494,891**	**$ (16,225,566)**	**$ 145,824,695**	**$ 7,867,156**

For governmental activities, compensated absences, net pension liabilities and other post-employment benefit liabilities are generally liquidated by the General Fund. Internal Service Funds predominantly serve the governmental funds. Accordingly, their long-term liabilities for compensated absences, net pension liabilities and the other post-employment benefit liabilities are included as part of the above totals for governmental activities.

Note Payable

On February 1, 2010, the City issued City of North Miami Promissory Note, Series 2010, (Promissory Note) in the amount of $17,685,000 for the purpose of refunding the City's outstanding Taxable Special Obligation Refunding Bonds (Pension), Series 2002, and to pay a termination fee due with respect to a related interest rate swap. The interest rate on the Note is 7.25% per annum. The difference between the reacquisition price (new debt) and the carrying value of the refunded debt is being deferred and amortized over the life of the new debt. Debt service on this note is funded by non-ad valorem revenues budgeted and appropriated by the City on an annual basis.

NOTE 6. LONG-TERM LIABILITIES (Continued)

The Promissory Note agreement also includes the following additional information:

- Without the prior written consent of the Bank, the City shall not incur additional indebtedness secured by or payable from all or a portion of the non-ad valorem revenues unless the total amount of non-ad valorem revenues for the prior fiscal year (exclusive of any proceeds of indebtedness) were at least two (2) times the maximum annual debt service on all indebtedness.

- Events of default shall be deemed to have occurred if the City fails to make any payment of principal or interest when the same becomes due and payable; default in the performance of any part of the agreement; and/or any petition to declare bankruptcy.

- Events of default will immediately result in the bank declaring all obligations of the City to be immediately due and payable without further action of any kind. The bank may also seek enforcement of, and exercise all, remedies available under any applicable law.

Principal and interest is payable through July 1, 2029. Debt service requirements to maturity on the Promissory Note as follows:

Fiscal years ending September 30:	Principal	Interest	Total
2026	$ 1,350,000	$ 436,450	$ 1,786,450
2027	1,450,000	338,575	1,788,575
2028	1,555,000	233,450	1,788,450
2029	1,665,000	120,713	1,785,713
Total	**$ 6,020,000**	**$ 1,129,188**	**$ 7,149,188**

Redevelopment Revenue Bond, Series 2024 (CRA)

On May 30, 2024, the North Miami Community Re-development Agency (“the Agency”) a component unit of the City, issued a Re-development Revenue Bond, Series 2024, with a principal amount of $50,000,000 and a premium of $2,236,769 for a total of $52,236,769 to finance the costs of certain capital improvement projects within the redevelopment area and to fund the Reserve Account. The interest rate on the bond is 5%. The bond premium is being amortized over the life of the bond. The total bond cost is funded by specific pledged revenues and is appropriated by the Agency on an annual basis.

The Bond agreement also includes the following additional information:

Optional Redemption of Bonds. The Bonds that mature on or before March 1, 2034, are not subject to optional redemption prior to their maturities. The Bonds that mature on or after March 1, 2035, are subject to redemption beginning March 1, 2034, in whole or in part at any time, in any order of maturities at the option of the Issuer, and by lot within a maturity if less than a full maturity is redeemed, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date.

NOTE 6. LONG-TERM LIABILITIES (Continued)

Authorizing Acts. The Bonds shall be issued under the authority of the Community Re-development Act of 1969 (Part III of Chapter 163, Florida Statutes), County Resolution No. R-837-04 adopted on July 13, 2004, City Ordinance No. 2004-3 enacted on June 21, 2004, as amended, and other applicable provisions of law, and pursuant to Resolution No. 2024-004 adopted by the Issuer on May 14, 2024 (the "Bond Resolution").

Assignment. This Agreement may not be assigned by the Issuer.

Principal and interest is payable through March 1, 2043. Debt service requirements to maturity on the Bond follow:

Fiscal years ending September 30:	Principal	Interest	Total
2026	$ 1,700,000	$ 2,376,750	4,076,750
2027	1,785,000	2,289,625	4,074,625
2028	1,880,000	2,198,000	4,078,000
2029	1,975,000	2,101,625	4,076,625
2030	2,075,000	2,000,375	4,075,375
2031-2035	12,090,000	8,291,250	20,381,250
2036-2040	15,520,000	4,858,000	20,378,000
2041-2043	11,360,000	870,750	12,230,750
Total	**$ 48,385,000**	**$ 24,986,375**	**$ 73,371,375**

Business-type Activities

The following is a summary of changes in long-term liabilities of the City for business-type activities for the year ended September 30, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type Activities					
Debt payable:					
State revolving fund loan- Clean Water #131810	$ 1,845,688	$ -	$ (150,371)	$ 1,695,317	$ 151,708
State revolving fund loan - Drink Water #131831	2,331,081	-	(151,279)	2,179,802	152,203
Right-to-use lease obligation	1,861	-	(1,556)	305	305
Total debt payable	4,178,630	-	(303,206)	3,875,424	304,216
Other liabilities:					
Compensated absences	1,246,851	736,368	(383,804)	1,599,415	411,829
Total OPEB liability	1,578,080	116,334	0	1,694,414	97,429
Net pension liability - NMPP	2,836,616	-	(351,326)	2,485,290	-
Net pension liability - FRS and HIS	2,131,754	-	(151,286)	1,980,468	-
Total other liabilities	7,793,301	852,702	(886,416)	7,759,587	509,258
Business-type activities - long-term liabilities	**$ 11,971,931**	**$ 852,702**	**$ 1,189,622**	**$ 11,635,011**	**$ 813,474**

NOTE 6. LONG-TERM LIABILITIES (Continued)

State Revolving Fund Loans

Clean Water State Revolving Fund Loan – WW-131810

In February 2012, the City entered into a loan agreement with the State of Florida Department of Environmental Protection (the Department) for a State Revolving Fund ("SRF") loan in the amount of $491,653 with an interest rate of 1.59%.

The loan agreement was amended on August 4, 2014 (1st amendment) to increase the loan amount to $3,485,499; November 10, 2014 (2nd amendment) to reduce the loan amount to $3,127,093; and February 13, 2017 (3rd amendment) to reduce the loan amount to $2,996,913.

The purpose of the loan was to provide financial assistance for the planning and design of the City's sewer rehabilitation project.

As of September 30, 2025, the total loan amount outstanding was $1,695,317.

The loan agreement also includes the following additional information:

Annual certification: indicating that pledged revenue collections satisfy the rate coverage requirement; a monthly escrow or loan debt service account is being maintained for the repayment of the loan; and insurance that adequately covers customary risks. The certification must be submitted with the annual audit report.

Event of Default: Failure to make any monthly loan deposit or installment of the semiannual loan payment when due and such failure continues for 30 days; failure to perform of any part of the agreement; any bankruptcy, insolvency or other similar proceedings instituted against the City.

Remedies: for an Event of Default include, but are not limited to requiring the City to account for all moneys received from the Department and to account for the receipt, use and application or disposition of the Pledged Revenues; apply to the court to appoint a receiver to manage the Water and Sewer Systems, establish and collect fees and charges and apply the revenues to reduce the obligations under the agreement; the Department may intercept the delinquent amount plus a penalty from the unobligated funds due to the City under any revenue or tax sharing fund established by the State; the Department may also impose a penalty not to exceed 18% interest in addition to charging cost to handle and process the debt; notify financial market credit rating agencies and potential creditors; accelerating the repayment schedule or increasing the financing rate on the unpaid principal as much as 1.667 times the financing rate.

Drinking Water State Revolving Fund Loan – DW-131831

In March 2013, the City entered into a loan agreement with the State of Florida Department of Environmental Protection (the Department) for a State Revolving Fund ("SRF") loan in the amount of $4,513,025 with an interest rate of 1.86%. In November 2017, the loan amount was amended to $4,410,680.

The purpose of the loan was to assist with the City's water treatment filter rehabilitation project.

As of September 30, 2025, the total loan amount outstanding was $2,179,802.

NOTE 6. LONG-TERM LIABILITIES (Continued)

The loan agreement also includes the following additional information:

Annual certification: indicating that pledged revenue collections satisfy the rate coverage requirement; a monthly escrow or loan debt service account is being maintained for the repayment of the loan, and insurance that adequately covers customary risks. The certification must be submitted with the annual audit report.

Events of Default: Failure to make any monthly loan deposit or installment of the semiannual loan payment when due and such failure continues for 30 days; failure to perform of any part of the agreement: any bankruptcy, insolvency or other similar proceedings instituted against the City.

Remedies: for an Event of Default include, but are not limited to requiring the City to account for all moneys received from the Department and to account for the receipt, use and application or disposition of the Pledged Revenues; apply to the court to appoint a receiver to manage the Water and Sewer Systems, establish and collect fees and charges and apply the revenues to reduce the obligations under the agreement; the Department may intercept the delinquent amount plus a penalty from the unobligated funds due to the City under any revenue or tax sharing fund established by the State; the Department may also impose a penalty not to exceed 18% interest in addition to charging cost to handle and process the debt; notify financial market credit rating agencies and potential creditors; accelerating the repayment schedule or increasing the financing rate on the unpaid principal as much as 1.667 times the financing rate.

Summary Debt Service Requirements to Maturity

	Clear Water Revolving Loan- WW131810			Drinking Water State Revolving Loan - DW13183			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
Fiscal year ending September 30:									
2026	$ 151,708	$ 15,247	$ 166,955	$ 152,203	$ 13,295	$ 165,498	$ 303,911	$ 28,542	$ 332,453
2027	153,058	13,897	166,955	153,133	12,366	165,499	306,191	26,263	332,454
2028	154,422	12,533	166,955	154,068	11,430	165,498	308,490	23,963	332,453
2029	155,799	11,155	166,954	155,010	10,489	165,499	310,809	21,644	332,453
2030	157,191	9,764	166,955	155,010	9,542	165,498	312,200	19,306	331,506
2031 - 2035	807,316	27,458	834,774	789,370	33,300	822,670	1,596,686	60,758	1,657,444
2036 - 2039	115,823	17,701	133,524	621,008	15,989	636,997	736,831	33,690	770,521
Total	**$ 1,695,317**	**$ 107,755**	**$ 1,803,072**	**$ 2,179,802**	**$ 106,411**	**$ 2,287,159**	**$ 3,875,119**	**$ 214,166**	**$ 4,089,285**

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NOTE 6. LONG-TERM LIABILITIES (Continued)

Lease Obligations

Lease Payable – The City entered into various lease agreements as lessee for financing the acquisition of buildings, vehicles and operating equipment for use by different departments. The related obligations are presented in the amounts equal to the present value of lease payments, payable during the remaining lease term. As the lessee, the lease liability and the related lease asset are recognized in the government-wide and proprietary fund statement of net position.

As of September 30, 2025, the minimum principal and interest payment requirement for the leasing activities, with a remaining term in excess of one year, is as follows:

	Governmental Activities			**Business-Type Activities**		
Fiscal year ending September 30:	Principal	Interest	Total minimum lease payments	Principal	Interest	Total minimum lease payments
2026	$ 1,263,798	$ 137,226	$ 1,401,024	$ 305	-	$ 305
2027	942,356	113,160	1,055,516	-	-	-
2028	811,686	88,866	900,551	-	-	-
2029	468,670	65,219	533,889	-	-	-
2030	330,850	48,230	379,080		-	-
Thereafter	1,071,902	78,462	1,150,364	-	-	-
Total	$ 4,889,261	$ 531,163	$ 5,420,424	$ 305	$ -	$ 305

The net book value of assets acquired through leases as of September 30, 2025, follows:

	Governmental Activities			**Business-Type**
	Total Cost	Accumulated Depreciation	Total net book value	Total Cost
Fleet	$ 2,577,767	$ 180,314	$ 2,397,453	$ -
Equipment	159,040	11,124	147,916	305
Buildings	2,520,235	176,343	2,343,892	-
Total	$ 5,257,042	$ 367,781	$ 4,889,261	$ 305

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NOTE 6. LONG-TERM LIABILITIES (Continued)

Pledged Revenues

The City issues debt that is secured by a pledge of specific revenues. Total pledged revenues to repay principal and interest on outstanding debt as of September 30, 2025, follow:

Non Ad-Valorem Revenue Pledged	Governmental Activities	Business-Type Activities
Debt Information		
Description of debt	Note payable	State Revolving Loans
Purpose of debt	Refunded the Taxable Special Obligation Bonds – Series 2002 used to fund City pension obligations	Capital improvements
Term of commitment	2010 – 2029	2014 – 2036
Revenue & Debt Service		
Current revenue	$43,871,213	$43,608,194
Total future revenues pledged	$7,149,188	$4,089,285
Current year debt service	$1,786,324	$331,529
Debt service as % of pledged revenues	4.07%	0.35%

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS

Effective October 1, 2017, the City implemented GASB Statement No. 75, *Accounting and Reporting for Post-Employment Benefits Other Than Pensions*, for certain post-employment healthcare benefits provided by the City.

Plan Description

The City provides an optional single-employer defined benefit post-employment healthcare, dental, and group term-life insurance plan to eligible individuals. The Plan allows employees and their beneficiaries, at their own cost, to continue to obtain health, dental, and life insurance benefits upon retirement.

Pursuant to the provisions of Section 112.0801, Florida Statutes, employees who retire from the City and eligible dependents may continue to participate in the City's health, dental, and group term-life insurance plan. The City subsidizes the premium rates paid by retirees by allowing them to participate in the plan at reduced or blended group premium rates for both active and retired employees. These rates provide an implicit rate subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan than those of active employees.

No assets are held in trust for payment of the OPEB liability; therefore, the plan operates on a pay-as-you-go basis.

Benefits Provided

The City also provides an explicit health insurance subsidy with respect to certain retirees or their beneficiaries. The children of police officers who are killed in the line of duty receive a 100% subsidy for their health insurance until age 18 (or age 25 if a full-time student).

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

In 1997, the City offered a one-time Retirement Incentive to employees who had at least twenty years of City service and who were at least 50 years of age. The incentive was City paid group health premiums until age 65. Additionally, since October 1997, the City provides paid group health insurance premiums until age 65 for elected officials of the City who have served a minimum of two complete terms of office, and their tenure as an elected official commenced after May 1, 1991.

Also, since October 2000, the City provides paid group health insurance premiums for any former member of the administrative staff who has completed ten years or more of satisfactory service to the City as a member of the administrative staff or has completed fifteen years or more of satisfactory service with the City. In accordance with the October 1, 2005, Police Bargaining Agreement, effective for police officers retiring after January 1, 2007, the City contributes $200 toward the monthly premium for single coverage through the City's group health insurance plan. Retired officers, who do not elect to remain with the City's group insurance plan, receive a monthly payment of $200. The $200 contribution by the City is payable until the retired member becomes eligible for Medicare.

Funding Policy

The City does not directly contribute to the Plan on behalf of retirees. Retirees and their beneficiaries pay the same group rates that are charged for active employees. The premiums vary depending on the benefits selected and whether the retiree elects single or family coverage. The premium also varies depending on whether the retiree elects coverage under the HMO or POS plan. However, the City's actuary, in the actuarial valuation, calculates an offset to the cost of these benefits as an employer contribution, based on the implicit rate subsidy. This offset equals the total age-adjusted premiums paid by the City or its active employees for coverage of the retirees and their dependents for the year, net of the retiree's own annual payments.

Plan Membership

The date of the latest actuarial valuation, plan participation consisted of the following:

Retirees and beneficiaries	175
Active plan members	390
	565

Total OPEB Liability

The City's total OPEB liability of $12,525,669 was determined by an actuarial valuation rolled forward to the September 30, 2024, measurement date.

Actuarial Assumptions and Other Inputs

- Valuation Date: September 30, 2024
- Measurement Date: September 30, 2024
- Methods and Assumptions Used to Determine Total OPEB Liability
- Actuarial Cost Method - Entry-Age Normal
- Inflation - 2.50%

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Discount Rate – 3.81% - For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 3.81% (based on the daily rate of Fidelity's "20-Year Municipal GO AA Index" closest to but not later than the measurement date). The discount rate was 4.63% as of the previous measurement date.

Salary Increases - Rates are those used in the respective October 1, 2023, actuarial valuations. For participants in the Florida Retirement System, salary rates are based on those used in the July 1, 2023, actuarial valuation of the Florida Retirement System.

Salary Increases in the Coming Year

Years of Service	General	Police Officers
0 - 2	6.0%	9.0%
3 - 5	5.0%	7.5%
6 - 9	4.5%	6.3%
10 - 14	4.0%	4.5%
15 - 19	3.5%	4.0%
Over 20	3.0%	3.5%

Retirement Age - Rates are those used in the respective October 1, 2023, actuarial valuations. For participants in the Florida Retirement System, retirement rates are based on those used in the July 1, 2023, actuarial valuation of the Florida Retirement System.

Number of Years After First Eligibility for Normal Retirement	% Probability of Normal Retirement (General Employees)	%Normal Retirement (Police Officers)
0	30%	25%
1	25%	25%
2	25%	25%
3	25%	25%
4	25%	35%
5	50%	35%
6	50%	35%
7	50%	35%
8	50%	35%
9	50%	35%
10 +	100%	100%

Mortality - Mortality rates are the same as used in the July 1, 2023, actuarial valuation of the Florida Retirement System for non-K-12 Instructional Regular Class and Special Risk Class members. These rates were taken from adjusted Pub-2010 mortality tables ished by the Society of Actuaries with generational

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

mortality improvements using Scale MP-2018. Adjustments to referenced tables are based on the results of a statewide experience study covering the period 2013 through 2018.

Healthcare Cost Trend Rates - Trend rate starting at 7.40% for claims costs and premiums (based on actual premium rates effective January 1, 2025), and thereafter trend based on the Getzen Model, with trend rate increasing to 6.25% effective January 1, 2026, and gradually decreasing to an ultimate trend rate of 4.00%.

Aging factors - Based on the 2013 SOA Study "Health Care Costs - From Birth to Death."

Expenses - Administrative expenses are included in the per capita health costs.

Changes in the total OPEB liability for the fiscal year ended September 30, 2025, were as follows:

Balance as of September 30, 2024	$ 11,699,489
Changes for the year:	
Service cost	381,235
Interest	545,977
Changes of benefit terms	-
Difference between expected and actual experience	(908,646)
Changes in assumptions	1,384,759
Benefits payments	(577,145)
Net changes	826,180
Balance as of September 30, 2025	**$ 12,525,669**

Sensitivity of the total OPEB liability to changes in the discount rate:

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan's total OPEB liability, calculated using a discount rate of 3.81%, as well as what the plan's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	1 % Decrease	Current Discount Rate Assumption	1 % Increase
	2.81%	3.81%	4.81%
Total OPEB liability	$ 14,237,551	$12,525,669	$ 11,131,014

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NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Sensitivity of the total OPEB liability to the healthcare cost trend rate:

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the plan's total OPEB liability, calculated using the assumed trend rates as well as what the plan's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

	1 % Decrease	Current Healthcare Cost Trend Rate Assumption	1 % Increase
Total OPEB liability	$ 11,778,690	$ 12,525,669	$ 13,386,036

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

For the fiscal year ended September 30, 2025, the City recognized OPEB expense of $449,906 and reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred inflow and outflow of resources related to OPEB are as follows:

	OPEB	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ -	$ 1,365,982
Changes in assumptions and other inputs	1,422,981	2,727,886
	1,422,981	4,093,868
City contributions made subsequent to the measurement date	562,853	-
	$ 1,985,834	**$ 4,093,868**

The deferred outflows of resources totaling $562,853, resulting from City contributions made subsequent to the measurement date, will be recognized as a reduction of the OPEB liability for the fiscal year ending September 30, 2026.

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NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

The amount reported as net deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Amount
2026	$ (788,136)
2027	(768,635)
2028	(593,146)
2029	(625,705)
2030	19,948
Thereafter	84,787
Total	**$ (2,670,887)**

NOTE 8. SELF-INSURANCE

The City maintains a self-insurance program accounted for in the internal service funds. The General Risk Management fund was established by City Ordinance to account for insurance activities relating to workers' compensation and general liability risks. Charges to departments are based upon amounts determined by management to be necessary to meet the required annual payouts during the fiscal year and to maintain adequate fund reserves. The funding level and estimated claims liability for workers' compensation and general liability for fiscal year 2025 are based on recommended funding requirements, as determined by a self-insurance actuarial review as of September 30, 2025, performed by outside actuary consultants.

The City is exposed to various risks of loss for workers' compensation and general liability covered by its self-insurance program. The other exposures include theft, errors and omissions, for which the City carries commercial insurance.

As of September 30, 2025, the City's risk retention for certain types of risk is as follows:

Line of Coverage	Retention/Deductible	Coverage After Retention/Deductible
Self-insured:	Worker's compensation	
Workers' compensation	Self-insured retention of $500,000	Excess worker's compensation Part I - Statutory Part II - $1,000,000 (employers liability)
General & automobile liability	Fully self-insured	F.S. 768.28 ($200,000/individual, $300,000/occurrence)
Commercial insurance:		
Property:	Property coverage	
Property, multi-peril	$5,000 general & 5% named storm	$100,000 (buildings) and $14, 064,250 (contents)
Boiler and machinery	$1,000	$50,000,000
Flood	Buildings: $1,000 to $2,000 Contents: $1,000 to $2,000 varies according to facility	Buildings: $25,000 to $334,000 Contents: $0 to $200,000 varies according to facility
Other:		
Police professional liability	$150,000/claim	$2,000,000/loss and aggregate
Public officials' liability	$150,000 EPLI/wrongful acts	$2,000,000/loss and aggregate

NOTE 8. SELF-INSURANCE (Continued)

The General Risk Management Internal Service Fund accounts for the following coverages and claims:

Workers' Compensation

All workers' compensation costs are paid from the self-insurance fund, up to $500,000 self-insured retention, with all operating funds of the City assessed a charge based upon the requirements of the self-insurance fund and their relative share of the total risk. As claims are reported they are investigated by claims personnel, and an estimate of liability on a case-by-case basis is established. The estimated liabilities are periodically reviewed and revised as claims develop.

General Liability

Departments of the City are assessed for general and automobile liability coverage based upon the requirements of the self-insurance fund and their relative share of the total risk. The City has continued to purchase certain casualty insurance for which the premium is low in relation to the coverage provided. As the casualty claims are reported, they are investigated by the claims personnel and an estimate of liability on a case-by-case basis is established.

Estimated Claims Liability

As of September 30, 2025, the estimated claims liability of $4,754,824 in the General Risk Management internal service fund includes estimates for claims incurred, but not reported (IBNR) and allocated loss adjustment expenses. The estimates are based on the requirement that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the estimated claims liability are as follows:

	Workers' Compensation	General Liability	2025 Total	2024 Total
Estimated claims liability - beginning of year	$ 1,665,359	$ 3,097,207	$ 4,762,566	$ 3,760,893
Claim payments	(276,537)	(205,600)	(482,137)	(1,284,395)
Current year claims and changes in estimates	185,146	289,249	474,395	2,286,068
Estimated claims liability - end of year	$ 1,573,968	$ 3,180,856	$ 4,754,824	$ 4,762,566

The City carries Excess Workers' Compensation insurance to secure statutory workers' compensation coverage in excess of the self-insured retention. In 2025, there was no reduction in insurance coverage from the prior year. During the past three years, there have been no settlements that exceeded insurance coverage. The City continues to seek annual recovery in cases where payments have been made through the Workers' Compensation Third Party Administrator, in excess of the self-insured retention. The City recovered $6,797 reimbursements from the excess carrier on one case where the self-insured retentions were based on prior policy years, where the excess retention was $250,000 and this limit was exceeded.

NOTE 9. EMPLOYEE RETIREMENT PLANS

The City is the sponsor of two single-employer defined pension plans: Clair T. Singerman Retirement System ("CTS") and the North Miami Police Pension Plan (the "NMPP" Plan).

Effective February 15, 2016, the City required new employees to join the Florida Retirement System ("FRS").

Pension Plans Sponsored by the City of North Miami

The City of North Miami (the "City" or the "Employer") is the sponsor of two single-employer defined benefit pension plans (collectively the "Plans") established to provide pension benefits for its employees: Clair T. Singerman Retirement System ("CTS") and the North Miami Police Pension Plan (the "NMPP" Plan). Each plan is administered by a seven-member Board of Trustees, which is either appointed by Ordinance or elected from among Plan participants.

On April 3, 1994, the City transferred all general employees who were in the NMPP Plan to the CTS Retirement System, thereby limiting the NMPP Plan participation to sworn police personnel hired after January 1, 1977. The CTS Retirement System covers police officers hired before January 1, 1977, and all general employees and former North Miami firefighters.

On February 15, 2016, the City closed the CTS Retirement System to new participants. After the closure, new employees are required to join the Florida Retirement System ("FRS"). Active members were afforded a one-time irrevocable option to transfer to the FRS.

Effective January 1, 2017, the NMPP Plan was closed to new members. After the closure, new police officers are required to join the Florida Retirement System (FRS). Existing members of the NMPP Plan had the option to remain in the Plan or to choose to participate in the FRS. These members had the option of keeping their accrued benefits in the NMPP Plan or receive refunds of member contributions.

Each of the Plans issues a publicly available stand-alone report that includes financial statements and required supplementary information for each Plan. These reports may be obtained by writing to: North Miami Employees' Retirement Systems, 12000 Biscayne Boulevard, Suite 508, Miami, Florida 33181.

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plans are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plans. Interest and dividends are recorded as earned.

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

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Method Used to Value Investments

Investments are reported at fair value. Within certain limitations as specified in the Plans, the investment policies are determined by the Boards of Trustees and are implemented by the Plans' investment managers. A financial consultant monitors the investment managers.

For more details regarding the methods used to measure plan investments, refer to **NOTE 2.**

NMPP Plan and CTS

Plan(s) Descriptions

The City of North Miami (employer) is the sponsor of two single-employer defined benefit Plans, CTS and NMPP, established to provide pension benefits for its employees. Since the Plans are single-employer defined benefit pension plans sponsored by the City, the Plans are considered part of the City's financial reporting entity and are included in the City's financial statements as a pension trust fund.

The latest available actuarial valuation is as of October 1, 2024 (beginning of year valuation date); however, the required employer contribution requirements for the fiscal year ended September 30, 2025, were based on the October 1, 2023. Benefits and contributions provisions are established by City ordinance and may be amended only by the City Council.

The NMPP Plan is administered by a seven-member Board of Trustees, comprising three members appointed by Ordinance and four elected police members. The NMPP Plan was established by the City's Ordinance 748, effective January 1, 1977.

CTS Retirement System is administered by a seven-member Board of Trustees comprised of one firefighter elected from firefighter members, one police officer elected from police members, two ex officio members occupying positions specifically designated by Ordinance, and three elected general employee members. The CTS Retirement System was established by the City's Ordinance 691, effective January 1, 1968. All full-time employees are eligible except for sworn police personnel hired after 1976.

Benefit and Membership in the NMPP and CTS as of October 1, 2024, follows:

	NMPP	CTS
Inactive plan members and beneficiaries currently receiving benefits	76	215
Inactive plan members are entitled but not yet receiving benefits	4	12
Active plan members	64	120
Total members	144	347

Pension Benefits

NMPP Plan

NMPP Plan - members become partially vested (25%) after 5 years of credited service, increasing 15% annually, with full vesting after 10 years of credited service.

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Normal retirement is the earlier of age 55 and 10 years of service or age 50 and 20 years of service. A member may elect to receive in a lump sum payment at retirement, an amount which is the actuarial equivalent of the benefits otherwise payable under the Plan.

Early retirement is available at the age of 50 and 10 years of service. For certain members hired on or before December 31, 2006, early retirement is also available after 20 years of service, regardless of age.

Normal retirement benefits are based on 1% of average final compensation (AFC) multiplied by the years of service up to July 1, 1979, plus 3% of AFC for the years of service from June 30, 1979, to June 30, 1997; and 3.5% of AFC for the years of service on or after July 1, 1997. Additionally, accumulated Plan member contributions up to September 30, 1982, are payable to the member in a lump sum upon termination or retirement.

A terminated members with less than five years' creditable service receive their contribution plus accrued interest accumulated since initial employment. Partially vested members receive the greater of member contributions plus accrued interest or the sum of member contributions prior to October 1, 1982, plus their vested benefits.

CTS Retirement System

CTS Retirement System- General employee members and police personnel not included in the police bargaining unit become partially vested (25%) after 5 years of credited service, increasing 15% annually, with full vesting after 10 years of credited service. All other police personnel become fully vested after 14 years.

Normal retirement is attained for general plan members who reach the earlier of age 55 and 10 years of service or age 50 and 20 years of service. Police and firefighters plan members who reach age 50 and 20 years of service. Early retirement is available after completion of 14 years of service for all Plan members.

A member may elect to receive in a lump sum at retirement, an amount which is the actuarial equivalent of the benefits otherwise payable under the Plan.

Normal retirement benefits are based on 2.5% of average final compensation multiplied by the years of service through June 30, 1969, plus 3% of average final compensation for years of service up to March 8, 2016. However, for any year prior to October 1, 1968, during which a member contributed less than 7% of compensation, the benefit percentage for each year varies per Ordinance.

A terminating member with less than five years' creditable service shall receive his/her contribution plus accrued interest accumulated since initial employment. Partially vested members shall receive the greater of member contributions plus accrued interest or the sum of member contributions prior to October 1, 1982, and his/her vested benefits.

Contribution and Funding Policies

NMPP Plan

NMPP - Employees contribute 9.51% of their base salaries or wages based on the Plan's investment performance. Interest is credited annually on members' accumulated contributions at a rate of interest determined at the discretion of the Board of Truste he interest rate was 0.0% for 2025. Employer and

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

state contributions for the fiscal year ended September 30, 2025, was 80.22% of covered payroll.

The Plan's funding policy provides for actuarially determined periodic employer contributions sufficient to pay the benefits provided by the Plan when they become due. The actuarial cost method used for determining the contribution requirements of the Plan is the Entry Age Normal.

Pursuant to Chapter 185, Florida Statutes and the collective bargaining agreement of October 1, 2021, insurance premium tax monies received are shared between the City and the North Miami Police Share Plan. The net insurance premium tax received during the fiscal year was $82,682.

CTS Retirement System

CTS Plan members contribute either 6%, 7% or 8% of their annual compensation depending on their credited years of service as of November 10, 2015. Interest is credited annually on members' accumulated contributions through the prior year-end. The interest rate determined by the Board of Trustees was 0.00% in 2025. Employer contributions for the fiscal year ended September 30, 2025, was 14.51% of covered payroll. The total employer contribution on the statement of changes in fiduciary net position is $1,453,168 for 2025.

The Plan's funding policy provides for actuarially determined periodic employer contributions sufficient to pay the benefits provided by the Plan when they become due. The actuarial cost method used for determining the contribution requirements for the Plan is the Entry Age Normal.

Contributions required on an actuarial basis to provide benefits for former City firemen who had elected to remain in the Plan upon their transfer to the Miami-Dade County Fire Department on October 1, 1969, are made by Miami-Dade County and the State of Florida - Bureau of Municipal Police and Firefighters' Retirement Fund pursuant to Chapter 175, Florida Statutes.

Pursuant to Chapter 185, Florida Statutes, a portion of all insurance premium tax monies received in excess of $147,586 (the 1997 threshold) are utilized by this Plan for the purchase of additional benefits for the one remaining sworn police personnel that was included in this Plan prior to 1976. The excess of insurance premium tax monies amounted to $2,745 for the fiscal year ended September 30, 2025, and is reported as other contributions; the balance to be received as of September 30, 2025, was $0. All other insurance premium tax monies are split between the City and the North Miami Police Share Plan.

Net Pension Liability

As of September 30, 2025, the components of the net pension liability are as follows:

	NMPP	CTS
Total pension liability	$ 148,282,668	$154,647,016
Plan fiduciary net positions	117,952,556	176,535,443
Net pension liability/asset	$ 30,330,112	$(21,888,427)
Plan fiduciary net position as a percentage of total pension	79.55%	114.15%

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Net Pension Liability - Actuarial Assumptions

The total pension (asset) liability was determined by an actuarial valuation as of October 1, 2024, and rolled forward to September 30, 2025, using the following actuarial assumptions:

	NMPP	**CTS**
Actuarial Cost Method	Entry age Normal	Entry age Normal
Inflation	2.50%	2.50%
Salary increase range depending on service	3.5%-9.0%	3.0% -6.0%
Investment rate of return	7.00%	6.75%

NMPP Plan and CTS utilize the same Retirement age and Mortality as follows:

Retirement age -Experience-based table of rates are specific to the type of eligibility condition.

Mortality - The mortality tables are the PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB- 2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement) and the PUB- 2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2023, Actuarial Valuation of the Florida Retirement System (FRS).

Long-Term Expected Rate of Return

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

CTS Retirement System – The long-term expected rate of return on pension investment was determined using the long-term nominal building block data less the long-term inflation assumption of 5.94%. The building block long-term real return projections were developed considering the long-term historic capital market returns, 10-15 year expected capital market return assumptions, as well as historical, current, and expected inflation data.

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NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Plans target asset allocation as of September 30, 2025, are summarized in the following table:

	NMPP		CTS	
Asset Group	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	48.0%	7.50%	48%	7.50%
International equity	12.0%	8.50%	12%	8.50%
Domestic bonds	21.0%	2.50%	24%	2.50%
International bonds	0.0%	3.50%	0%	3.50%
Real estate	19.0%	4.50%	16%	4.50%
Alternative assets	0.0%	6.24%	0%	6.24%

Discount Rate

A single discount rate for the NMPP of 7% and CTS of 6.75%, respectively, was used to measure the total pension (asset) liability. The single discount rate was based on the expected rate of return on the pension plans' investments, NMPP of 7% and CTS of 6.75%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the Pension Plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the pension plans' investments for NMPP (7%) and CTS (6.75%) was applied to all periods of projected benefit payments to determine the total pension (asset) liability.

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NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Change in Net Pension Liability

The following table shows the changes in net pension liability based on the actuarial information provided to the City as of September 30, 2025:

	NMPP	CTS
Total Pension Liability		
Service cost	$ 2,569,368	$ 1,526,033
Interest	9,611,608	9,964,038
Changes of benefit terms		
Difference between expected and of the Total Pension Liability	4,678,142	1,678,849
Changes of assumptions		
Benefit payments	(6,631,544)	(9,246,305)
Refunds		
Other (Change in State Contribution)		11,900
Net Change in Total Pension	$ 10,227,574	$ 3,934,515
Total Pension Liability – Beginning	$ 138,055,094	$ 150,712,501
Total Pension Liability – Ending	**$ 148,282,668**	**$ 154,647,016**
Plan Fiduciary Net Position:		
Contributions - employer	$ 4,994,768	$ 1,359,913
Contributions - employer (from State/Share Plan)	82,682	11,900
Contributions - non-employer contributing entity	-	-
Contributions - employee	904,866	668,626
Net investment income	18,569,952	29,168,104
Benefit payments	(6,631,544)	(9,246,305)
Refunds	-	-
Administrative expense	(530,108)	(607,882)
Net Change in Plan Fiduciary Net Position	$ 17,390,616	$ 21,354,356
Plan Fiduciary Net Position-Beginning	$ 100,561,940	$ 155,181,087
Plan Fiduciary Net Position- Ending	**$ 117,952,556**	$ 176,535,443
Net Pension Liability/(Asset)- Ending (a)-(b)	**$ 30,330,112**	**$ (21,888,427)**

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NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Sensitivity of the Net Pension (Asset) Liability of the City to Changes in the Discount Rate

Below is a table providing the sensitivity of the net pension liability of the City to changes in the discount rate. In particular, the table presents the Plan's net pension liability, if it were calculated using a single discount rate of 7.00%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or higher than the single discount rate:

	NMPP	CTS
Discount rate	7.00%	6.75%
Discount rate - net pension liability/(asset)	$ 30,330,112	$(21,888,427)
Discount rate- 1% decrease	6.00%	5.75%
Discount rate - 1% decrease- net pension liability/(asset)	$ 50,167,926	$ (3,816,307)
Discount rate- 1% increase	8.00%	7.75%
Discount rate - 1% increase - net pension liability/(asset)	$ 14,002,601	$(37,007,324)

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

For the year ended September 30, 2025, the City recognized pension expense of $5,927,993 for NMPP Plan and ($1.526,256) for CTS.

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

As of September 30, 2025, the City reported deferred outflows/inflows of resources related to pensions from the following sources:

	NMPP Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,670,487	$ 303,966
Assumptions changes	1,153,638	395,668
Net difference between projected and actual earnings on pension plan investments	-	5,283,394
	5,824,125	5,983,028
Employer contributions made subsequent to the measurement date	5,741,406	-
Total	**$ 11,565,531**	**$ 5,983,028**

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

	CTS Retirement System	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 906,960	$ -
Net difference between projected and actual earnings on pension plan investments	-	11,567,057
	906,960	11,567,057
Employer contributions made subsequent to the measurement date	1,453,168	-
Total	**$ 2,360,128**	**$ 11,567,057**

The deferred outflows of resources related to the NMPP and CTS Plan, totaling $5,741,406 and CTS $1,453,168, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ending September 30, 2025. Other amounts reported as net deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending September 30,	NMPP Net Deferred Outflow (Inflow) of Resources	CTS Net Deferred Outflow (Inflow) of Resources
2026	$ 231,562	$ (2,930,764)
2027	3,240,609	614,106
2028	(1,351,658)	(4,561,201)
2029	(2,279,416)	(3,782,238)
2030	-	-
Total	$ (158,903)	$ (10,660,097)

Pension Plans Administered by the State of Florida

The City provides retirement benefits to the Mayor, four (4) City Council Members, the City Clerk and to all employees hired after February 15, 2016, through the Florida Retirement System (FRS) and the FRS's Retiree Health Insurance Subsidy (HIS) Plan.

FLORIDA RETIREMENT SYSTEM

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

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs.

The City's pension expense for FRS totaled $2,966,306 for the fiscal year ended September 30, 2025.

The Annual Comprehensive Financial Report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

Plan Description

The FRS is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are as follows:

- Regular Class - Members of the FRS who do not qualify for membership in the other classes.
- Elected County Officers Class - Members who hold specified elective offices in local government.
- Senior Management Service Class (SMSC) - Members in senior management-level positions.
- Special Risk Class - Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the FRS prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service (except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service). All members enrolled in the FRS on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service (except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service). Members of the FRS may include up to four years of credit for military service toward creditable service. The FRS also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

FRS Retirement Benefits and Contributions

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

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	%Value
Regular Class Members Initially Enrolled Before July 1, 2011:	
Retirement up to age 62 or up to 30 years of service	1.60%
Retirement at age 63 or with 31 years of service	1.63%
Retirement at age 64 or with 32 years of service	1.65%
Retirement at age 65 or with 33 years of service	1.68%
Regular Class Members Initially Enrolled on or After July 1, 2011:	
Retirement up to age 65 or up to 33 years of service	1.60%
Retirement at age 66 or with 34 years of service	1.63%
Retirement at age 67 or with 35 years of service	1.65%
Retirement at age 68 or with 36 years of service	1.68%
Elected Council Officers	3.00%
Senior Management Service Class	2.00%
Special Risk Regular:	
Service from December 1, 1970 through September 30, 1974	2.00%
Service on and after October 1, 1974	3.00%

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

Required Contributions for fiscal year 2025 were as follows:

	Percent of Gross Salary	
Class (2)	Employee (2)	Employer (1)
FRS, Regular	3.00%	11.97%
FRS, Special Risk	3.00%	33.13%
FRS, Elected Council Officers	3.00%	52.51%
FRS, Senior Management Service	3.00%	31.18%
FRS, Deferred Retirement Option Program	0.00%	20.02%

(1) Employer rates include 2.00% for the postemployment health insurance subsidy. Also, employer rates other than for DROP participants, include 0.06% for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The City's contributions to the FRS amounted to $3,414,805 and employees' contributions amounted to $595,785 for the fiscal year ended September 30, 2025.

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

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

On September 30, 2025, the City reported a liability of $14,302,353 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The City's proportionate share of the net pension liability was based on the City's 2025 fiscal year contributions relative to the participating members. As of June 30, 2025, the City's proportionate share was 0.0460 % compared to 0.0422% in the prior year. For the fiscal year ended September 30, 2025, the City recognized pension expense of $2,966,306 related to the Plan.

In addition, the City reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	FRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ 1,660,875	$ -
Net difference between expected and actual experience	1,527,642	-
Net difference between projected and actual investment earnings	-	2,387,922
Net changes in proportion and differences between City FRS contributions and proportionate share of contributions	2,864,653	-
	6,053,170	2,387,922
City FRS contributions subsequent to the measurement date	862,703	-
Total	$ 6,915,873	$ 2,387,922

The deferred outflows of resources related to pensions, totaling $862,703, resulting from the City's contributions to the FRS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025.

The amount reported as net deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending September 30,	Net Deferred Outflow (Inflow) of Resources
2026	$ 733,050
2027	733,050
2028	733,050
2029	733,050
2030	733,050
Total	$ 3,665,248

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Actuarial Assumptions

The FRS actuarial valuation was determined using the following actuarial assumptions, as of June 30, 2025, applied to all periods included in the measurement:

Inflation - 2.40%

Salary Increases - 3.50% average, including inflation.

Investment Rate of Return - 6.70%, net of pension plan investment expense, including inflation.

Mortality - Rates were based on the PUB-2010 Base table, projected generationally with Scale MP-2021. The actuarial assumptions used in the July 1, 2025, valuation were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023.

Long-Term Expected Rate of Return - The long-term expected rate of return on the Plan investments was not based on historical returns but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption.

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

FRS

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.2%	3.2%	1.1%
Fixed income	29.0%	5.5%	5.4%	4.0%
Global equity	45.0%	8.5%	6.9%	18.3%
Real estate	12.0%	8.4%	7.1%	16.8%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.5%	6.1%	8.7%
	100%			
Assumed inflation-mean			2.4%	1.5%

(1) As outlined in the Plan's investment policy

Discount Rate - The discount rate used to measure the total pension liability of the Plan was 6.70%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected investment rate of return.

The discount rate is reviewed annually and set by mutual agreement between the Board of Trustees and its actuarial firm.

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the City's proportionate share of the net pension liability would be if it is calculated using a discount rate that is one percentage point lower or higher than the current discount rate:

	FRS		
	1% Decrease	Current Discount Rate	1% Increase
	5.70%	6.70%	7.70%
City's proportionate share of the net pension liability	$ 28,068,147	$ 14,302,353	$ 2,761,310

Retiree Health Insurance Subsidy Program (HIS)

Plan Description

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

Benefits Provided

For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a State-Administered Retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2025, the HIS contribution rate was 2.0%. The City contributed 100% of its statutorily required contributions for the current fiscal year. The HIS contributions are deposited in a separate trust fund from which payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City's contributions to the HIS totaled $370,426 for the fiscal year ended September 30, 2025.

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

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

As of September 30, 2025, the City reported a net pension liability of $5,312,278 for its proportionate share of the HIS Plan's net pension liability. The total pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liability was based on the City's 2025 fiscal year contributions relative to the 2025 fiscal year contributions of all participating members. At June 30, 2025, the City's proportionate share was 0.0414%.

For the fiscal year ended September 30, 2025, the City recognized pension expense of 678,070 related to the HIS. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to the HIS from the following sources:

	HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 31,711	$ 8,427
Changes of Assumptions	47,020	1,284,904
Net difference between projected and actual earnings on HIS pension plan investments	-	4,421
Changes in proportion and differences between City HIS contributions and proportionate share of contributions	1,766,118	-
	1,844,849	1,297,752
City HIS contributions subsequent to the measurement date	111,772	-
Total	$ 1,956,621	$ 1,297,752

The deferred outflows of resources related to pensions, totaling $111,772 resulting from the City's contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025.

The amount reported as net deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending September 30,	Net Deferred Outflow (Inflow) of Resources
2026	$ 109,419
2027	109,419
2028	109,419
2029	109,419
2030	109,419
Total	$ 547,097

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Actuarial Assumptions

The HIS plan's actuarial valuation was determined using the following actuarial assumptions as of June 30, 2025, applied to all periods included in the measurement:

Inflation - 2.40%

Salary Increases - 3.50% average, including inflation

Bond Buyer General Obligation 20—Bond Municipal Bond Index - 3.93%

Mortality - Rates were based on the Generational PUB-2010 with Projection Scale MP-2021;

The actuarial assumptions used in the July 1, 2025, valuation were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023.

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

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using a discount rate of 3.93%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current discount rate:

	HIS		
	Decrease	Current Discount Rate	Increase
	4.20%	5.20%	6.20%
City's proportionate share of FRS HIS	$ 5,990,449	$ 5,312,278	$ 4,743,509

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NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Net Pension Liability, Deferred Inflow of Resources, and Deferred Outflow of Resources Related to Pension Plans

The following table summarizes the net pension liability, deferred inflow of resources and deferred outflow of resources for each plan as previously disclosed:

	SUMMARY - PENSION RELATED ITEMS				
Plan	Net Pension Liability	Net Pension Asset [1]	Deferred Inflow of Resources	Deferred Outflow of Resources	Pension Expenses
North Miami Police Pension Plan (NMPP)	$ 30,330,115	$ -	$ 5,983,028	$ 11,565,531	5,942,931
Clair T. Singerman Employee Retirement System (CTS)	-	(21,888,427)	11,567,057	2,360,128	(3,067,827)
Florida Retirement System (FRS)	14,302,353	-	2,387,922	6,915,873	2,966,306
Retiree Health Insurance Subsidy Program	5,312,278	-	1,297,752	2,033,565	678,070
Total	$ 49,944,746	$ (21,888,427)	$ 21,235,759	$ 22,875,097	6,519,480

NOTE 10. DEFINED CONTRIBUTION PLANS

City of North Miami Police Officers' Retirement Pension Fund Share Plan

The City of North Miami Police Officers' Retirement Pension Fund Share Plan established by (Ord. 592.1.1) (the Plan) provides retirement benefits for Police Officers of the City of North Miami. These benefits are funded from the State of Florida insurance premium tax monies and are in addition to benefits provided by the City of North Miami's retirement system. A separate Board of Trustees is responsible for the administration of this Plan. In accordance with GASB Statement No. 24, the City recognized $625,982 for contributions of these premiums into the Plan.

The Plan issues a publicly available report that includes financial statements and required supplementary information. This report may be obtained by writing to: City of North Miami Police Department, 700 N.E. 124th Street, North Miami, Florida 33161. This Plan is administered by the City.

Managers' Pension Plan

The Managers' Pension Plan is an IRS Section 401(a) defined contribution pension plan for those members of the Administrative Staff not eligible to participate in the City's defined benefit pension plan. This Plan is funded through employer contributions consisting of 10% of a participant's compensation. This Plan can only be amended by the City Council.

In FY 2025, the City contributed approximately $102,962 into this Plan, which is administered through a third-party administrator.

Excess Benefit Plan

In May 1968, the City established the Excess Benefit Plan, a qualified governmental excess benefit arrangement as defined in Section 415(m)(3) of the Internal Revenue Code. This Plan was administered by the City. During fiscal year 2025, the Plan was officially closed, and the City made no contributions toward the Plan for the period then ended.

NOTE 11. ENVIRONMENTAL MATTERS (Munisport Landfill Site)

Historical Background

In 1970, the City acquired 350 acres of land (a/k/a Biscayne Landing), for approximately $11,800,000, using the proceeds of $12,000,000 General Obligation Bonds, issued to provide financial assistance to the Inter-American Center Authority (Interama), an agency established by the State of Florida to develop an international cultural and trade center for the Americas. The project never materialized and Interama never repaid the City for purchasing the land.

The City subsequently entered into a 30-year lease agreement with a company formed to develop a recreation project on the Interama land. The company subsequently operated a portion of the property as a dumpsite, and the property became the subject of controversy arising principally from site related environmental issues involving the City, the company, various governmental agencies, and others. The controversy restricted the use and development of the property. Accordingly, the recreation project was never completed, and the company abandoned the premises.

In 1981, the Florida Department of Environmental Protection (a/k/a FDEP) filed a suit against the City to close the portion of the land, which was operated as a dumpsite (landfill). The landfill has not operated since 1980 and the City, State and the Department of Environmental Resources.

Management (DERM) have worked together to produce a closure plan, pursuant to a Consent Agreement. On February 10, 1998, the City voluntarily executed a Consent Agreement with the DERM to carry out groundwater remedial measures required by Florida law and County ordinance. In 2004, Miami-Dade County, (the County) provided the City with a one-time contribution of $31 million for remediation and closure of the landfill.

In May 2012, the City entered into a 99-year lease and development agreement for the site with Oleta Partners (see Note 14). In connection with the agreement, the developer assumed responsibility for the remediation and closure of the site beyond the costs funded by the County contribution mentioned above. As of September 30, 2025, the liability assumed by the developer for remediation and closure is approximately $19.8 million. In accordance with the guidance provided by GASB 18, *Accounting for Municipal Solid Waste Landfill Closure and Post Closure Care Costs*, the City met the requirements to transfer its responsibility for closure and post-closure to the developer. Therefore, the $19.8 million is not reported in the City's financial statements for post-closure cost.

As of September 2025, the City reported a landfill closure liability of approximately $12,150,848.

Overall Outlook

The agreement provided for development of the site with the City receiving income from sales of units and from an annual ground lease. It is the City's opinion that any ultimate loss to the City concerning the environmental matters pertaining to the former landfill site will be offset by revenues generated from the future use of the land.

NOTE 11. ENVIRONMENTAL MATTERS (Munisport Landfill Site) (Continued)

Recent Studies and Developments

A Remediation and Landfill Closure Cost Projection was completed in 2019, which estimated the cost of remediation and closure at approximately $8 million. This cost estimate is a decrease from a previous cost projection of $9 million and is based on the proposed groundwater remediation system, the reevaluated

stormwater management system, and the closure-related activities. While this latest method has tentatively been approved by DERM and the FDEP, the newly proposed groundwater remediation system remained at the conceptual level as of September 30, 2025, and uncertainties remain as to the ultimate cost of the remediation and closure of the landfill site.

During 2025, the site closure costs of $145,568 were incurred for new areas completed in the current year. In addition to the remediation and closure of the site, as discussed above, it is estimated that long-term closure care costs will be approximately $801,567 per year over 30 years, for a projected total cost of approximately $24.0 million.

Landfill Closure Escrow Account

On December 22, 2004, the City received $31,027,000 in funding from the County to be used towards financing the remediation and closure costs of the landfill site. The funds were deposited into the landfill closure escrow account.

The Landfill Closure special revenue fund accounts for the restricted asset activity used to fund landfill closure costs. Within this fund, deposits are made to the fund's restricted assets account for the purpose of complying with the Florida Department of Environmental Protection's escrow requirements of Rule 62-701.630(5)(c), Florida Administrative Code. The rule requires that once the landfill ceases to receive waste, the closure escrow account should be able to fully fund the facility's closing costs.

The following is a schedule of restricted assets and the activity of the closure escrow account in the Landfill Closure special revenue fund as of the year ended September 30, 2025:

Restricted assets:		
Cash in bank (money market fund)	$	5,561,865
Beginning balance - September 30, 2024	$	5,617,101
Interest		90,411
Disbursements		(145,647)
Ending balance - September 30, 2025	$	5,561,865

The schedule of restricted assets and activity is only intended to present the activity of restricted assets segregated for the purpose of complying with Rule 62-701.630(5)(c), Florida Administrative Code. All funds on deposit are restricted for landfill closure.

NOTE 11. ENVIRONMENTAL MATTERS (Munisport Landfill Site) (Continued)

Long-term Care Escrow Account

The City opened a second escrow account for the purpose of funding the landfill's long term care costs. This account will remain dormant until the time of facility closing where it will be funded in accordance with Rule 62-701.630(5)(c), Florida Administrative Code. Therefore, as of September 30, 2025, the balance in this escrow account is $0.

Compliance with Rule 62-701.630(5)(c), Florida Administrative Code

As provided by Rule 62-701.630(5)(c), Florida Administrative Code, the City is required to annually submit to the Florida Department of Environmental Protection an audit of the landfill closure account with a list of all deposits and disbursements made. For the year ended September 30, 2025, disbursements of $145,647 were made from the account. There were no additional deposits, other than interest received of $90,411.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Commitments

Construction commitments. The City has active construction projects for water main upgrades, street parking lots, traffic circles, and park renovations and upgrades. As of September 30, 2025, commitments with contractors were as follows:

Projects	Spent-to-date	Remaining Commitment
Water plants upgrade - sanitary sewer and stormwater	$ 5,245,179	$ 12,123,108
Traffic circles, street parking and pedestrian bridge replacement	649,423	4,760,133
Parks and recreation upgrades	10,653,805	8,700,000
Total	$ 16,548,407	$ 25,583,241

The remaining commitment balances for the various projects were encumbered at fiscal year-end. The encumbrances and related appropriation technically lapse at the end of each year but are reappropriated and become part of the subsequent year's budget because performance under the executed contracts is expected in the subsequent years.

Encumbrances

As of September 30, 2025, the amounts of encumbrances expected to be honored upon performance by vendors were as follows:

General fund	$ 1,145,364
Capital projects fund	11,782,909
Non-major governmental funds	356,779
Water and sewer and stormwater funds	6,747,366
Internal services funds	1,693,793
Total	$ 21,726,211

NOTE 12. COMMITMENTS AND CONTINGENCIES (Continued)

Contingencies

Grantor Agencies

Federal and state programs in which the City participates are subject to annual audit in accordance with the provisions of the U.S. Office of Management and Budget Uniform Guidance and the State of Florida Single Audit Act. Pursuant to those provisions, financial assistance programs may be tested for compliance with applicable grant requirements. Grantor agencies may subject grant programs to additional compliance tests, which could result in disallowed expenditures. In the opinion of management, future disallowances, if any, of grant program expenditures would not have a material adverse effect on the financial condition or operations of the City.

Litigation:

- The City is a defendant in several other lawsuits as of September 30, 2025, incidental to its operations, the outcomes of which are uncertain at this time. However, in the opinion of management and legal counsel, the ultimate outcome of such actions will not have a material adverse effect on the financial condition or operations of the City.

- The City is likely to be involved in a probable lawsuit related to fraudulent activities with its pension plans. As a result of the incident, the City is currently reviewing the matter to assess whether there are any legal remedies available to the City. The criminal component of the case is progressing through the court system. Civil actions will follow once the criminal proceedings have concluded.

NOTE 13. LEASES RECEIVABLE

The City leases land and facilities for cellular tower antenna sites to third parties. The City believes the tenants and licensees will exercise renewal options with reasonable certainty. During the year ended September 30, 2025, the City recognized $516,334 of lease revenue (including $66,780 interest) related to the lease agreements. As of September 30, 2025, the City recorded lease receivable of $6,563,814.

The following is a summary of changes in leases receivable for governmental activities for the year ended September 30, 2025:

	Beginning Balance 09/30/2024	Prior Period Adjustment	Beginning Balance Restated	Additions/ (Adjustments)	Reductions	Ending Balance 9/30/2025
Governmental Activities						
Lease agreements - lands	$ 3,275,347	$ 705,859	$ 3,981,206	$ -	$ (370,901)	$ 3,610,305
Lease agreements - cellular tower antenna sites	1,043,236	2,055,702	3,098,938	-	(145,430)	2,953,508
Total	$ 4,318,583	$ 2,761,561	$ 7,080,144	$ -	$ (516,331)	$ 6,563,814

NOTE 13. LEASES RECEIVABLE (Continued)

The remaining amounts to be received associated with these leases are as follows:

Fiscal year ending September 30:	Lands	Antenna sites+ billboard	Total
2026	$ 397,568	$ 205,732	$ 603,300
2027	411,751	206,367	618,118
2028	426,501	209,703	636,204
2029	441,841	213,872	655,713
2030	457,794	218,250	676,044
Thereafter	1,515,144	2,510,357	4,025,501
Total payment	3,650,599	3,564,281	7,214,880
Less amount representing interest	(40,293)	(610,773)	(651,065)
Principal payment	$ 3,610,305	$ 2,953,508	$ 6,563,814

Biscayne Landing Lease

In 2012, an agreement was signed for the site known as the Munisport Landfill Site (Biscayne Landing). The agreement contemplated development of the site with the City receiving income from the sale of residential units and from an annual ground lease. The agreement called for a 99-year lease of the site to the developer (Oleta Partners), with a 100-year renewal option. The initial development program for Biscayne Landing has been modified in accordance with subsequent changes to the initial agreement. The City will also receive rent on the commercial space based on 50% of the net profits. Detailed information on the agreement is available on the City's website at *northmiamifl.gov.*

In Fiscal Year 2025, the City reported basic rents, additional rents and bifurcated lease payments of $1,293,594.

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NOTE 14. DEFERRED OUTFLOWS, DEFERRED INFLOWS AND UNEARNED REVENUES

The following schedule summarizes the City's deferred outflows/inflows and unearned revenues as of September 30, 2025:

Governmental Activities	Deferred Outflows	Deferred Inflows	Unearned Revenues
Grant funds received in advance	$ -	$ -	$ 364,663
Deposits and other funds received in advance	-	-	3,433,917
Rent received in advance	-	-	8,800,861
OPEB	1,729,884	3,551,066	-
Pensions	19,951,805	18,298,062	-
Lease related	-	6,074,377	-
Other	-	5,000	-
Total governmental activities	$ 21,681,689	$ 27,928,505	$ 12,599,441
Business-type Activities			
OPEB	$ 255,950	$ 542,803	
Pensions	2,923,292	2,937,697	
Total business-type activities	$ 3,179,242	$ 3,480,500	

NOTE 15. FUND DEFICITS

The following funds had a fund balance deficit as of September 30, 2025:

Fund	Fund Deficits
FEMA Disaster Recovery	$ 225,383
Justice Assistance Grants	182,161
Cagni Park Capital Project	9,279,421
Total	$ 9,686,965

The fund deficits are related to outstanding reimbursements from federal grants and from other governments for the capital project, which are expected to be reconciled and cleared by the next fiscal year ending September 30, 2026.

NOTE 16. CHANGES WITHIN THE FINANCIAL REPORTING ENTITY AND PRIOR PERIOD ADJUSTMENT

The City identified two new major funds, the Building and Cagni Park Project, under GASB 34 requirements, and three funds that no longer met the requirements: Landfill Closure, C.D.B.G Entitlement, and (ARPA) funds. The fund balance was restated on the governmental fund balance sheet, reflecting the reclass from/to major and non-major funds.

The City recorded a prior period adjustment in governmental activities and at the governmental fund level related to a calculation error for the recognition of its leases. which was identified after the issuance of the

NOTE 16. CHANGES WITHIN THE FINANCIAL REPORTING ENTITY AND PRIOR PERIOD ADJUSTMENT (Continued)

prior year's financial statements. The original government-wide net position for governmental activities was $76,085,779 after the prior-period adjustment; a decrease of ($1,015,697), the net position was restated to $75,070,082. Total governmental funds, the original fund balance was $102,312,702. After a prior period adjustment, an increase of $420,166, the fund balance was restated to $102,732,868.

The effects of the change to or within the financial reporting entity and prior period adjustments are shown in the table below:

Fund Level	**General Fund**	**Other Major Funds**	**Nonmajor Funds**	**Total Governmental Funds**
Beginning balance as previously reported September 30, 2024	$ 21,000,270	$ 61,635,738	$ 19,676,694	$ 102,312,702
Calculation error on GASB 87- prior period adjustments	420,166	-	-	420,166
Beginning balances as adjusted and restated September 30, 2024	21,420,436	61,635,738	19,676,694	102,732,868
Change within financial reporting entity major to non major fund	-	(101,181)	101,181	-
C.D.B.G. Entitlement	-	(5,617,101)	5,617,101	-
Landfill Closure	-	(566,477)	566,477	-
	-	(6,284,759)	6,284,759	-
Change within financial reporting entity non major to major fund				
Building Fund	-	10,969,505	(10,969,505)	-
Cagni Park	-	(1,064,170)	1,064,170	-
	-	9,905,335	(9,905,335)	-
Net change in fund balance	694,351	(3,879,646)	3,970,281	784,985
Ending balances as of September 30, 2025	$ 22,114,787	$ 61,376,668	$ 20,026,398	$ 103,517,853

Government-wide	**Governmental**	**Business-type**	**Government-wide**
Beginning balances, as previously reported September 30, 2024	$ 76,085,779	$ 78,545,441	$ 154,631,220
Calculation error on GASB 87- prior period adjustments	(1,015,697)	-	(1,015,697)
Net position as adjusted and restated September 30, 2024	75,070,082	78,545,441	153,615,523
Change in position	20,412,712	408,041	20,820,753
Net position as of September 30, 2025	$ 95,482,794	$ 78,953,482	$ 174,436,276

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NOTE 17. NET POSITION AND FUND BALANCE

As of September 30, 2025, the City’s net position and fund balance are as follows:

Government-wide	Governmental	Business-type	Government-wide
Net Position			
Net investments in capital assets	$ 90,348,696	$ 51,565,991	$ 141,914,687
Restricted for:			
Building and code compliance	12,685,068	-	12,685,068
Capital projects	7,000,000	-	7,000,000
Community redevelopment	53,724,609	-	53,724,609
Culture and recreation	3,489,144	-	3,489,144
Debt service reserve	4,078,875	-	4,078,875
Grants and housing	1,332,543	-	1,332,543
Impact fees other	1,792,189	-	1,792,189
Landfill closure	5,561,865	-	5,561,865
Law enforcement and public safety	868,175	-	868,175
Transportation	7,231,334	-	7,231,334
Net pension asset	20,738,278	1,150,149	21,888,427
Unrestricted (deficit)/net position	(113,367,981)	26,237,342	(87,130,639)
Total net position	$ 95,482,795	$ 78,953,482	$ 174,436,276

Fund Level	General Fund	CRA	Building Fund	Cagni Park	Non - Major	Total Governmental Funds
Fund Balances						
Non-spendable	$ 1,960,397	$ 44,778	$ 122,759	$ -	$ -	$ 2,127,934
Restricted:					-	-
Building and code compliance	-	-	12,685,068	-	-	12,685,068
Capital projects	7,000,000				-	7,000,000
Community redevelopment	-	53,724,609	-	-	-	53,724,609
Culture and recreation	-	-	-	-	3,489,144	3,489,144
Debt service reserve	-	4,078,875	-	-	-	4,078,875
Grants and housing	-	-	-	-	1,332,542	1,332,542
Impact fees other	-	-	-	-	1,792,189	1,792,189
Landfill Closure	-	-	-	-	5,561,865	5,561,865
Law enforcement and public safety	-	-	-	-	868,175	868,175
Pension obligation bond	-	-	-	-	158,692	158,692
Transportation	-	-	-	-	7,231,334	7,231,334
Unassigned (deficit)	13,154,390	-	-	(9,279,421)	(407,543)	3,467,426
Total Fund Balances	$ 22,114,787	$ 57,848,262	$ 12,807,827	$ (9,279,421)	$ 20,026,398	$ 103,517,853

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REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

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Budgetary Comparison Schedules
Major Funds

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CITY OF NORTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
UNAUDITED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Positive
	Original	**Final**	**Actual**	**(Negative)**
REVENUES				
Ad valorem taxes	$ 28,558,628	$ 28,558,628	$ 31,284,017	$ 2,725,389
Utility and communication taxes	5,764,927	5,764,927	6,014,782	249,855
Charges for services	8,972,728	8,972,728	8,089,159	(883,569)
Franchise fees	5,674,369	5,674,369	5,815,895	141,526
Fines and forfeitures	538,590	538,590	575,778	37,188
Intergovernmental	11,291,518	11,306,518	10,264,879	(1,041,639)
Licenses and permits	1,156,180	1,156,180	1,207,204	51,024
Interest	710,394	710,394	544,734	(165,660)
Other earnings	2,903,984	3,927,881	10,046,448	6,118,567
Rents and royalties	1,823,288	1,823,288	1,312,334	(510,954)
Total revenues	67,394,606	68,433,503	75,155,230	6,721,727
EXPENDITURES				
General Government:				
Mayor and city council	2,541,096	2,647,733	2,620,653	27,080
City manager	2,405,997	2,440,566	2,379,914	60,652
City clerk	847,303	866,378	867,838	(1,460)
Financial services	3,980,653	4,142,074	3,939,109	202,965
Legal	1,638,498	1,638,498	1,595,580	42,918
Human resources	936,723	953,506	937,058	16,448
Information technology	2,644,145	3,542,363	3,060,431	481,932
Management and budget	462,073	455,073	389,891	65,182
Procurement and purchasing	650,501	650,502	588,948	61,554
Non-departmental	5,046,229	3,810,461	2,819,343	991,118
Total general government	21,153,218	21,147,154	19,198,765	1,948,389
Public Safety:				
Police	36,280,543	36,513,825	35,073,375	1,440,450
Neighborhood services (formerly Code enforcement)	6,298,357	6,411,319	6,130,917	280,402
Total public safety	42,578,900	42,925,144	41,204,292	1,720,853
Physical Environment				
Public works	1,788,517	1,809,720	1,643,371	166,349
Transportation	3,275,933	3,930,310	3,238,946	691,364
Total physical environment	5,064,450	5,740,030	4,882,317	857,713
Economic Environment:				
Development services (formerly CP&D)	1,718,670	1,912,855	1,194,943	717,912
Housing and social services	2,115,015	2,395,469	1,918,023	477,446
Total economic environment	3,833,685	4,308,324	3,112,966	1,195,358
Culture and Recreation:				
Parks and recreation	8,529,520	8,914,169	8,812,793	101,376
Library	1,380,290	1,443,321	1,517,274	(73,953)
MOCA	1,879,807	1,952,756	1,976,137	(23,381)
Total culture and recreation	11,789,617	12,310,246	12,306,204	4,042
Economic development	892,184	1,213,670	837,229	376,441
Communications	1,372,457	1,491,874	1,370,589	121,285
Debt service	522,115	289,900	249,055	40,845
Capital outlay	1,262,035	2,782,121	1,640,840	1,141,281
Total expenditures	88,468,661	92,208,463	84,802,257	7,406,207
Excess (deficiency) of revenues over (under) expenditures	**(21,074,055)**	**(23,774,960)**	**(9,647,027)**	**14,127,933**
OTHER FINANCING SOURCES (USES)				-
Fund balance appropriation	8,455,301	11,550,962	-	(11,550,962)
Proceeds from sale of capital assets	500,000	500,000	-	(500,000)
Transfers in	13,547,783	13,144,566	11,759,983	(1,384,583)
Transfers out	(1,429,029)	(1,420,568)	(1,418,605)	1,963
Total other financing sources (uses)	21,074,055	23,774,960	10,341,378	(13,433,582)
Net change in fund balance	$ -	$ -	$ 694,351	$ 694,351
Fund balance, beginning, as previously reported			21,000,270	
Error correction prior period adjustments			420,166	
Fund balance, 09/30/2024 as adjusted or restated			21,420,436	
Fund balance, ending			$ 22,114,787	

See notes to the required supplementary information

CITY OF NORTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CRA
UNAUDITED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
REVENUES				
Ad valorem taxes	$ 19,781,649	$ 22,883,284	$ 17,115,442	$ (5,767,842)
Interest and other earnings	176,099	176,099	591,571	415,472
Carry over surplus	6,495,918	55,321,322	-	(55,321,322)
Total revenues	26,453,666	78,380,705	17,707,013	(60,673,692)
EXPENDITURES				
General government	3,008,384	9,425,284	4,898,409	4,526,875
Community planning and development	23,383,269	59,097,531	6,236,696	52,860,835
Debt service	-	4,074,625	4,074,625	-
Capital outlay	-	-	-	-
Total expenditures	26,391,653	72,597,440	15,209,730	57,387,710
Excess (deficiency) of revenues over (under) expenditures	62,013	5,783,265.00	2,497,283	(3,285,982)
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	$ 62,013.00	$ -	$ 2,497,283	$ 2,497,283
Fund balance, beginning			55,350,979	
Fund balance, ending			$ 57,848,262	

See notes to the required supplementary information

CITY OF NORTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BUILDING FUND
UNAUDITED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
REVENUES				
Licenses and permits	$ 11,807,605	$ 11,807,605	6,740,253	$ 5,067,352
Interest and other earnings	-	-	66,156	66,156
Total revenues	11,807,605	11,807,605	6,806,409	5,133,508
EXPENDITURES				
Public safety and neighborhood services	4,919,086	4,918,573	3,018,134	
General government	-		60,153	(60,153)
Capital outlay	5,000,000	5,000,000		5,000,000
Total expenditures	9,919,086	9,918,573	3,078,287	4,939,847
Excess (deficiency) of revenues over (under) expenditures	1,888,519	1,889,032	3,728,122	1,839,090
Net change in fund balances				
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,888,519)	(1,888,519)	(1,889,800)	(1,281)
Total other financing source (uses)	(1,888,519)	(1,888,519)	(1,889,800)	(1,281)
Net change in fund balances/(deficits)	**$** -	$ 513	$ 1,838,322	$ 1,837,809
Fund balance, beginning			10,969,505	
Fund balance, ending			$ 12,807,827	

See notes to required supplementary information

CITY OF NORTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CAGNI PARK CAPTIAL FUND
UNAUDITED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental		$ 415,135	$ -	$ (415,135)
Licenses and permits				
Interest and other earnings	-	-		-
Total revenues	-	415,135	-	(415,135)
EXPENDITURES				
Public safety and neighborhood services				
General government	-			-
Capital outlay		879,630	8,215,251	(7,335,621)
Total expenditures	-	879,630	8,215,251	(7,335,621)
Excess (deficiency) of revenues over (under) expenditures Net change in fund balances	-	(464,495)	(8,215,251)	(6,920,486)
OTHER FINANCING SOURCES (USES)				
Transfers out		-	-	-
Total other financing source (uses)	-	-	-	-
Net change in fund balances/(deficits)	**$** -	$ (464,495)	$ (8,215,251)	$ (6,920,486)
Fund balance, beginning			(1,064,170)	
Fund balance, ending			$ (9,279,421)	

See notes to the required supplementary information

Budgetary Basis of Accounting

The City adopts its annual General Fund budget on a modified accrual basis, in accordance with U.S. generally accepted accounting principles (GAAP). This budget serves as a tool to control and monitor spending throughout the year. However, timing differences—such as delayed software projects, unfilled staff positions, and the scheduling of grant activities—can create discrepancies between the final budget and actual year-end results. The following analysis highlights the most significant budget variances for the fiscal year.

General Fund Budgetary Highlights

The General Fund, which has a final budget of $92.2 million, is the largest operating fund in the city budget and provides essential services such as public safety, community development, and recreational programs. The General Fund's final revenue budget was estimated at $68.4 million, compared to actual revenues of $75.2 million, resulting in a favorable revenue variance of $6.7 million. Actual expenditures were $84.8 million, resulting in a $7.4 million variance below the final budget of $92.2 million.

General Fund Revenue

General Fund final budget revenues were estimated at $68.4 million, while actual revenues were $75.2 million, reflecting a positive variance of $6.7 million.

Significant Revenue Variances

The revenue variances were primarily driven by the following categories:

- Ad valorem (property) tax revenues exceeded the budget by $2.7 million, reflecting strong collections.
- Utility and communication taxes, franchise fees, fines and forfeitures, and licenses and permits all reflected slight positive variances from budgeted to actual amounts.
- Other earnings reflected the largest variance at $6.1 million above the budget. This variance is due to the one-time, non-recurring receipt of settlement funds and previously deferred revenues from the prior year.
- Intergovernmental revenues reflected a $1.0 million variance below budget. This category includes federal and state grants, shared revenues, and reimbursements; timing differences in grant drawdowns account for the variance.

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General Fund Expenditures

Total General Fund actual expenditures of $84.8 million resulted in a $7.4 million variance below the final budget of $92.2 million. The variances occurred across all department levels, mainly due to service timing, position vacancies, and delayed capital projects.

The expenditure variances were primarily due to the following:

- Public Safety: As the General Fund's largest category, this represents 48.6% of total actual expenditures and 46.5% of the final budget. Public Safety actual expenditures were $41.2 million, resulting in a $1.7 million variance below the final budget of $42.9 million. This variance is primarily due to $1.4 million in police operations vacancies and the timing of other operational expenditures.
- General Government: Actual expenditures totaled $19.2 million compared to a budget of $21.1 million, representing a variance of $1.9 million below the final budget. This positive variance is primarily due to: Non-Departmental savings of $0.9 million; Information Technology savings of $0.5 million due to the timing of software implementation and equipment acquisitions; and Financial Services of $0.2 million due to the timing of professional services.
- Capital Outlay**:** Capital actual expenditures totaled $1.6 million compared to a budget of $2.7 million. The $1.1 million variance was mainly due to shifting project schedules.
- Economic Environment**:** Expenditures in this category totaled $3.1 million, resulting in a $1.2 million variance below the budget of $4.3 million. The variance was mainly due to program ramp-up periods, unfilled positions, and the timing of grant-funded activities within Development Services and Housing and Social Services.

OTHER MAJOR FUNDS

Community Redevelopment Agency (CRA)

The Community Redevelopment Agency (CRA) is a city component unit dedicated to local economic development. For the fiscal year ended September 30, 2025, the CRA reported significant variances between actual and budgeted revenue and expenditure amounts, primarily due to delayed capital projects. Because these projects were not completed by year-end, the remaining funds will be carried forward to cover these expenses in the next fiscal year.

The final budget for revenues included $55.3 million under "Carryover surplus." In municipal and fund accounting, this represents prior-year accumulated reserves appropriated to fund multi-year capital projects rather than new cash generated in the current year. Consequently, actual current-year revenue for this line item amounted to $0.

Actual Ad Valorem tax collections were a net $17.1 million (gross $22.9 million, offset by refunds of $5.8 million to other governments). The budget-to-actual expectation was equal to $22.9 million.

Actual expenditures were $15.2 million, resulting in a $57.4 million variance below the final budget of $72.6 million. The variances for expenditures were due to the following factors:

- **Community Planning and Development:** This represents the core mission of the CRA. Actual expenditures were $6.2 million, representing a $52.8 million variance below the final budget of $59.1 million. This variance is primarily due to the multi-year lifecycle of redevelopment grants, infrastructure improvements, and capital projects.
- **General Government:** Actual administrative and operational expenditures totaled $4.9 million, resulting in a $4.5 million variance below the final budget of $9.4 million. Actual expenditures were below the final budget due to timing delays on various initiatives.

Building Fund

The City utilizes the Building Fund to enhance its permitting processes, which support development and economic growth. The Building Fund also provides property owners with inspection services to verify compliance with the Florida Building Code and required standards. This protects lives and property in the disciplines of building, roofing, electrical, mechanical, structural, plumbing, re-occupancy inspections, and 30-year recertification.

Actual revenues for the Building Fund totaled $6.8 million, resulting in a $5.1 million variance below the final budget of $11.8 million. The variance was due to lower-than-expected collections for licenses and permits, which were partially offset by investment and other earnings.

Actual expenditures were $3.1 million, which is $4.9 million below the final budget of $9.9 million. This variance was primarily due to a $5.0 million variance in capital outlay due to the postponement of a planned office building purchase.

Cagni Park Project Fund

The Cagni Park Capital Fund accounts for the financial resources allocated to construction and improvements at Cagni Park. This multi-year development project relies on a reimbursement-based funding structure, with revenues driven by state and local partnerships, including Miami-Dade County, General Obligation Bonds (GOB 1 and 2), and City contributions. Because funding is tied directly to project progression and subsequent reimbursement requests, significant timing differences frequently occur between construction spending and revenue recognition.

Actual revenues for the fund were $0, compared to a final budget of $0.4 million, resulting in a temporary intergovernmental revenue shortfall of $0.4 million. This variance is due to timing delays, as reimbursement requests to Miami-Dade County and GOB funding sources were not finalized before the close of the fiscal year.

Actual expenditures were $8.2 million, resulting in a $7.2 million variance above the $0.9 million budget. This variance is entirely due to the timing of project phases, as accelerated construction progress shifted expenses forward into the current fiscal period. These front-loaded capital outlays resulted in a temporary net change in fund balance of negative $8.2 million. This temporary deficit will be offset in subsequent fiscal years as the outstanding reimbursement submissions from Miami-Dade County and GOB fund sources are collected.

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REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)
PENSION PLANS AND OTHER POST-EMPLOYMENT BENEFITS LIABILITY SCHEDULES

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CITY OF NORTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NORTH MIAMI POLICE PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN YEARS
UNAUDITED

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	$ 2,569,368	$ 2,565,332	$ 2,575,874	$ 2,728,817	$ 2,745,074	$ 2,884,226	$ 2,874,281	$ 2,736,585	$ 2,688,621	$ 2,364,576
Interest	9,611,608	9,259,494	8,821,801	8,368,131	8,192,391	7,986,311	7,175,820	7,112,421	6,699,774	6,407,038
Difference between actual & expected experience	4,678,142	(235,691)	1,335,775	1,753,351	1,490,024	(2,846,387)	5,426,628	(586,971)	(722,729)	(2,551,912)
Assumption changes	-	-	1,640,630	1,560,253	(2,593,823)	1,471,145	1,422,393	2,910,987	1,055,450	973,319
Benefit payments	(6,631,544)	(6,494,396)	(6,149,803)	(6,225,983)	(5,351,111)	(4,686,763)	(4,550,105)	(4,280,161)	(2,859,026)	(2,992,356)
Refunds	-	-	(27,341)	(58,715)	-	(71,573)	(18,657)	(32,663)	(160,092)	-
Net change in total pension liability	10,227,574	5,094,739	8,196,936	8,125,854	4,482,555	4,736,959	12,330,360	7,860,198	6,701,998	4,200,665
Total pension liability - beginning	138,055,094	132,960,355	124,763,419	116,637,565	112,155,010	107,418,051	95,087,691	87,227,493	80,525,495	76,324,830
Total pension liability - ending (a)	**$ 148,282,668**	**$ 138,055,094**	**$ 132,960,355**	**$ 124,763,419**	**$ 116,637,565**	**$ 112,155,010**	**$ 107,418,051**	**$ 95,087,691**	**$ 87,227,493**	**$ 80,525,495**
Plan fiduciary net position										
Contributions - employer	$ 4,994,767	$ 5,020,198	$ 5,035,642	$ 4,545,250	$ 4,682,955	$ 4,724,031	$ 3,884,945	$ 3,744,407	$ 3,558,223	$ 3,358,659
Contributions - employer (from State/Share Plan)	82,682	82,682	82,682	186,255	197,038	184,085	82,682	82,682	82,682	82,682
Contributions - non-employer contributing entity	-	-	-	-	-	-	-	-	494,141	-
Contributions - member	904,866	930,523	962,068	845,591	875,237	907,850	932,232	1,153,440	1,014,411	846,576
Net investment income	18,569,952	6,962,387	(10,063,021)	21,777,391	3,509,502	420,126	8,694,199	6,933,826	5,759,158	1,672,653
Benefit payments	(6,631,544)	(6,494,396)	(6,149,803)	(6,225,983)	(5,351,111)	(4,686,763)	(4,550,107)	(4,280,161)	(2,859,026)	(2,992,356)
Refunds	-	-	(27,341)	(58,717)	-	(71,573)	(18,657)	(32,663)	(160,092)	-
Administrative expense	(530,108)	(434,757)	(382,499)	(280,229)	(270,751)	(253,291)	(227,839)	(159,823)	(136,260)	(126,435)
Net change in plan fiduciary net position	17,390,615	6,066,637	(10,542,272)	20,789,558	3,642,870	1,224,465	8,797,455	7,441,708	7,753,237	2,841,779
Plan fiduciary net position - beginning	100,561,938	94,495,301	105,037,573	84,248,015	80,605,145	79,380,680	70,583,225	63,141,517	55,388,280	52,546,501
Plan fiduciary net position - ending (b)	117,952,553	100,561,938	94,495,301	105,037,573	84,248,015	80,605,145	79,380,680	70,583,225	63,141,517	55,388,280
Net pension liability - ending (a) - (b)	**$ 30,330,115**	**$ 37,493,156**	**$ 38,465,054**	**$ 19,725,846**	**$ 32,389,550**	**$ 31,549,865**	**$ 28,037,371**	**$ 24,504,466**	**$ 24,085,976**	**$ 25,137,215**
Plan fiduciary net position as a percentage of total pension liability	79.55%	72.84%	71.07%	84.19%	72.23%	71.87%	73.90%	74.23%	72.39%	68.78%
Covered payroll	$ 8,015,847	$ 7,959,950	$ 8,214,176	$ 8,887,506	$ 8,936,209	$ 9,667,188	$ 9,962,588	$ 9,058,510	$ 9,185,954	$ 8,901,956
Net pension liability as a percentage of covered payroll	378.38%	471.02%	468.28%	221.95%	362.45%	326.36%	281.43%	270.51%	262.20%	282.38%
Measurement Date	10/1/2024	10/1/2023	10/1/2022	10/1/2021	10/1/2020	10/1/2019	10/1/2018	10/1/2017	10/1/2016	10/1/2015

CITY OF NORTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
CLAIR T. SINGERMAN EMPLOYEES RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY AND RELATED RATIOS
LAST TEN YEARS
UNAUDITED

	2025	2024	2023	2022	2021	2020	2019	2018	201	2016
Total pension liability										
Service cost	$ 1,526,033	$ 1,506,091	$ 1,672,374	$ 1,896,893	$ 1,908,045	$ 1,812,287	$ 1,759,663	$ 1,959,651	$ 2,659,600	$ 2,438,790
Interest	9,964,038	9,770,953	9,818,622	9,685,488	9,617,391	9,216,810	8,939,070	8,775,025	9,099,037	8,937,243
Benefit changes	-	-	-	-	(2,353,306)	1,601,838	1,522,923	4,504,616	(6,839,780)	-
Difference between actual & expected experience	1,678,849	211,323	(3,717,602)	(205,083)	2,635,026	3,067,379	1,551,666	2,228,073	(1,266,151)	(2,263,638)
Benefit payments	(9,246,305)	(8,049,268)	(8,394,689)	(9,682,490)	(7,613,250)	(8,363,533)	(7,487,572)	(7,225,538)	(7,034,144)	(6,863,520)
Refunds	-	-	(187,849)	(100,969)	(22,347)	(26,378)	(136,942)	(98,051)	(190,942)	(265,792)
Other	11,900	-	2,579	2,579	2,368	2,595	1,901	1,657	1,423	1,253
Net change in total pension liability	3,934,515	3,439,099	(806,565)	1,596,418	4,173,927	7,310,998	6,150,709	10,145,433	(3,570,957)	1,984,336
Total pension liability - beginning	150,712,501	147,273,402	148,079,967	146,483,549	142,309,622	134,998,624	128,847,915	118,702,482	122,273,439	120,289,103
Total pension liability - ending (a)	**$ 154,647,016**	**$ 150,712,501**	**$ 147,273,402**	**$ 148,079,967**	**$ 146,483,549**	**$ 142,309,622**	**$ 134,998,624**	**$ 128,847,915**	**$ 118,702,482**	**$ 122,273,439**
Plan fiduciary net position										
Contributions - employer	$ 1,359,913	$ 1,426,719	$ 3,358,941	$ 3,623,990	$ 4,018,087	$ 5,537,669	$ 5,135,715	$ 4,924,792	$ 5,900,606	$ 5,452,219
Contributions - employer (from State/Share Plan)	11,900	-	2,579	2,579	2,368	2,595	1,901	1,657	1,423	1,253
Contributions - non-employer contributing entity	-	-	-	5,951	108,396	194,266	195,277	103,860	92,782	145,792
Contributions - member	668,626	684,452	698,719	800,962	833,994	824,981	813,650	788,484	920,667	853,456
Net investment income	29,168,104	13,712,630	(14,244,480)	30,973,032	11,308,249	6,279,184	12,802,737	12,071,492	11,084,389	548,641
Benefit payments	(9,246,305)	(8,049,268)	(8,394,689)	(9,682,490)	(7,613,250)	(8,363,533)	(7,487,572)	(7,225,538)	(7,034,144)	(6,863,520)
Refunds	-	-	(187,849)	(100,969)	(22,347)	(26,378)	(136,942)	(98,051)	(190,942)	(265,792)
Administrative expense	(607,882)	(596,896)	(432,650)	(436,987)	(362,800)	(344,954)	(333,039)	(262,418)	(250,675)	(235,209)
Net change in plan fiduciary net position	21,354,356	7,177,637	(19,199,429)	25,186,068	8,272,697	4,103,830	10,991,727	10,304,278	10,524,106	(363,160)
Plan fiduciary net position - beginning	155,181,087	148,003,450	167,202,879	142,016,811	133,744,114	129,640,284	118,648,557	108,344,279	97,820,173	98,183,333
Plan fiduciary net position - ending (b)	176,535,443	155,181,087	148,003,450	167,202,879	142,016,811	133,744,114	129,640,284	118,648,557	108,344,279	97,820,173
Net pension liability - ending (a) - (b)	**$ (21,888,427)**	**$ (4,468,586)**	**$ (730,048)**	**$ (19,122,912)**	**$ 4,466,738**	**$ 8,565,508**	**$ 5,358,340**	**$ 10,199,358**	**$ 10,358,203**	**$ 24,453,266**
Plan fiduciary net position as a percentage of total pension liability	114.15%	102.96%	100.50%	112.91%	96.95%	93.98%	96.03%	92.08%	91.27%	80.00%
Covered payroll	$ 10,012,772	$ 9,795,714	$ 10,840,493	$ 12,267,117	$ 12,384,844	$ 11,992,650	$ 11,989,341	$ 11,834,725	$ 11,618,974	$ 12,192,229
Net pension liability as a percentage of covered payroll	-218.61%	-45.62%	-6.73%	-155.89%	36.07%	71.42%	44.69%	86.18%	89.15%	200.56%
Measurement Date	10/1/2024	10/1/2023	10/1/2022	10/1/2021	10/1/2020	10/1/2019	10/1/2018	10/1/2017	10/1/2016	10/1/2015

See notes to the required supplementary information

CITY OF NORTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
CLAIR T. SINGERMAN EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS
UNAUDITED

Year Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as % of Covered Payroll
2016	5,993,388	5,993,388	-	11,618,974	51.58%
2017	5,028,652	5,028,652	-	11,834,725	42.49%
2018	5,330,992	5,330,992	-	11,989,341	44.46%
2019	5,731,935	5,731,935	-	11,992,650	47.80%
2020	4,126,483	4,126,483	-	12,384,844	33.32%
2021	3,629,523	3,629,941	(418)	12,267,117	29.59%
2022	3,358,941	3,358,941	-	10,840,493	30.99%
2023	1,426,719	1,426,719	-	9,795,714	14.56%
2024	1,359,913	1,359,913	-	10,012,772	13.58%
2025	1,453,168	1,453,168	-	9,513,306	15.28%

Notes to Schedule

Valuation Date : October 1, 2023

Notes: Actuarially determined contributions are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	General: Level Percentage of Payroll, Closed Police and Fire: Level Dollar, Closed
Remaining Amortization Period	15 years
Asset Valuation Method	Recognition of 20% of difference between fair value of assets and expected actuarial value of assets
Inflation	2.50%
Salary Increases	3.00% to 6.00% depending on service
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates
Mortality	The mortality table for General Employees is the PUB-2010 Headcount Weighted Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Below Median Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Below Median Healthy Retiree Male Table (post-retirement) and the PUB-2010 Headcount Weighted Below Median Retiree Female Table (post-retirement). These tables use ages set back one year for males and future improvements in mortality projected to all future years after 2010 using scale MP-2018. These are the same rates used for Regular Class members of the Florida Retirement System (FRS) in their actuarial valuation as of July 1, 2020.

Note to Schedule:

This Schedule is presented to illustrate the requirement to show information for 10 years.

See the notes to the required supplementary information

CITY OF NORTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
NORTH MIAMI POLICE PENSION PLAN
LAST TEN YEARS
UNAUDITED

Year Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as % of Covered Payroll
2016	3,640,905	4,135,046	(494,141)	9,185,954	45.01%
2017	3,827,089	3,827,089	-	9,058,510	42.25%
2018	3,967,627	3,967,627	-	9,962,588	39.83%
2019	4,908,116	4,908,116	-	9,667,188	50.77%
2020	4,879,993	4,879,993	-	8,936,209	54.61%
2021	4,731,505	4,731,505	-	8,887,506	53.24%
2022	5,118,324	5,118,324	-	8,214,176	62.31%
2023	5,102,880	5,102,880	-	7,959,950	64.11%
2024	5,077,450	5,077,450		8,015,847	63.34%
2025	5,658,424	6,284,406	(625,982)	7,834,102	80.22%

Notes to schedule above:

Valuation Date : October 1, 2023

Notes: Actuarially determined contributions are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	General: Level Dollar, Closed
Remaining Amortization Period	20 years
Asset Valuation Method	Recognition of 20% of difference between fair value of assets and expected actuarial value of assets
Inflation	2.50%
Salary Increases	3.50% to 9.00% depending on service
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The mortality tables are the PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted mortality tables are the PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement) and the PUB-2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2020 Actuarial Valuation of the Florida Retirement System (FRS).

Note to Schedule:

This Schedule is presented to illustrate the requirement to show information for 10 years.

See notes to the required supplementary information.

CITY OF NORTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FLORIDA RETIREMENT SYSTEM PENSION PLAN (FRS)
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AND
SCHEDULE OF CONTRIBUTIONS
LAST TEN YEARS
UNAUDITED

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ending September 30,	City's Proportionate % Share of the FRS Net Pension Liability	City's Proportionate $ Share of the FRS Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the FRS Net Pension Liability as a % of its Covered Payroll	FRS Plan Fiduciary Net Position as a % of the Total Pension Liability
2016	0.1100%	$ 287,371	$ 1,548,779	18.55%	84.88%
2017	0.0136%	4,039,330	2,617,041	154.35%	83.89%
2018	0.0142%	4,285,357	4,627,929	92.60%	84.26%
2019	0.0190%	6,549,910	6,275,292	104.38%	82.61%
2020	0.0265%	11,481,127	8,171,636	140.50%	78.85%
2021	0.0295%	2,230,477	8,413,638	26.51%	96.40%
2022	0.0335%	12,458,053	9,941,301	125.32%	82.89%
2023	0.0369%	14,703,751	12,457,706	118.03%	82.38%
2024	0.0422%	16,324,374	16,147,120	86.69%	83.70%
2025	0.0461%	14,302,353	19,756,676	66.08%	87.26%

SCHEDULE OF THE CITY'S CONTRIBUTIONS

Year Ending September 30,	Contractually Required FRS Contribution	FRS Contribution in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	City's Covered Payroll	FRS Contribution as a % of Covered Payroll
2016	$ 27,754	$ 27,754	-	$ 600,141	1.79%
2017	355,375	$ 27,754	327,621	3,170,437	0.88%
2018	405,469	$ 27,754	377,715	5,110,969	0.54%
2019	589,729	$ 27,754	561,975	6,654,954	0.42%
2020	880,143	$ 27,754	852,389	8,336,804	0.33%
2021	1,124,875	$ 27,754	1,097,121	8,784,640	0.32%
2022	1,428,745	$ 27,754	1,400,991	10,376,113	0.27%
2023	1,775,160	$ 27,754	1,747,406	13,031,943	0.21%
2024	2,389,548	$ 27,754	2,361,794	18,830,062	0.15%
2025	2,751,556	$ 27,754	2,723,802	21,645,380	0.13%

Note: The amounts presented for each fiscal year were determined as of June 30th (for NPL) and September 30th (for contributions). The schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available are being presented. The City entered the Plan as of October 1, 2015.

CITY OF NORTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
HEALTH INSURANCE SUBSIDY PROGRAM (HIS)
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AND
SCHEDULE OF CONTRIBUTIONS
LAST TEN YEARS
UNAUDITED

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ending September 30,	City's Proportionate % Share of the HIS Net Pension Liability	City's Proportionate Share of the HIS Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the HIS Net Pension Liability as a % of its Covered Payroll	HIS Plan Fiduciary Net Position as a % of the Total Pension Liability
2016	0.0002%	$ 5,330,992	$ -	1.67%	0.97%
2017	0.0092%	5,731,935	2,617,041	58.64%	0.50%
2018	0.0137%	1,447,001	4,627,929	31.27%	2.15%
2019	0.0188%	2,108,959	6,275,292	33.61%	2.63%
2020	0.0234%	2,861,253	8,171,636	35.01%	3.00%
2021	0.0236%	2,901,047	8,413,638	34.48%	3.56%
2022	0.0275%	2,913,278	9,941,301	29.30%	4.81%
2023	0.0313%	4,972,072	12,457,706	39.91%	4.12%
2024	0.0359%	5,386,878	16,147,120	33.36%	4.80%
2025	0.0414%	5,312,278	19,756,676	26.89%	6.36%

SCHEDULE OF THE CITY'S CONTRIBUTIONS

Fiscal Ending September 30,	Contractually Required HIS Contribution	HIS Contribution in Relation to the Contractually Required Contribution	HIS Contribution Deficiency (Excess)	City's Covered Payroll	HIS Contribution as a % of Covered Payroll
2016	$ 1,136	$ 1,136	-	$ 600,141	0.07%
2017	49,166	49,166	-	3,170,437	1.55%
2018	74,141	74,141	-	5,110,969	1.45%
2019	104,664	104,664	-	6,654,954	1.57%
2020	135,039	135,039	-	8,336,804	1.62%
2021	139,016	139,016	-	8,784,640	1.58%
2022	166,432	166,432	-	10,376,113	1.60%
2023	205,947	205,947	-	13,031,943	1.58%
2024	304,026	304,026	-	18,830,062	1.61%
2025	370,426	370,426	-	21,645,380	1.71%

Note: The amounts presented for each fiscal year were determined as of June 30th (for NPL) and September 30th (for Contributions). The schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available are being presented. The City entered the Plan as of October 1, 2015.

See notes to the required supplementary information.

CITY OF NORTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS - PENSION PLANS
LAST TEN YEARS
UNAUDITED

ANNUAL MONEY-WEIGHTED RATE OF RETURN,
NET OF INVESTMENT EXPENSE

September 30,	CTS	NMPP
2016	10.61%	8.07%
2017	12.53%	13.20%
2018	11.04%	12.26%
2019	4.83%	0.58%
2020	8.02%	4.94%
2021	22.28%	25.96%
2022	-8.70%	-8.98%
2023	9.57%	7.33%
2024	18.86%	17.81%
2025	6.88%	8.53%

Notes to Schedule:

This schedule is presented as required by accounting principles generally accepted in the United States of America, for ten years.

See notes to the required supplementary information.

CITY OF NORTH MIAMI, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE TOTAL OTHER POSTEMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS

SEPTEMBER 30, 2025

LAST EIGHT YEARS

UNAUDITED

	2025	2024	2023	2022	2021	2020	2019	2018
Balance at September 30,	$ 11,699,489	$ 11,621,166	$ 15,767,594	$ 14,666,373	$ 15,328,265	$ 12,722,294	$ 14,965,694	$ 15,069,609
Changes for the year:								
Service cost	381,235	382,512	744,420	677,099	767,179	568,651	712,084	744,106
Interest on total OPEB liability	545,977	516,538	356,144	364,610	435,487	499,472	539,189	482,386
Changes of benefit terms	-	24,526	-	-	-	-	-	-
Difference between expected and actual experience	(908,646)	-	(654,430)	-	(754,813)	-	(964,046)	-
Changes in assumptions and other inputs	1,384,759	(316,893)	(4,093,077)	488,387	(590,616)	2,037,665	(1,985,898)	(824,639)
Benefits payments	(577,145)	(528,360)	(499,485)	(428,875)	(519,129)	(499,817)	(544,729)	(505,768)
Net changes	826,180	78,323	(4,146,428)	1,101,221	(661,892)	2,605,971	(2,243,400)	(103,915)
Balance at September 30,	$ 12,525,669	$ 11,699,489	$ 11,621,166	$ 15,767,594	$ 14,666,373	$ 15,328,265	$ 12,722,294	$ 14,965,694
Covered Employee Payroll	$ 28,284,525	$28,304,805	$ 27,216,159	$ 35,734,888	$ 27,945,304	$ 24,908,751	$ 23,950,722	$ 37,212,803
Total PE Liability as a Percenta e of Covered Employee Payroll	44.28%	41.33%	42.70%	44.12%	56.42%	61.54%	53.12%	40.22%

Notes to Schedule:

1 The amounts presented for each fiscal year were determined as of September 30th. GASB Statement No. 75 requires the schedule to show information for 10 years. Additional years will be displayed as they become available.

2 There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

See notes to the required supplementary information.

SUPPLEMENTARY INFORMATION
(UNAUDITED)

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COMBINING FUND STATEMENTS AND BUDGETARY COMPARISON SCHEDULES NONMAJOR FUNDS

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS – are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

- **Home Investment Partnership (HIP)** – This fund was created to account for expenditures of federal funds used to expand safe, decent, and affordable housing opportunities to low and very-low-income households.

- **Neighborhood Stabilization** – This fund is used to account for the City’s allocation of federal monies received from the U.S. Department of Housing and Urban Development (HUD) to assist in addressing the effects of abandoned and foreclosed properties within the community.

- **State Housing Initiative Program (SHIP)** – This fund is used to account for state funds provided for the creation of local housing partnerships, to expand production of and preserve affordable housing, to further the housing element of the local government comprehensive plan specific to affordable housing and to increase housing-related employment.

- **FEMA Disaster Recovery** – This fund is used to account for accumulated expenditures relating to specific disaster recovery reimbursable by FEMA.

- **Police Training –** This fund is used to account for expenditures of state police training funds on behalf of the City of North Miami police officer training.

- **Law Enforcement** – This fund is used to account for confiscated monies awarded to the City under State Statutes to be used for law enforcement-related expenditures.

- **Federal Forfeiture** – This fund is used to account for confiscated monies that involve the City's Police Department and federal agencies.

- **Justice Assistance Grant (JAG) –** This fund is used to account for the City’s allocation under the Edward Byrne Memorial Justice Assistance Grant.

- **Half-Cent Transportation Surtax** – This fund is used to account for the City’s prorated share of the Charter County Transit System Surtax proceeds. The monies received can be used toward projects and programs such as public transportation operations, street lighting, and transit system enhancements.

- **Developer Impact Fees –** This fund is used to account for impact fees to fund capital improvements, capital facility, and capital equipment attributable to new developments. Effective next fiscal year ending September 30, 2024, this fund will have its own bank account and will no longer be included in the City’s pooled cash.

- **Landfill Closure-** This fund is used for activity in the landfill remediation closure costs.

SPECIAL REVENUE FUNDS – (Continued)

- **American Rescue Plan Act Fund (ARPA)-** This fund is used to account for accumulated expenditures relating to specific ARPA funds.

- **C.D.B.G. Entitlement Fund-** This fund is used to account for expenditures for community block grants.

- **Miscellaneous and Other Grants** – The miscellaneous special revenue funds column reflects the activities of the following funds: State Aid to Libraries Grant, FDOT-Occupant Protection Grant, Impaired Driving Enforcement Grant, Community Oriented Police Services Hiring Recovery Grant, Department of Justice Victims of Crime Act Intervention Grant, and the Bulletproof Vest Partnership Grant.

DEBT SERVICE FUNDS

DEBT SERVICE FUNDS – are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

- **Pension Obligation Bonds** – This fund is used to account for monies for payment of principal, interest and other costs related to the Series 2010 Taxable Promissory Note debt issuance. The Note was issued for the purpose of refunding outstanding Taxable Special Obligation Bonds Series 2002 (pension funding project) and to pay a termination fee with respect to a related interest rate swap. Debt service is financed by non-ad valorem funds budgeted and appropriated by the City on an annual basis.

CAPITAL PROJECTS FUNDS

CAPITAL PROJECTS FUNDS – are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

- **Transportation Gas Tax** – This fund is used to account for expenditures for implementing transportation related capital improvements. The local option gas tax is a county-imposed tax, collected by the State of Florida, and distributed back to counties and municipalities based on the interlocal agreement in effect for that year.

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS – are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government on a cost reimbursement basis.

- **Risk Management** – This fund is used to account for the cost of insuring the City in the areas of property and casualty liability, public officials' and law enforcement officers' liability and workers' compensation. Departments of the City are assessed a charge based upon the funding needs of the fund.

- **Fleet Management** – This fund is used to account for the costs and funding of providing motor vehicles and heavy equipment to other departments.

PENSION TRUST FUNDS

THE CLAIR T. SINGERMAN AND NORTH MIAMI POLICE PENSION PLANS – These funds are used to account for the accumulation of resources to be used for retirement benefits to City employees. Resources are contributed by employees (at rates fixed by law) and by the City (at amounts determined by actuarial valuations).

CITY OF NORTH MIAMI, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue					
	HOME Investment Partnership	**Neighborhood Stabilization Program**	**Local Housing (SHIP)**	**FEMA Disaster Recovery**	**Police Training**	**Law Enforcement Trust**
ASSETS						
Cash and cash equivalents	$ -	$ 1,608,278	$ 441,919	-	$ 25,372	$ 165,827
Pooled investments	-	-	-	-	-	-
Receivables, net	-	-	-	-	-	-
Due from other governments	204,051	-	-	470,340	-	-
Due from other funds	-	-	-	-	-	-
Prepaids, deposits and other current assets	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-
Total assets	**204,051**	**1,608,278**	**441,919**	**470,340**	**25,372**	**165,827**
LIABILITIES						
Accounts payable	87,887	12,693	77,256	68,610	-	143
Construction contracts payable	-	-	-	-	-	-
Accrued payroll and benefits	2,073	-	-	-	-	-
Due to other funds	15,710	-	-	602,566	-	-
Unearned revenues	24,478	1,172,142	364,663	-	-	-
Deposits and other liabilities	-	19,720	-	-	-	-
Total liabilities	**130,148**	**1,204,555**	**441,919**	**671,176**	**-**	**143**
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues - from other sources	-	-	-	24,547	-	-
Total deferred inflows of resources	**-**	**-**	**-**	**24,547**	**-**	**-**
FUND BALANCES (DEFICITS)						
Non-spendable	-	-	-	-	-	-
Restricted:						
Building and zoning	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Community redevelopment	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Grants and Housing	73,903	403,723	-	-	-	-
Impact fees other	-	-	-	-	-	-
Landfill Closure	-	-	-	-	-	-
Law enforcement and public safety	-	-	-	-	25,372	165,684
Pension obligation bond	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	(225,383)	-	-
Total Fund Balances (deficits)	**73,903**	**403,723**	**-**	**(225,383)**	**25,372**	**165,684**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 204,051**	**$ 1,608,278**	**$ 441,919**	**$ 470,340**	**$ 25,372**	**$ 165,827**

(Continued)

CITY OF NORTH MIAMI, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue							
	Federal Forfeiture	**Justice Assistance Grants**	**Half-Cent Transportation Surtax**	**Developer Impact Fees**	**Landfill Closure**	**American Rescue Plan Act (ARPA)**	**C.D.B.G. Entitlement**	**Building Fund (Move Major Fund)**
ASSETS								
Cash and cash equivalents	$ 40,558	$ -	$ 5,978,559	$ 3,246,316	$ -	$ -	$ -	$ -
Pooled investments	-	-	1,570,323	1,266,098	-	2,350,086	-	-
Receivables, net	-	-	119	-	-	-	-	
Due from other governments	-	61,495	809,920	-	-	-	323,325	-
Due from other funds	-	-	-	-	-	-	-	-
Prepaids, deposits and other current assets	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	1,550,011	5,561,865	-	-	-
Notes receivable	-	-	-	-	-	-	-	-
Total assets	**40,558**	**61,495**	**8,358,921**	**6,062,425**	**5,561,865**	**2,350,086**	**323,325**	**-**
LIABILITIES								
Accounts payable	-	-	358,330	-	-	6,274	113,509	-
Construction contracts payable	-	-	13,378	-	-	-	-	-
Accrued payroll and benefits	-	2,232	23,769	-	-	-	2,569	-
Due to other funds	-	179,928	-	-	-	1,795,401	27,703	-
Unearned revenues	-	61,496	1,261,240	-	-	-	-	-
Deposits and other liabilities	-	-	-	-	-	-	-	-
Total liabilities	**-**	**243,656**	**1,656,717**	**-**	**-**	**1,801,675**	**143,781**	**-**
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues - from other sources	-	-	-	-	-	-	16,306	-
Total deferred inflows of resources	**-**	**-**	**-**	**-**	**-**	**-**	**16,306**	**-**
FUND BALANCES (DEFICITS)								
Non-spendable	-	-	-	-	-	-	-	-
Restricted:								
Building and zoning	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-
Community redevelopment	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	3,489,144	-	-	-	-
Grants and Housing	-	-	-		-	548,411	163,238	-
Impact fees other	-	-	-	1,792,189	-	-	-	-
Landfill Closure	-	-	-	-	5,561,865	-	-	-
Law enforcement and public safety	40,558	-	-	636,561	-	-	-	-
Pension obligation bond	-	-	-		-	-	-	-
Transportation	-	-	6,702,204	144,531	-	-	-	-
Unassigned (deficit)	-	(182,161)	-	-	-	-	-	-
Total Fund Balances (deficits)	**40,558**	**(182,161)**	**6,702,204**	**6,062,425**	**5,561,865**	**548,411**	**163,238**	**-**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 40,558**	**$ 61,495**	**$ 8,358,921**	**$ 6,062,425**	**$ 5,561,865**	**$ 2,350,086**	**$ 323,325**	**$ -**

CITY OF NORTH MIAMI, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Miscellaneous & Other Grants	Total Special Revenue Funds
ASSETS		
Cash and cash equivalents	$ 162,903	$ 11,669,732
Pooled investments	-	5,186,507
Receivables, net	-	119
Due from other governments	395,558	2,264,689
Due from other funds	-	-
Prepaids, deposits and other current assets	-	-
Restricted cash	-	7,111,876
Notes receivable	-	-
Total assets	**558,461**	**26,232,923**
LIABILITIES		
Accounts payable	-	724,702
Construction contracts payable	-	13,378
Accrued payroll and benefits	-	30,643
Due to other funds	-	2,621,308
Unearned revenues	48,994	2,933,013
Deposits and other liabilities	-	19,720
Total liabilities	**48,994**	**6,342,764**
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues - from other sources	366,199	407,052
Total deferred inflows of resources	**366,199**	**407,052**
FUND BALANCES (DEFICITS)		-
Non-spendable	-	-
Restricted:		-
Building and zoning	-	-
Capital projects	-	-
Community redevelopment	-	-
Culture and recreation	-	3,489,144
Grants and Housing	143,268	1,332,543
Impact fees other	-	1,792,189
Landfill Closure	-	5,561,865
Law enforcement and public safety	-	868,175
Pension obligation bond	-	-
Transportation	-	6,846,735
Unassigned (deficit)	-	(407,544)
Total Fund Balances (deficits)	**143,268**	**19,483,107**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 558,461**	**$ 26,232,923**

(Continued)

CITY OF NORTH MIAMI, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Debt Service	Capital Projects			
	Pension Obligation Bonds	North Miami Cagni Park Project (Move to Major Fund)	Transportation Gas Tax	Total Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS					
Cash and cash equivalents	$ 158,692	$ -	$ 339,163	$ 339,163	$ 12,167,587
Pooled investments	-	-	-	-	5,186,507
Receivables, net	-	-	-	-	119
Due from other governments	-	-	45,436	45,436	2,310,125
Due from other funds	-	-	-	-	-
Prepaids, deposits and other current assets	-	-	-	-	-
Restricted cash	-	-	-	-	7,111,876
Notes receivable	-	-	-	-	-
Total assets	**158,692**	**-**	**384,599**	**384,599**	**26,776,214**
LIABILITIES					
Accounts payable	-	-	-	-	724,702
Construction contracts payable	-	-	-	-	13,378
Accrued payroll and benefits	-	-	-	-	30,643
Due to other funds	-	-	-	-	2,621,308
Unearned revenues	-	-	-	-	2,933,013
Deposits and other liabilities	-	-	-	-	19,720
Total liabilities	**-**	**-**	**-**	**-**	**6,342,764**
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - from other sources	-	-	-	-	407,052
Total deferred inflows of resources	**-**	**-**	**-**	**-**	**407,052**
FUND BALANCES (DEFICITS)	-	-	-	-	-
Non-spendable	-	-	-	-	-
Restricted:	-	-	-	-	-
Building and zoning	-	-	-	-	-
Capital projects	-	-	-	-	-
Community redevelopment	-	-	-	-	-
Culture and recreation	-	-	-	-	3,489,144
Grants and Housing	-	-	-	-	1,332,543
Impact fees other	-	-	-	-	1,792,189
Landfill Closure	-	-	-	-	5,561,865
Law enforcement and public safety	-	-	-	-	868,175
Pension obligation bond	158,692	-	-	-	158,692
Transportation	-	-	384,599	384,599	7,231,334
Unassigned (deficit)	-	-	-	-	(407,544)
Total Fund Balances (deficits)	**158,692**	**-**	**384,599**	**384,599**	**20,026,398**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 158,692**	**$ -**	**$ 384,599**	**$ 384,599**	**$ 26,776,214**

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue					
	HOME Investment Partnership	Neighborhood Stabilization Program	Local Housing (SHIP)	FEMA Disaster Recovery	Police Training	Law Enforcement Trust
REVENUES						
Ad valorem taxes	$ -	$ -	$ -	$ -	$ -	$ -
Utility and communication taxes	-	-	-	-	-	-
Charges for services:						
Sanitation fees	-	-	-	-	-	-
Other	-	-	-	-	-	-
Franchise fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Intergovernmental	582,594	202,620	404,088	457,414	6,326	28,910
Licenses and permits	-	-	-	-	-	-
Interest and other earnings	-	-	-	-	-	-
Rents and royalties	-	-	-	-	-	-
Total revenues	**582,594**	**202,620**	**404,088**	**457,414**	**6,326**	**28,910**
EXPENDITURES						
Current:						
General government	-	-	-	445,793	-	-
Public safety and neighborhood services	-	-	-	-	-	57,754
Physical environment: transportation	-	-	-	-	-	-
Housing and social services	564,631	72,925	404,088	-	-	-
Culture and recreation	-	-	-	-	-	-
Development services (formerly CP&D)	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Capital outlay	-	129,695	-	-	-	-
Total expenditures	**564,631**	**202,620**	**404,088**	**445,793**	**-**	**57,754**
Excess (deficiency) of revenues over (under) expenditures	17,963	-	-	11,621	6,326	(28,844)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances/(deficits)	17,963	-	-	11,621	6,326	(28,844)
Fund balances (deficits), beginning as previously reported	55,940	403,723	-	(237,004)	19,046	194,528
Change within financial reporting entity (major to non major)	-	-	-	-	-	-
Change within financial reporting entity (non major to major)	-	-	-	-	-	-
Prior Period Adjustment (Restatement)	-	-	-	-	-	-
Fund balances, 09/30/2024 as adjusted or restated	55,940	403,723	-	(237,004)	19,046	194,528
Fund balances, 09/30/2025	**$ 73,903**	**$ 403,723**	**$ -**	**$ (225,383)**	**$ 25,372**	**$ 165,684**

(Continued)

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue							
	Federal Forfeiture	**Justice Assistance Grants**	**Half-Cent Transportation Surtax**	**Developer Impact Fees**	**Landfill Closure**	**American Rescue Plan Act (ARPA)**	**C.D.B.G. Entitlement**	**Building Fund (Move to Major Fund)**
REVENUES								
Ad valorem taxes	$ -	$ -	$ -	$ -	$ -	-	-	$ -
Utility and communication taxes	-	-	-	-	-	-	-	-
Charges for services:								
Sanitation fees	-	-	-	-	-	-	-	-
Other	-	-	7,799	1,908,813	-	-	-	-
Franchise fees	-	-	19,266	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Intergovernmental	-	103,141	4,206,643	-	-	-	1,146,009	-
Licenses and permits	-	-	-	-	-	-	-	-
Interest and other earnings	-	-	464,908	112,773	90,411	103,537	-	-
Rents and royalties	-	-	-	-	-	-	-	-
Total revenues	**-**	**103,141**	**4,698,616**	**2,021,586**	**90,411**	**103,537**	**1,146,009**	**-**
EXPENDITURES								
Current:								
General government	-	-	-	-	-	121,603	-	-
Public safety and neighborhood services	-	87,387	-	-	-	-	-	-
Physical environment: transportation	-	-	2,448,725	-	145,647	-	-	-
Housing and social services	-	-	-	-	-	-	1,078,884	-
Culture and recreation	-	-	-	-	-	-	-	-
Development services (formerly CP&D)	-	-	-	-	-	-	-	-
Debt service:								
Principal retirement	-	-	-	-	-	-	5,068	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	578,000	-	-	-	-	-
Total expenditures	**-**	**87,387**	**3,026,725**	**-**	**145,647**	**121,603**	**1,083,952**	**-**
Excess (deficiency) of revenues over (under) expenditures	-	15,754	1,671,891	2,021,586	(55,236)	(18,066)	62,057	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	(18,692)	-	-	-	-	-
Total other financing sources (uses)	**-**	**-**	**(18,692)**	**-**	**-**	**-**	**-**	**-**
Net change in fund balances/(deficits)	-	15,754	1,653,199	2,021,586	(55,236)	(18,066)	62,057	-
Fund balances (deficits), beginning as previously reported	40,558	(197,915)	5,049,005	4,040,839	-	-	-	10,969,505
Change within financial reporting entity (major to non major)	-	-	-	-	5,617,101	566,477	101,181	-
Change within financial reporting entity (non major to major)	-	-	-	-	-	-	-	(10,969,505)
Prior Period Adjustment (Restatement)	-	-	-	-	-	-	-	-
Fund balances, 09/30/2024 as adjusted or restated	40,558	(197,915)	5,049,005	4,040,839	5,617,101	566,477	101,181	-
Fund balances, 09/30/2025	**$ 40,558**	**$ (182,161)**	**$ 6,702,204**	**$ 6,062,425**	**$ 5,561,865**	**$ 548,411**	**$ 163,238**	**$ -**

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Miscellaneous & Other Grants	Total Special Revenue Funds
REVENUES		
Ad valorem taxes	$ -	$ -
Utility and communication taxes	-	-
Charges for services:		
Sanitation fees	-	-
Other	-	1,916,612
Franchise fees	-	19,266
Fines and forfeitures	-	-
Intergovernmental	302,201	7,439,946
Licenses and permits	-	-
Interest and other earnings	-	771,629
Rents and royalties	-	-
Total revenues	**302,201**	**10,147,453**
EXPENDITURES		
Current:		
General government	13,064	580,460
Public safety and neighborhood services	268,895	414,036
Physical environment: transportation	-	2,594,372
Housing and social services	-	2,120,528
Culture and recreation	14,030	14,030
Development services (formerly CP&D)	-	-
Debt service:		
Principal retirement	-	5,068
Interest and fiscal charges	-	-
Capital outlay	-	707,695
Total expenditures	**295,989**	**6,436,189**
Excess (deficiency) of revenues over (under) expenditures	6,212	3,711,264
OTHER FINANCING SOURCES (USES)		
Transfers in	-	-
Transfers out	-	(18,692)
Total other financing sources (uses)	**-**	**(18,692)**
Net change in fund balances/(deficits)	6,212	3,692,572
Fund balances (deficits), beginning as previously reported	137,056	20,475,281
Change within financial reporting entity (major to non major)	-	6,284,759
Change within financial reporting entity (non major to major)	-	(10,969,505)
Prior Period Adjustment (Restatement)	-	-
Fund balances, 09/30/2024 as adjusted or restated	137,056	15,790,535
Fund balances, 09/30/2025	**$ 143,268**	**$ 19,483,107**

(Continued)

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Debt Service	Capital Projects			
	Pension Obligation Bonds	**Cagni Park Project (Move Major Fund)**	**Transportation Gas Tax**	**Total Capital Projects Funds**	**Total Nonmajor Governmental Funds**
REVENUES					
Ad valorem taxes	$ -	$ -	$ -	$ -	$ -
Utility and communication taxes	-	-	-	-	-
Charges for services:					
Sanitation fees	-	-	-	-	-
Other	-	-	-	-	1,916,612
Franchise fees	-	-	-	-	19,266
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	-	279,183	279,183	7,719,129
Licenses and permits	-	-	-	-	-
Interest and other earnings	-	-	-	-	771,629
Rents and royalties	-	-	-	-	-
Total revenues	**-**	**-**	**279,183**	**279,183**	**10,426,636**
EXPENDITURES					
Current:					
General government	-	-	-	-	580,460
Public safety and neighborhood services	-	-	-	-	414,036
Physical environment: transportation	-	-	-	-	2,594,372
Housing and social services	-	-	-	-	2,120,528
Culture and recreation	-	-	-	-	14,030
Development services (formerly CP&D)	-	-	-	-	-
Debt service:					-
Principal retirement	1,260,000	-	-	-	1,265,068
Interest and fiscal charges	527,799	-	-	-	527,799
Capital outlay	-	-	-	-	707,695
Total expenditures	**1,787,799**	**-**	**-**	**-**	**8,223,988**
Excess (deficiency) of revenues over (under) expenditures	(1,787,799)	-	279,183	279,183	2,202,648
OTHER FINANCING SOURCES (USES)					
Transfers in	1,786,324	-	-	-	1,786,324
Transfers out	-	-	-	-	(18,692)
Total other financing sources (uses)	**1,786,324**	**-**	**-**	**-**	**1,767,632**
Net change in fund balances/(deficits)	(1,475)	-	279,183	279,183	3,970,280
Fund balances (deficits), beginning as previously reported	160,167	(1,064,170) #	105,416	(958,754)	19,676,694
Change within financial reporting entity (major to non major)	-	-	-	-	6,284,759
Change within financial reporting entity (non major to major)	-	1,064,170	-	1,064,170	(9,905,335)
Prior Period Adjustment (Restatement)	-	-	-	-	-
Fund balances, 09/30/2024 as adjusted or restated	160,167	-	105,416	105,416	16,056,118
Fund balances, 09/30/2025	**$ 158,692**	**$ -**	**$ 384,599**	**$ 384,599**	**$ 20,026,398**

CITY OF NORTH MIAMI, FLORIDA
BUDETARY COMPARISON SCHEDULE (UNAUDITED)
SPECIAL REVENUES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds							
	Home Investment Partnership				Neighborhood Stabilization Program			
	Budgeted Amounts		Actual	Variance with Final Budget	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	(Negative)	Original	Final	Amounts	(Negative)
REVENUES								
Intergovernmental	$ 289,658	$ 1,356,952	$ 582,594	$ (774,358)	$ 136,366	$ 228,566	$ 202,620	$ (25,946)
Total revenues	289,658	1,356,952	582,594	(774,358)	136,366	228,566	202,620	(25,946)
EXPENDITURES								
Housing and social services	289,658	1,356,952	564,631	792,321	56,366	74,643	72,925	1,718
Development services (formerly CP&D)	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	80,000	153,923	129,695	24,228
Total expenditures	289,658	1,356,952	564,631	792,321	136,366	228,566	202,620	25,946
Excess (deficiency) of revenues over (under) expenditures	-	-	17,963	17,963	-	-	-	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing source (uses)	-	-	-	-	-	-	-	-
Net change in fund balances/(deficits)	$ -	$ -	$ 17,963	17,963	$ -	$ -	-	-
Fund (deficit) balance, beginning			55,940				403,723	
Fund (deficit) balance, ending			$ 73,903				$ 403,723	

Continued

CITY OF NORTH MIAMI, FLORIDA
BUDETARY COMPARISON SCHEDULE (UNAUDITED)
SPECIAL REVENUES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds							
	Local Housing (SHIP)				FEMA Disaster Recovery			
	Budgeted Amounts		Actual	Variance with Final Budget	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	(Negative)	Original	Final	Amounts	(Negative)
REVENUES								
Intergovernmental	$ 290,804	$ 848,183	$ 404,088	$ (444,095)	$ -	$ -	$ 457,414	$ 457,414
Interest and other earnings	-	-	-	-	-	-	-	-
Total revenues	290,804	848,183	404,088	(444,095)	-	-	457,414	457,414
EXPENDITURES								
General government	-	-	-	-	-	-	445,793	(445,793)
Housing and social services	290,804	848,188	404,088	444,100	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	290,804	848,188	404,088	444,100	-	-	445,793	(445,793)
Excess (deficiency) of revenues over (under) expenditures	-	(5)	-	5	-	-	11,621	11,621
Net change in fund balances/(deficits)	$ -	$ (5)	-	$ 5	$ -	$ -	$ 11,621	$ 11,621
Fund (deficits), beginning			-				(237,004)	
Fund balances (deficits), ending			$ -				$ (225,383)	

Continued

CITY OF NORTH MIAMI, FLORIDA
BUDETARY COMPARISON SCHEDULE (UNAUDITED)
SPECIAL REVENUES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds							
	Police Training				Law Enforcement Trust			
	Budgeted Amounts		Actual	Variance with Final Budget	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	(Negative)	Original	Final	Amounts	(Negative)
REVENUES								
Intergovernmental	$ -	$ -	$ 6,326	$ 6,326	$ -	$ 65,224	$ 28,910	$ (36,314)
Total revenues	-	-	6,326	6,326	-	65,224	28,910	(36,314)
EXPENDITURES								
Public safety and neighborhood services	-	-	-	-	-	65,224	57,754	7,470
Capital outlay	-	-	-	-	-	1	-	1
Total expenditures	-	-	-	-	-	65,225	57,754	7,471
Excess (deficiency) of revenues over (under) expenditures	-	-	6,326	6,326	-	(1)	(28,844)	(28,843)
Net change in fund balances	$ -	$ -	$ 6,326	$ 6,326	$ -	$ (1)	$ (28,844)	$ (28,843)
Fund balances, beginning			19,046				194,528	
Fund balances, ending			$ 25,372				$ 165,684	

Continued

CITY OF NORTH MIAMI, FLORIDA
BUDETARY COMPARISON SCHEDULE (UNAUDITED)
SPECIAL REVENUES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds							
	Federal Forfeiture				Justice Assistance Grant			
	Budgeted Amounts		Actual	Variance with Final Budget	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	(Negative)	Original	Final	Amounts	(Negative)
REVENUES								
Intergovernmental	$ -	$ -	$ -	$ -	$ -	157,107	103,141	(53,966)
Total revenues	-	-	-	-	-	157,107	103,141	(53,966)
EXPENDITURES								
Public safety	-	-	-	-	-	114,728	87,387	27,341
Capital outlay	-	-	-	-	-	42,379	-	-
Total expenditures	-	-	-	-	-	157,107	87,387	27,341
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	15,754	(26,625)
Net change in fund balances	$ -	$ -	-	$ -	$ -	$ -	$ 15,754	$ 15,754
Fund balance (deficit), beginning			$ 40,558				(197,915)	
Fund balance (deficit), ending			$ 40,558				$ (182,161)	

Continued

CITY OF NORTH MIAMI, FLORIDA
BUDETARY COMPARISON SCHEDULE (UNAUDITED)
SPECIAL REVENUES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds							
	1/2 Cent Transportation				Developer Impact Fees			
	Budgeted Amounts		Actual	Variance with Final Budget	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	(Negative)	Original	Final	Amounts	(Negative)
REVENUES								
Charges for services - other	$ 10,000	$ 10,000	$ 7,799	$ (2,201)	$ -	$ -	$ 1,908,813	$ 1,908,813
Franchise fees	15,000	15,000	19,266	4,266	-	-	-	-
Intergovernmental	5,678,610	8,355,314	4,206,643	(4,148,671)	-	-	-	-
Interest and other earnings	100,000	100,000	464,908	364,908	-	-	112,773	112,773
Total revenues	5,803,610	8,480,314	4,698,616	(3,781,698)	-	-	2,021,586	2,021,586
EXPENDITURES								
Physical environment: transportation	2,690,364	2,690,364	2,448,725	241,639	-	-	-	-
Capital outlay	3,095,000	5,771,704	578,000	5,193,704	-	-	-	-
Total expenditures	5,785,364	8,462,068	3,026,725	5,435,343	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	18,246	18,246	1,671,891	1,653,645	-	-	2,021,586	2,021,586
OTHER FINANCING SOURCES (USES)								
Appropriated reserves	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(18,246)	(18,246)	(18,692)	446	-	-	-	-
Total other financing source (uses)	(18,246)	(18,246)	(18,692)	446	-	-	-	-
Net change in fund balances	$ -	$ -	$ 1,653,199	1,654,091	$ -	$ -	$ 2,021,586	2,021,586
Fund balances, beginning			5,049,005				4,040,839	
Fund balances, ending			$ 6,702,204				$ 6,062,425	

Continued

CITY OF NORTH MIAMI, FLORIDA
BUDETARY COMPARISON SCHEDULE (UNAUDITED)
SPECIAL REVENUES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds							
	C.D.B.G. Entitlement Fund				Miscellaneous & Other Grants			
	Budgeted Amounts		Actual	Variance with Final Budget	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	(Negative)	Original	Final	Amounts	(Negative)
REVENUES								
Intergovernmental	$ 779,123	$ 1,680,573	$ 1,146,009	$ (534,564)	$ 16,211	$ 154,131	$ 302,201	$ 148,070
Licenses and permits			-	-	-	-	-	-
Interest and other earnings	-	-	-	-	-	-	-	-
Total revenues	779,123	1,680,573	1,146,009	(534,564)	16,211	154,131	302,201	-
EXPENDITURES								
Public safety and neighborhood services			-	-	-	124,916	268,895	(143,979)
Culture and recreation			-	-	16,211	28,601	14,030	14,571
Housing and economic development	738,903	1,614,530	1,078,884	535,646	-	-	-	-
Debt service	5,220	5,220	5,068	152				
Capital outlay	35,000	490	-	490	-	618	-	618
Total expenditures	779,123	1,620,240	1,083,952	536,288	16,211	154,135	295,989	(128,790)
Excess (deficiency) of revenues over (under) expenditures	-	60,333	62,057	1,724	-	(4)	6,212	(128,790)
OTHER FINANCING SOURCES (USES)								
Transfers out	-	-	-	-	-	-	-	-
Total other financing source (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	$ -	$ 60,333	$ 62,057	$ 1,724	$ -	$ (4)	$ 6,212	$ (128,790)
Fund balances (deficits), beginning			101,181				137,056	
Fund balances, ending			$ 163,238				$ 143,268	

Continued

CITY OF NORTH MIAMI, FLORIDA
BUDETARY COMPARISON SCHEDULE (UNAUDITED)
SPECIAL REVNUES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds							
	Landfill Closure				American Rescue Plan Act (ARPA)			
	Budgeted Amounts		Actual	Variance with Final Budget	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	(Negative)	Original	Final	Amounts	(Negative)
REVENUES								
Intergovernmental								
Interest and other earnings	$ 5,897,292	$ 5,897,292	$ 90,411	$ (5,806,881)	$ -	$ 580,011	$ 103,537	$ 476,474
Total revenues	5,897,292	5,897,292	90,411	(5,806,881)	-	580,011	103,537	476,474
EXPENDITURES								
General government			-	-	-	580,011	121,603	458,408
Culture and recreation			-	-				-
Physical environment	5,897,292	5,897,292	145,647	5,751,645	-	-	-	-
Debt service				-				
Capital outlay			-	-	-			-
Total expenditures	5,897,292	5,897,292	145,647	5,751,645	-	580,011	121,603	458,408
Excess (deficiency) of revenues over (under) expenditures	-	-	(55,236)	(55,236)	-	-	(18,066)	934,882
OTHER FINANCING SOURCES (USES)								
Transfers out	-	-	-	-	-	-	-	-
Total other financing source (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	$ -	$ -	$ (55,236)	$ (55,236)	$ -	$ -	$ (18,066)	(18,066)
Fund balances (deficits), beginning			5,617,101				566,477	
Fund balances, ending			$ 5,561,865				$ 548,411	

Continued

CITY OF NORTH MIAMI, FLORIDA
BUDETARY COMPARISON SCHEDULE (UNAUDITED)
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Debt Service Fund			
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
EXPENDITURES				
Debt service	1,786,325	1,786,325	1,787,799	(1,474)
Total expenditures	1,786,325	1,786,325	1,787,799	(1,474)
Excess (deficiency) of revenues over (under) expenditures	(1,786,325)	(1,786,325)	(1,787,799)	(1,474)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,786,325	1,786,325	1,786,324	(1)
Total other financing source (uses)	1,786,325	1,786,325	1,786,324	(1)
Net change in fund balance	$ -	$ -	$ (1,475)	$ (1,475)
Fund balance, beginning			160,167	
Fund balance, ending			$ 158,692	

Continued

CITY OF NORTH MIAMI, FLORIDA
BUDETARY COMPARISON SCHEDULE (UNAUDITED)
CAPTIAL PROJECT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Capital Project Fund			
	Transportation Gas Tax			
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 270,381	$ 270,381	$ 279,183	$ 8,802
Total revenues	270,381	270,381	279,183	8,802
EXPENDITURES				
Capital outlay	270,381	270,381	-	270,381
Total expenditures	270,381	270,381	-	270,381
Excess (deficiency) of revenues over (under) expenditures	-	-	279,183	279,183
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	-
Total other financing source (uses)	-	-	-	-
Net change in fund balances	$ -	$ -	$ 279,183	$ 279,183
Fund (deficit) balance, beginning			105,416	
Fund (deficit) balance, ending			$ 384,599	

INTERNAL SERVICE FUND

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CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENTS OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2025

	Risk Management	Fleet Management	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	$ 2,543,504	$ 2,680,708	$ 5,224,212
Pooled investments	4,934,088	1,243,060	6,177,148
Accounts receivables, net of allowance	3,328.00	-	3,328
Grants receivable from other governments	-	24,124	24,124
Inventories and supplies	-	69,611	69,611
Prepaids and deposits	228,559	6,518	235,077
Total current assets	7,709,479	4,024,021	11,733,500
Non-current assets:			
Net pension asset	14,894	33,347	48,241
Capital assets, net	-	5,740,789	5,740,789
Total non-current assets	14,894	5,774,136	5,789,030
Total assets	**7,724,373**	**9,798,157**	**17,522,530**
DEFERRED OUTFLOW OF RESOURCES			
OPEB related items	11,154	29,219	40,373
Pension related items	972,431	503,546	1,475,977
Total deferred outflow of resources	**983,585**	**532,765**	**1,516,350**
LIABILITIES			
Current liabilities:			
Accounts payable	86,785	197,805	284,590
Constructions contracts payable	-	2,023	2,023
Accrued payroll and benefits	29,916	31,151	61,067
Due to other funds	-	-	-
Deposits and performance bonds	-	-	-
Compensated absences	44,572	71,817	116,389
Loans and leases payable	-	993,996	993,996
Total OPEB liability	4,564	9,954	14,518
Total current liabilities	165,837	1,306,746	1,472,583
Non-current liabilities:			
Loans and leases payable	-	1,584,796	1,584,796
Compensated absences	63,701	333,823	397,524
Claims payable	4,754,824	-	4,754,824
Net pension liability	1,175,918	835,334	2,011,252
Total OPEB liability	86,714	189,134	275,848
Total non-current liabilities	6,081,157	2,943,086	9,024,243
Total liabilities	**6,246,994**	**4,249,833**	**10,496,827**
DEFERRED INFLOWS OF RESOURCES			
Other	5,000	-	5,000
OPEB related items	36,148	68,963	105,111
Pension related items	216,720	483,896	700,616
Total deferred inflows of resources	**257,868**	**552,859**	**810,727**
NET POSITION			
Net investment in capital assets	-	3,159,974	3,159,974
Restricted for:			
Net pension benefits	14,894	33,347	48,241
Unrestricted	2,188,202	2,334,909	4,523,111
Total net position	**$ 2,203,096**	**$ 5,528,230**	**$ 7,731,326**

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Risk Management	Fleet Management	Totals
OPERATING REVENUES			
Premiums and charges for services provided to other funds	$ 3,270,913	$ 5,570,200	$ 8,841,113
Other revenues	13,023	162,651	175,674
Total operating revenues	3,283,936	5,732,851	9,016,787
OPERATING EXPENSES			
Personnel services	650,433	804,933	1,455,366
Materials, supplies, services and other operating expenses	1,240,187	1,736,948	2,977,135
Insurance claims	572,343	-	572,343
Depreciation	-	1,199,761	1,199,761
Total operating expenses	2,462,963	3,741,642	6,204,605
Operating income (loss)	**820,973**	**1,991,209**	**2,812,182**
NON-OPERATING REVENUES (EXPENSES)			
Interest income	218,060	54,765	272,825
Gain from sale of capital assets	-	133,436	133,436
Other non-operating revenues	-	-	-
Proceeds from leases	-	-	-
Interest expense	-	(51,778)	(51,778)
Total non-operating revenues (expenses)	218,060	136,423	354,483
Operating income/(loss) and noncapital subsidies	1,039,033	2,127,632	3,166,665
Noncapital subsidies			
Transfers in	-	-	-
Transfers out	(24,120)	(84,668)	(108,788)
Total noncapital subsidies	(24,120)	(84,668)	(108,788)
Change in net position	1,014,913	2,042,964	3,057,877
Net position, beginning	1,188,183	3,485,266	4,673,449
Net position, ending	**$ 2,203,096**	**$ 5,528,230**	**$ 7,731,326**

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Risk Management	Fleet Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from other funds for premiums and charges for services	$ 3,270,913	$ 5,570,200	$ 8,841,113
Other cash receipts	13,023	162,651	175,674
Payments to employees	(650,433)	(804,933)	(1,455,366)
Payments to suppliers	(1,431,587)	(1,736,948)	(3,168,535)
Payments for claims	(572,343)	-	(572,343)
Net cash provided by operating activities	629,573	3,190,970	3,820,543
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers in	-	-	-
Transfers out - pension debt service	(24,120)	(84,668)	(108,788)
Net cash used for non-financing activities	(24,120)	(84,668)	(108,788)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal paid on leases	-	(1,046,732)	(1,046,732)
Interest paid on leases	-	(51,778)	(51,778)
Acquisition and construction of capital assets	-	(1,074,506)	(1,074,506)
Net cash used for lease and related financing activities	-	(2,039,580)	(2,039,580)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	(218,060)	(54,764)	(272,824)
Interest earnings	218,060	54,765	272,825
Net cash used in investing activities	-	1	1
Net decrease in pooled cash and cash equivalents	605,453	1,066,723	1,672,176
Pooled cash and cash equivalents at beginning of year	1,938,055	1,613,983	3,552,038
Pooled cash and cash equivalents a end of the year	$ 2,543,508	$ 2,680,706	$ 5,224,214
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:			
Operating income (loss)	$ 820,973	$ 1,991,209	$ 2,812,182
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	-	1,199,761	1,199,761
Changes in assets, liabilities, deferred inflows and outflows of resources:			
(Increase) in accounts receivable	(3,328)	18,216	14,888
(Increase) in grants receivable from other governments	-	(12,220)	(12,220)
Decrease in inventories and supplies	-	2,016	2,016
(Increase) in prepaids and deposits	(128,209)	(6,393)	(134,602)
(Increase) decrease in net pension asset	2,533	10,445	12,978
Decrease in deferred outflows of resources	35,417	(19,387)	16,030
Increase (decrease) in vouchers payable	(37,407)	225,763	188,356
(Decrease) in accrued payroll and benefits	5,138	12,109	17,247
Increase (decrease) in compensated absences	14,492	(169,515)	(155,023)
Increase in claims payable	(7,742)	-	(7,742)
(Decrease) in other post-employment benefits obligation	52,786	16,015	68,801
(Decrease) in net pension liability	(202,551)	(235,526)	(438,077)
Increase in deferred inflows of resources	77,470	158,478	235,948
Net cash provided by operating activities	**$ 629,573**	**$ 3,190,970**	**$ 3,820,543**
Non-cash investing, lease and financing activities:			
Construction contracts payable	$ -	$ 2,023	$ 2,023
Total non-cash investing, lease and financing activities	$ -	$ 2,023	$ 2,023

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PENSION TRUST FUNDS

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CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENTS OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2025

	691 CTS Plan	748 Police Plan	Totals
ASSETS			
Cash	$ 41,627	$ 60,819	$ 102,446
Investments:			
Short term investments (money market funds)	4,372,891	2,494,774	6,867,665
U.S. Treasuries	8,358,930	7,536,498	15,895,428
U.S. Agency obligations	10,519,860	9,238,892	19,758,752
Corporate bonds	1,318,238	932,385	2,250,623
Common stock	52,885,776	32,303,838	85,189,614
Equity mutual funds	23,168,274	18,967,722	42,135,996
Real estate funds	24,065,527	17,250,652	41,316,179
Bond Index Funds	20,139,079	9,771,683	29,910,762
Equity securities index funds	34,540,611	30,783,003	65,323,614
Total investments	179,369,186	129,279,447	308,648,633
Receivables:			
Due from brokers	116,452	87,493	203,945
Due from participants	514	-	514
Plan members' contributions	12,880	14,196	27,076
Share Plan	-	-	-
Accrued interest	133,927	104,251	238,178
Accrued dividends	23,105	14,159	37,264
Due from 592 Plan	-	31,997	31,997
Due from State	-	625,982	625,982
Other	11,080	31,947	43,027
Total receivables	297,958	910,025	1,207,983
Total assets	179,708,771	130,250,291	309,959,062
LIABILITIES AND NET POSITION RESTRICTED FOR PENSION BENEFITS			
Liabilities:			
Accounts payable and accrued liabilities	18,807	78,254	97,061
Due to brokers	104,181	65,142	169,323
Benefits payable	6,753	-	6,753
Total liabilities	129,741	143,396	273,137
Net position restricted for pension benefits	$ 179,579,030	$ 130,106,895	$ 309,685,925

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	691 CTS Plan	748 Police Plan	Totals
ADDITIONS			
Contributions:			
Employer	$ 1,453,168	$ 5,575,742	$ 7,028,910
Plan members	679,200	766,594	1,445,794
State	2,745	708,664	711,409
Total contributions	2,135,113	7,051,000	9,186,113
Investment income:			
Net increase (decrease) in fair value of investments	9,127,278	7,898,718	17,025,996
Interest	1,519,258	982,389	2,501,647
Dividends	2,517,794	1,850,769	4,368,563
Gross investment income	13,164,330	10,731,876	23,896,206
Less investment expenses	(517,730)	(328,124)	(845,854)
Other Additions	750,000	3,214,563	3,964,563
Net investment income	13,396,600	13,618,315	27,014,915
Total additions	15,531,713	20,669,315	36,201,028
DEDUCTIONS			
Benefits paid to plan members:			
Normal retirement (pension benefits)	8,221,841	7,054,415	15,276,256
Lump sum retirement	3,103,093	991,055	4,094,148
	11,324,934	8,045,470	19,370,404
Administrative expenses	1,163,192	469,503	1,632,695
Total deductions	12,488,126	8,514,973	21,003,099
Increase in net position	3,043,587	12,154,342	15,197,929
Net position restricted for pension benefits, beginning	176,535,443	117,952,553	294,487,996
Net position restricted for pension benefits, ending	**$ 179,579,030**	**$ 130,106,895**	**$ 309,685,925**

STATISTICAL

III. Statistical Section
(Unaudited)

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FINANCIAL TRENDS

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TABLE 1

CITY OF NORTH MIAMI, FLORIDA
NET POSITION BY COMPONENT (Unaudited)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	(Restated) 2024	2025
Governmental activities:		* *Restated								
Net investment in capital assets	$ 61,274,246	$ 61,365,386	$ 62,452,076	$ 63,668,765	$ 71,535,115	$ 72,855,470	$ 89,647,376	$ 62,549,727	$ 82,327,292	$ 90,348,696
Restricted	8,644,742	9,412,706	8,443,236	7,428,554	15,394,117	22,102,939	26,233,974	48,174,588	98,430,489	118,502,080
Unrestricted	(32,812,317)	(32,309,472)	(42,688,281)	(49,355,131)	(52,633,002)	(51,595,112)	(54,476,477)	(47,187,648)	(105,687,699)	(113,367,981)
Total governmental activities net position	$ 37,106,671	$ 38,468,620	$ 28,207,031	$ 21,742,188	$ 34,296,230	$ 43,363,297	$ 61,404,873	$ 63,536,667	$ 75,070,082	$ 95,482,795
Business-type activities:										
Net investment in capital assets	$ 38,449,795	$ 39,310,886	$ 40,449,030	$ 43,997,155	$ 44,346,083	$ 43,971,484	$ 44,983,239	$ 51,070,204	$ 52,353,375	$ 51,565,991
Restricted	-	-	-	-	-	-	-	329,020	218,514	1,150,149
Unrestricted	36,997,374	37,264,087	37,311,231	34,044,526	34,626,452	32,335,528	31,463,292	25,671,935	25,973,552	26,237,342
Total business-type activities net position	$ 75,447,169	$ 76,574,973	$ 77,760,261	$ 78,041,681	$ 78,972,535	$ 76,307,012	$ 76,446,531	$ 77,071,159	$ 78,545,441	$ 78,953,482
Net position:										
Net investment in capital assets	$ 99,724,041	$ 100,676,272	$ 102,901,106	$ 107,665,920	$ 115,881,198	$ 116,826,954	$ 134,630,615	$ 113,619,931	$ 134,680,667	$ 141,914,687
Restricted	8,644,742	9,412,706	8,443,236	7,428,554	15,394,117	22,102,939	26,233,974	48,503,608	98,649,003	119,652,229
Unrestricted	4,185,057	4,954,615	(5,377,050)	(15,310,605)	(18,006,550)	(19,259,584)	(23,013,185)	(21,515,713)	(79,714,147)	(87,130,639)
Total net position	$ 112,553,840	$ 115,043,593	$ 105,967,292	$ 99,783,869	$ 113,268,765	$ 119,670,309	$ 137,851,404	$ 140,607,826	$ 153,615,523	$ 174,436,276

* Beginning net position was restated with the implementation of GASB 72, as of October 1, 2015, and recognition of long term lease agreement unearned revenues.
** Beginning net position was restated with the implementation of GASB 75, as of October 1, 2017.
FY 2024 was restated to reflect a prior period adjustment and to reclass pension debt from net investment in capital assets to unrestricted

TABLE 2

CITY OF NORTH MIAMI, FLORIDA
CHANGES IN NET POSITION (Unaudited)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
EXPENSES										
Governmental activities:										
General government	$ 19,969,995	$ 20,424,384	$ 26,879,421	$ 24,976,815	$ 24,471,010	$ 26,003,696	$ 27,366,575	$ 32,997,525	$ 45,898,000	$ 40,232,080
Public safety	25,166,834	30,837,393	30,386,983	34,892,457	37,929,647	37,374,754	35,114,652	38,251,924	40,178,445	41,959,591
Physical environment	1,526,731	388,242	591,810	338,808	3,879,546	10	175	545,514	585,428	145,648
Transportation and public works	5,771,515	5,954,245	7,806,930	8,035,250	5,841,175	6,960,208	6,782,642	6,298,728	6,709,879	7,982,272
Economic environment (Housing & Social Services)	1,119,540	1,823,347	979,480	1,191,742	2,309,283	3,824,796	2,954,077	4,027,256	3,440,987	4,170,461
Parks and community services (Culture & recreation)	10,623,998	11,722,459	13,023,252	13,157,580	15,738,792	10,152,424	11,937,545	15,348,146	10,073,990	12,927,942
Community planning and development	2,175,156	1,693,997	4,647,836	4,865,507	3,380,630	3,876,505	3,752,746	4,500,866	3,865,059	3,821,584
Interest and fiscal charges (6)	1,225,739	1,265,498	1,166,356	1,667,794	1,264,361	1,196,756	1,044,825	747,588	2,073,111	3,226,020
Total governmental activities expenses	67,579,508	74,109,565	85,482,068	89,125,953	94,814,444	89,389,149	88,953,237	102,717,547	112,824,899	114,465,597
Business-type activities:										
Water and sewer	28,538,868	30,434,388	32,023,616	32,068,870	30,792,646	34,199,794	34,372,843	37,144,473	33,914,491	35,604,626
Stormwater	1,848,527	2,513,502	2,707,044	2,490,524	2,807,175	2,984,224	2,285,700	2,158,326	1,677,250	1,739,463
Total business-type activities expenses	30,387,395	32,947,890	34,730,660	34,559,394	33,599,821	37,184,018	36,658,543	39,302,799	35,591,741	37,344,089
Total expenses	$ 97,966,903	$ 107,057,455	$ 120,212,728	$ 123,685,347	$ 128,414,265	$ 126,573,167	$ 125,611,780	$ 142,020,346	$ 148,416,640	$ 151,809,686

(Continued)

TABLE 2

CITY OF NORTH MIAMI, FLORIDA
CHANGES IN NET POSITION (Unaudited)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
PROGRAM REVENUES										
Governmental activities:										
Charges for services:										
General government	$ 13,660,794	$ 12,401,125	$ 13,391,131	$ 13,657,832	$ 17,104,504	$ 17,819,969	$ 18,826,154	$ 17,040,589	$ 10,016,578	$ 13,088,309
Public safety	4,512,782	5,487,160	5,485,203	4,756,368	4,098,398	4,824,106	5,114,138	8,123,522	15,346,060	10,094,093
Physical environment	3,020,822	3,887,943	2,233,747	3,062,052	2,484,512	3,431,794	4,129,411	4,105,717	4,174,885	4,900,372
Transportation and public works	88,368	47,346	40,025	2,959,562	19,730	38,391	45,975	37,047	71,351	111,439
Economic environment (Housing & Social Services)	-	-	-	-	-	-	-	-	-	-
Parks and community services (Culture & recreation)	2,993,270	3,278,530	3,592,542	977,624	455,915	425,689	479,776	1,497,358	1,549,498	2,052,892
Community planning and development	777,851	584,838	550,107	268,313	352,937	352,660	924,621	825,597	1,220,630	1,091,423
Operating grants and contributions	5,353,062	5,956,341	6,692,586	5,829,519	8,138,621	16,105,745	16,591,019	7,265,015	11,524,784	12,676,512
Capital grants and contributions	544,232	670,841	317,960	301,146	264,018	271,837	287,942	290,769	291,055	279,183
Total governmental activities program revenues	30,951,181	32,314,124	32,303,301	31,812,416	32,918,635	43,270,191	46,399,036	39,185,614	44,194,841	44,294,223
Business-type activities:										
Charges for services:										
Water and sewer	32,195,213	31,600,606	33,629,399	31,388,997	31,173,723	32,164,680	34,483,056	36,745,409	42,307,007	44,309,384
Stormwater	2,598,048	2,610,940	2,552,977	2,639,510	2,404,654	2,429,775	2,411,117	2,920,624	2,938,813	2,930,486
Total business-type activities program revenues	34,793,261	34,211,546	36,182,376	34,028,507	33,578,377	34,594,455	36,894,173	39,666,033	45,245,820	47,239,870
Total program revenues	$ 65,744,442	$ 66,525,670	$ 68,485,677	$ 65,840,923	$ 66,497,012	$ 77,864,646	$ 83,293,209	$ 78,851,647	$ 89,440,661	$ 91,534,093
NET (EXPENSE) REVENUE										
Governmental activities	$ (36,628,327)	$ (41,795,441)	$ (53,178,767)	$ (57,313,537)	$ (61,895,809)	$ (46,118,958)	$ (42,554,201)	$ (63,531,933)	$ (68,630,058)	$ (70,171,374)
Business-type activities	4,405,866	1,263,656	1,451,716	(530,887)	(21,444)	(2,589,563)	235,630	363,234	9,654,079	9,895,781
Total (expense) revenue	$ (32,222,461)	$ (40,531,785)	$ (51,727,051)	$ (57,844,424)	$ (61,917,253)	$ (48,708,521)	$ (42,318,571)	$ (63,168,699)	$ (58,975,979)	$ (60,275,593)

(Continued)

TABLE 2

CITY OF NORTH MIAMI, FLORIDA
CHANGES IN NET POSITION (Unaudited)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
Taxes:										
Property taxes	$ 18,708,191	$ 19,194,672	$ 20,975,744	$ 22,739,789	$ 25,070,539	$ 27,888,626	$ 29,719,403	$ 33,625,021	$ 43,305,771	$ 48,399,459
Utility service tax	4,311,844	4,343,095	4,034,989	4,453,176	4,297,833	4,463,924	4,620,753	5,263,670	5,427,631	5,600,634
Communication service tax	1,308,539	1,212,133	1,203,462	1,073,231	1,032,010	1,064,829	1,111,553	1,098,082	1,087,693	1,154,845
Franchise taxes	3,742,335	4,356,029	3,992,099	4,084,241	4,193,023	3,877,296	4,974,564	5,479,496	5,950,820	5,815,895
Unrestricted investment earnings	259,140	98,716	235,600	259,593	195,619	332,420	(126,423)	12,660,993	9,603,125	9,465,287
Miscellaneous	23,539,227	13,710,937	14,599,586	17,997,399	31,280,916	17,319,288	20,062,407	7,281,697	9,480,801	10,037,544
Transfers	205,115	241,808	228,835	241,265	223,493	239,642	233,520	254,768	9,189,991	10,110,423
Total governmental activities	52,074,391	43,157,390	45,270,315	50,848,694	66,293,433	55,186,025	60,595,777	65,663,727	84,045,832	90,584,087
Business-type activities:										
Miscellaneous	299,700	105,956	321,223	1,053,572	1,175,791	163,682	137,409	516,162	1,010,194	622,683
Transfers	(205,115)	(241,808)	(228,835)	(241,265)	(223,493)	(239,642)	(233,520)	(254,768)	(9,189,991)	(10,110,423)
Total business-type activities	94,585	(135,852)	92,388	812,307	952,298	(75,960)	(96,111)	261,394	(8,179,797)	(9,487,740)
Total	52,168,976	43,021,538	45,362,703	51,661,001	67,245,731	55,110,065	60,499,666	65,925,121	75,866,035	81,096,347
CHANGE IN NET POSITION										
Governmental activities	15,446,064	1,361,949	(7,908,452)	(6,464,843)	4,397,624	9,067,067	18,041,576	2,131,794	15,415,774	20,412,712
Business-type activities	4,500,451	1,127,804	1,544,104	281,420	930,854	(2,665,523)	139,519	624,628	1,474,282	408,041
Total	$ 19,946,515	$ 2,489,753	$ (6,364,348)	$ (6,183,423)	$ 5,328,478	$ 6,401,544	$ 18,181,095	$ 2,756,422	$ 16,890,056	$ 20,820,753

TABLE 3

CITY OF NORTH MIAMI, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS (Unaudited)
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	(Restated) 2024	2025
General fund:										
Non-spendable	$ 49,197	$ 79,227	$ 87,743	$ 127,422	$ 199,956	$ 213,923	$ 353,152	$ 545,114	$ 234,448	$ 1,960,397
Restricted	-	-	1,190,000	7,549,440	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(396,516)	(4,921,302)	(9,460,185)	(21,357,402)	(12,218,700)	(3,316,048)	3,083,814	9,785,269	14,185,988	13,154,390
Total general fund	$ (347,319)	$ (4,842,075)	$ (8,182,442)	$ (13,680,540)	$ (5,018,744)	$ 3,897,875	$ 10,436,966	$ 17,330,383	$ 21,420,436	$ 22,114,787
All other governmental funds:										
Non-spendable	$ -	$ 30,524	$ 60,906	$ 85,029	$ 61,849	$ 90,422	$ 99,208	$ 68,549	$ 16,623	$ 167,537
Restricted	18,734,688	19,018,489	16,865,784	16,806,263	14,280,369	19,617,483	26,763,687	12,996,932	82,794,898	89,130,305
Committed	-	-	-	-	-	-	-	-	-	1,792,189
Assigned	535,690	374,794	260,605	785,729	258,445	591,002	567,853	567,853	-	-
Unassigned	(544,321)	(960,234)	(5,094,005)	(5,842,303)	(1,527,688)	(1,122,361)	(958,080)	(693,817)	(1,499,089)	(9,686,965)
Total all other governmental funds	$ 18,726,057	$ 18,463,573	$ 12,093,290	$ 11,834,718	$ 13,072,975	$ 19,176,546	$ 26,472,668	$ 12,939,517	$ 81,312,432	$ 81,403,066

* Beginning fund balance was restated with the implementation of GASB 72, as of October 1, 2015
FY 2024 was restated to reflect a prior period adjustment

TABLE 4

CITY OF NORTH MIAMI, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (Unaudited)
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024 (4) *	2025
REVENUES										
Taxes	$ 27,004,717	$ 28,003,594	$ 29,388,710	$ 31,514,118	$ 33,913,803	$ 36,607,698	$ 39,693,129	$ 39,225,575	$ 49,059,468	$ 54,414,241
Charges for services	8,982,469	9,682,205	10,428,442	12,260,943	10,472,838	12,983,775	13,099,382	17,523,499	10,711,818	10,005,771
Return on investment - utility (1)& (4)	-	-	2,479,828	2,717,132	2,809,024	3,149,940	3,171,822	3,102,393	-	-
Fines and forfeitures	1,249,133	1,061,091	899,657	682,350	527,272	532,329	496,286	312,999	601,450	575,778
Intergovernmental	13,970,999	15,785,674	15,146,231	17,899,963	18,238,137	27,500,529	29,314,052	26,351,201	23,013,438	23,819,169
Licenses and permits	2,015,318	3,790,191	3,749,809	3,084,316	2,582,178	3,438,291	3,874,372	6,964,824	12,987,528	7,947,457
Other (including interest)	8,144,393	6,869,743	5,861,113	7,146,703	7,636,307	7,114,426	7,531,853	8,335,863	10,120,148	13,332,872
Total revenues	61,367,029	65,192,498	67,953,790	75,305,525	76,179,559	91,326,988	97,180,896	101,816,354	106,493,850	110,095,288
EXPENDITURES										
General government	13,235,866	14,433,923	19,903,764	14,681,817	16,965,183	17,905,868	20,956,531	18,945,680	24,435,779	26,048,223
Public safety	26,211,652	28,977,056	28,433,232	36,229,740	36,201,345	33,829,377	36,396,502	37,105,080	42,301,630	44,636,462
Physical environment (Transportation & Public Works) (2)	3,816,477	4,087,042	4,493,213	3,443,049	9,761,318	5,956,893	5,903,460	5,512,526	6,691,620	7,476,690
Transportation	4,911,156	4,883,548	4,632,752	2,801,521	-	-	-	-	-	-
Economic environment (Housing and Social Services) (3)	1,267,140	1,555,253	895,341	1,356,648	2,218,381	3,080,185	2,987,610	3,788,815	3,317,492	4,038,551
Parks and community services (Culture & recreation)	10,298,060	10,849,824	12,021,487	12,334,120	11,235,237	8,891,312	11,234,290	12,447,185	9,567,856	12,320,234
Community planning & development	2,139,498	1,584,272	3,034,419	6,340,619	3,372,582	3,824,963	3,477,040	8,746,007	6,020,471	8,268,868
Debt service:										
Principal retirement	779,197	877,292	1,022,527	542,144	1,042,068	1,094,348	2,062,106	2,321,456	2,442,340	3,129,123
Interest and fiscal charges	1,123,491	789,728	761,523	1,321,680	899,363	839,338	809,446	798,216	2,073,111	2,987,424
Capital outlay	1,912,530	2,841,065	2,750,721	2,309,530	2,368,393	2,143,473	20,248,883	3,099,610	15,567,943	10,623,939
Total expenditures	65,695,067	70,879,003	77,948,979	81,360,868	84,063,870	77,565,757	104,075,868	92,764,575	112,418,242	119,529,514
Excess (deficiency) of revenues over (under) expenditures	(4,328,038)	(5,686,505)	(9,995,189)	(6,055,343)	(7,884,311)	13,761,231	(6,894,972)	9,051,779	(5,924,392)	(9,434,226)
OTHER FINANCING SOURCES (USES)										
Proceeds from sale of capital assets	4,400,914	-	-	6,145	18,250,000	966,241	2,900,000	1,549,963	1,770,000	-
Lease labilities issued	-	629,483	-	-	253,543	-	-	215,918	-	-
Proceeds from debt	-	-	-	-	-		17,692,744	-	52,236,769	-
Transfers in	2,068,702	1,971,534	2,720,102	2,404,018	1,784,369	6,785,200	7,256,011	3,092,435	17,575,218	13,546,307
Transfers out	(1,829,936)	(1,671,752)	(2,435,564)	(2,111,489)	(1,511,952)	(6,492,482)	(6,968,024)	(2,777,878)	(8,520,082)	(3,327,096)
Total other financing sources (uses)	4,639,680	929,265	284,538	298,674	18,775,960	1,258,959	20,880,731	2,080,438	63,061,905	10,219,211
Net change in fund balances (deficits)	$ 311,642	$ (4,757,240)	$ (9,710,651)	$ (5,756,669)	$ 10,891,649	$ 15,020,190	$ 13,985,759	$ 11,132,217	$ 57,137,513	$ 784,985
Debt service (excluding issuance costs) as a percentage of noncapital expenditures	3.0%	2.5%	2.4%	2.4%	2.4%	2.6%	3.4%	3.5%	4.7%	5.6%

(1) As of 2018 return on investment excluded from charges for services and shown as a separate line item

(2) Transportation and Public Works combined for presentation as of 2021

(3) Name changed to Housing and Social Services as of 2020

(4) As of 2024, return on investment is included in transfers in (other financing sources section)

* As of 2024, interfund charges for services are regrouped and included in transfers in (other financing sources section)

REVENUE CAPACITY

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TABLE 5

CITY OF NORTH MIAMI, FLORIDA
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS (Unaudited)
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Franchise Tax	Sales and Use Tax	Utility Service Tax	Communication Services Tax	Total
2016	18,708,191	3,742,335	797,888	3,513,956	1,308,539	28,070,909
2017	19,194,672	4,356,029	826,941	3,516,154	1,212,133	29,105,929
2018	20,975,744	3,992,099	784,910	3,217,405	1,203,462	30,173,620
2019	22,739,789	4,084,241	784,648	3,616,857	1,073,231	32,298,766
2020	25,070,539	4,193,023	679,602	3,618,231	1,032,010	34,593,405
2021	27,888,626	3,877,296	716,372	4,463,924	1,064,829	38,011,047
2022	29,719,403	4,974,564	752,840	4,620,753	1,111,553	41,179,113
2023	33,625,021	5,479,496	761,627	5,263,670	1,098,082	46,227,896
2024	43,305,771	5,950,820	761,627	5,600,634	1,154,845	56,773,697
2025	48,399,459	5,815,895	740,697	5,600,634	1,154,845	61,711,530
Change 2016-2025	159%	55%	-7%	59%	-12%	120%

TABLE 6

CITY OF NORTH MIAMI, FLORIDA
ASSESSED VALUE OF ALL TAXABLE PROPERTY [1] (Unaudited)
LAST TEN FISCAL YEARS

Fiscal Year	Real Property	Personal	(1) Centrally Assessed Property	Taxable Gross Total	Real Estate Adjustments	Net Assessed Property Value	(2) Total Direct Tax Rate
2016	2,499,306,636	102,681,112	1,447,386	2,603,435,134	5,191,742	2,598,243,392	7.500
2017	2,731,911,700	104,433,405	1,472,086	2,837,817,191	8,101,379	2,829,715,812	7.500
2018	2,973,808,217	126,110,194	1,777,641	3,101,696,052	46,675,273	3,055,020,779	7.500
2019	3,257,978,315	126,543,902	1,783,754	3,386,305,971	104,640,397	3,281,665,574	7.500
2020	3,581,513,406	155,958,164	2,198,376	3,739,669,946	144,313,021	3,595,356,925	7.500
2021	3,814,093,740	163,549,849	2,305,388	3,979,948,977	25,693,729	3,954,255,248	7.500
2022	4,425,478,056	177,465,009	2,501,535	4,605,444,600	70,466,266	4,534,978,334	7.400
2023	5,057,287,531	199,984,100	2,818,963	5,260,090,594	61,074,883	5,199,015,711	7.400
2024	5,639,248,714	196,954,967	2,776,264	5,838,979,945	39,711,254	5,799,268,691	7.400
2025	6,176,445,397	228,061,746	3,214,743	6,407,721,886	105,865,472	6,301,856,414	7.400

Source: Miami-Dade County Property Appraiser

(1) The basis of assessed value is approximately 100% of actual value. For each fiscal year ending September 30, property is valued as of January 1st of the preceding year.

(2) From Table 7

TABLE 7

CITY OF NORTH MIAMI, FLORIDA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Unaudited)
(PER $1,000 OF ASSESSED VALUATION)
LAST TEN FISCAL YEARS

	City of North Miami			Miami-Dade County					
Fiscal Year	Operating Millage [1]	Debt Service Millage	Total	Operating Millage	Debt Service Millage	Total	School District	So. Fl. Water Mgt.	Total Millage
2016	7.500	0.000	7.500	4.667	0.400	5.067	7.138	0.1359	19.841
2017	7.500	0.000	7.500	4.667	0.400	5.067	6.774	0.1275	19.468
2018	7.500	0.000	7.500	4.667	0.464	5.131	6.504	0.1209	19.256
2019	7.500	0.000	7.500	4.667	0.478	5.145	7.025	0.1152	19.785
2020	7.500	0.000	7.500	4.667	0.478	5.145	6.186	0.1103	18.941
2021	7.500	0.000	7.500	4.667	0.508	5.175	6.079	0.1061	18.860
2022	7.400	0.000	7.400	4.620	0.485	5.106	5.674	0.0948	18.274
2023	7.400	0.000	7.400	4.574	0.436	5.010	5.567	0.0948	18.072
2024	7.400	0.000	7.400	4.574	0.428	5.002	5.468	0.0948	17.965
2025	7.400	0.000	7.400	4.574	0.417	4.991	5.499	0.0948	17.985

Source: Miami-Dade County Property Appraiser.

[1] Includes general operations and library.

TABLE 8

CITY OF NORTH MIAMI, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS (Unaudited)
CURRENT YEAR AND TEN YEARS AGO

Taxpayer	2025 Taxable Assessed Value	2025 Rank	2025 Percentage of total City Taxable Assessed Value	2016 Taxable Assessed Value	2016 Rank	2016 Percentage of total City Taxable Assessed Value
BRE Portofino MF Property Owner	116,244,700	1	1.81%	$ -		-
OPLH IV LLC	115,304,640	2	1.80%	-		-
Florida Power & Light	108,043,236	3	1.69%	-		-
Countyline Auto Center Inc	68,929,871	4	1.08%	-		-
1490 North 123rd LLC	51,564,419	5	0.80%	-		-
SM Parcel B LLC	45,700,000	6	0.71%			
SM Parcel A LLC	43,100,000	7	0.67%			
Public Super Markets Inc.	34,420,737	8	0.54%	-		-
Causeway Square LLC	26,315,554	9	0.41%	-		-
G1R Florida LLC	23,439,861	10	0.37%	-		-
				-		-
Stellar Biscayne LP	-		-	$ 56,657,192	1	2.18%
Countyline Auto Center Inc	-		-	56,000,000	2	2.15%
Florida Power & Light	-		-	43,483,948	3	1.67%
WRPV XI Watermarke Miami LLC	-		-	32,874,847	4	1.26%
City of North Miami	-		-	29,649,652	5	1.14%
Public Super Markets Inc.	-		-	17,965,668	6	0.69%
Causeway Square LLC	-		-	17,800,000	7	0.68%
Yale Stream Center Court LLC	-		-	16,170,000	8	0.62%
JVR Investments Green Acres Inc.	-		-	14,550,994	9	0.56%
Economo Malls LTD Partnership No 17	-		-	13,223,593	10	0.51%
Totals	**$ 633,063,018**		**9.88%**	**$ 298,375,894**		**11%**

Source: Miami-Dade County Property Appraiser

TABLE 9

CITY OF NORTH MIAMI, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS [1] (Unaudited)
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy [2]	(3) Current Tax Collected	Percent of Current Taxes Collected	(3) Delinquent Tax Collections	Total Tax Collections	Ratio Tax Collections to Total Tax Levy
2016	18,744,800	18,485,170	98.61%	223,021	18,708,191	99.80%
2017	20,489,338	18,489,766	90.24%	704,905	19,194,671	93.68%
2018	22,303,562	19,983,848	89.60%	991,896	20,975,744	94.05%
2019	24,434,837	21,516,408	88.06%	1,223,381	22,739,789	93.06%
2020	26,861,351	23,829,457	88.71%	1,241,082	25,070,539	93.33%
2021	28,605,703	26,765,364	93.57%	1,123,262	27,888,626	97.49%
2022	32,748,538	28,755,268	87.81%	964,135	29,719,403	90.75%
2023	37,423,928	32,270,325	86.23%	1,354,696	33,625,021	89.85%
2024	41,730,440	41,534,258	99.53%	1,771,513	43,305,771	103.78%
2025	45,705,696	46,455,691	101.64%	1,943,768	48,399,459	105.89%

Source: Miami-Dade County Property Appraiser and internally generated data.

(1) Includes levies and collections for personal and real properties.

(2) Includes levies for general operations, and debt service. Beginning in fiscal year 2006, total tax levy also includes tax-increment financing for the North Miami Community Redevelopment Agency (CRA).

(3) Tax certificate sales reclassified from current tax collected to delinquent tax collections.

TABLE 10

CITY OF NORTH MIAMI, FLORIDA
Enterprise Funds and Utility Rates (Unaudited)
LAST TEN FISCAL YEARS

	Water			Sewer			Sewer Treatment Charge	Capital Improvement Fees				Sanitation	Recycling	Stormwater
	(1)	(2)	(2)											(5)
	Base Rate	Rate per 1,000 gallons Over Minimum		As a percentage of Water rates				(3) Water		(4) Sewer				Monthly
Fiscal Year	per 5,000 Gallons	Residential	Commercial	Residential	Commercial	2014	1,000 Gallons	Residential	Commercial	Residential	Commercial	Annual Charge	Monthly Charge	Charge Per ERU
2016	12.51	1.89	1.72	N/A	N/A	N/A	4.41	N/A	N/A	N/A	N/A	254.40	N/A	6.19
2017	12.51	1.89	1.72	N/A	N/A	N/A	4.41	N/A	N/A	N/A	N/A	254.40	N/A	6.19
2018	12.51	1.89	1.72	N/A	N/A	N/A	4.41	N/A	N/A	N/A	N/A	254.40	N/A	6.19
2019	12.51	1.89	1.72	N/A	N/A	N/A	4.41	N/A	N/A	N/A	N/A	254.40	N/A	6.19
2020	12.51	1.89	1.72	N/A	N/A	N/A	4.41	N/A	N/A	N/A	N/A	254.40	N/A	6.19
2021	13.02	1.97	1.79	N/A	N/A	N/A	4.59	N/A	N/A	N/A	N/A	393.00	N/A	7.12
2022	13.79	2.09	1.90	N/A	N/A	N/A	5.00	N/A	N/A	N/A	N/A	407.16	N/A	7.12
2023	13.79	2.09	1.90	N/A	N/A	N/A	5.00	N/A	N/A	N/A	N/A	414.36	N/A	7.12
2024	14.95	2.27	2.06	N/A	N/A	N/A	5.43	N/A	N/A	N/A	N/A	430.32	N/A	7.12
2025	16.21	2.45	2.23	N/A	N/A	N/A	5.90	N/A	N/A	N/A	N/A	445.32	N/A	7.12

Source: City Utility Billing Department

(1) Rates are based on 3/4" meter for single family residence. Monthly rate per 5,000 gallons.
(2) Overage is based on water usage over 5,000 gallons per month
(3) 2008, monthly fees charged to finance building of a new water plant and renovate existing water plant. Rates effective November 2007 for commercial units and January 2008 for residential units.
(4) Fees charged to upgrade sewer system as per federal mandate.
(5) Equivalent residential units determined based on 1 ERU for every 1,760 square ft. of impervious land for commercial accounts. For residential accounts, each residential unit is assessed as 1 ERU.

Note: The City bills residents for the aforementioned services on a quarterly basis except for the period from January 2002 to October 2006 when residential accounts were billed monthly. All commercial accounts are billed monthly.

DEBT CAPACITY

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TABLE 11

CITY OF NORTH MIAMI, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE (Unaudited)
LAST TEN FISCAL YEARS

	Governmental Activities			Business-type Activities						
Fiscal Year	Notes Payable	CRA Bond Payable	Leases (3)	Leases (3)	Loan Payable (2)	SRF Loan Payable	Total Primary Government	Population (1)	Per Capita	(Restated) Percentage of Personal Income (1)
2016	13,963,084	-	1,098,926	-	2,388,060	2,996,913	20,446,983	57,146	358	1.90%
2017	13,340,604	-	801,566	2,393	2,017,550	2,864,933	19,027,046	62,042	307	1.60%
2018	12,663,213	-	355,330	1,593	1,637,040	3,042,232	17,699,408	62,225	284	1.45%
2019	11,920,559	-	1,180,522	793	1,246,530	4,634,579	18,982,983	62,996	301	1.51%
2020	11,117,248	-	1,210,053	-	841,020	5,332,957	18,501,278	62,822	295	1.45%
2021	10,235,131	-	1,435,403	-	425,510	5,070,329	17,166,373	62,146	276	1.33%
2022	9,277,418	-	17,562,333	4,657	-	4,775,352	31,619,760	59,229	534	2.52%
2023	8,238,693	-	17,824,969	3,417	-	4,476,846	30,543,925	58,906	519	2.40%
2024	7,113,516	52,236,769	3,654,325	1,861	-	4,176,769	67,183,240	59,008	1,139	5.17%
2025	5,896,415	50,375,486	4,889,261	305	-	3,875,119	65,036,586	62,202	1,046	4.66%

(1) Divided by the Per Capita Personal Income From Table 19 - Demographic and Economic Statistics
(2) In fiscal 2016 the FMLC 2016 Bond was issued for the purpose of refunding the outstanding FMLC Series 2001A Bond
(3) Effective 2022 the term term Capital Lease was eliminated with the implementation of GASB 87

TABLE 12

CITY OF NORTH MIAMI, FLORIDA
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA (Unaudited)
LAST TEN FISCAL YEARS

Fiscal Year	(1) Population*	(2) Assessed Value*	(3) Gross Bonded Debt*	Net Bonded Debt*	Ratio of Net Debt to Assessed Value	Net Bonded Debt Per Capita
2016	57	$ 2,598,243	14,725	13,963	54%	244
2017	62	$ 2,829,716	14,005	13,340	47%	215
2018	62	$ 3,055,021	13,235	12,663	41%	204
2019	63	$ 3,281,666	12,405	11,920	36%	189
2020	63	$ 3,595,357	11,520	11,117	31%	177
2021	62	$ 3,954,255	10,570	10,235	26%	165
2022	59	$ 4,534,978	9,550	9,277	20%	157
2023	59	$ 5,199,016	8,455	8,238	16%	140
2024	59	$ 5,799,269	7,280	7,113	12%	121
2025	62	$ 6,301,856	6,020	5,896	9%	95

*Amounts expressed in thousands.

Source: City of North Miami Finance Department.

(1) From Table 19.

(2) From Table 6.

(3) Amount does not include special obligation bonds or note payable. All general obligation bonded debt is expected to be repaid through general governmental resources.

TABLE 13

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS (1) (Unaudited)
(IN THOUSANDS)
SEPTEMBER 30, 2025

Jurisdiction	Taxable Property Value	Net General Obligation Bonded Debt Outstanding	Percentage Applicable To North Miami	Amount Applicable To North Miami
Direct:				
City of North Miami (1)	$ 6,176,445	$ 5,896,415	-	$ -
Overlapping:				
Miami-Dade County (2)	581,218,088	2,661,431	1.06% (4)	28,282
Miami-Dade County Schools (3)	583,598,495	1,095,864	1.06% (4)	11,598
Total overlapping debt		3,757,295		39,880
Total direct and overlapping debt		$ 9,653,710		$ 39,880

(1) Excludes the City of North Miami's taxable promissory note issued in 2010, which is not payable from property taxes (see Table 12).

(2) Source: Miami-Dade County Property Appraiser - Taxable Property Estimated Value as of July 1, 2024, amounts and Net General Obligation Bonded Debt Outstanding figures are as of September 30, 2024

(3) Source: School Board of Miami-Dade County Division of Accounting - Taxable Property Value reflects July 1, 2024 amounts and Net General Obligation Bonded Debt Outstanding figures are as of June 30, 2024.

(4) Based on the percentage of the County's/School Board's tax roll valuation comprised of real and personal property situated in the City of North Miami. The percentage applicable to North Miami is estimated using taxable assessed property values. Value that is within the City's boundaries and dividing it by the County's and School Board's total 2024 preliminary taxable value.

TABLE 14

CITY OF NORTH MIAMI, FLORIDA
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR BONDED DEBT [(1)] TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES (Unaudited)
LAST TEN FISCAL YEARS
(IN THOUSAND DOLLARS)

Fiscal Year	Principal	Interest [(2)]	Total Debt Service	Total General Governmental Expenditures [(3)]	Ratio of Debt Service to General Governmental Expenditures
2016	779	844	1,623	65,553	2.0%
2017	877	789	1,666	70,601	2.0%
2018	1,022	761	1,783	78,776	2.0%
2019	839	579	1,418	81,018	2.0%
2020	954	899	1,853	83,522	2.0%
2021	950	835	1,785	77,162	2.0%
2022	1,020	766	1,786	64,198	3.0%
2023	1,095	692	1,787	65,760	3.0%
2024	1,175	612	1,787	74,520	2.0%
2025	1,260	527	1,787	76,587	2.0%

(1) Includes debt service for general obligation and special obligation debt.

(2) Includes debt issuance and other costs.

(3) Does not include expenditures for capital projects funds.

TABLE 15

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF REVENUE BOND COVERAGE
WATER & SEWER AND STORMWATER ENTERPRISE FUNDS (Unaudited)
(IN THOUSANDS)
LAST TEN FISCAL YEARS

Fiscal Year		Operating Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements Principal	Interest (3)	Total	Coverage
2016	(4)	35,290	27,943	7,347	330	103	433	16.97
2017		34,297	30,386	3,911	603	197	800	4.89
2018		36,696	32,170	4,525	523	99	622	7.27
2019		34,210	31,816	2,394	534	86	620	3.86
2020		34,720	31,487	3,233	737	79	816	3.96
2021		34,654	34,164	489	678	154	832	0.59
2022		36,894	33,775	3,119	723	61	784	3.98
2023		39,666	36,539	3,127	299	76	375	8.35
2024		45,977	32,464	13,513	301	31	332	40.70
2025		47,239	37,315	9,924	301	31	332	29.89

(1) Total operating revenues, plus interest income and operating grants.

(2) Total operating expenses excluding depreciation.

(3) Including fiscal charges.

(4) In fiscal year 2016 the revenue amounts were revised as a result of a restatement

CITY OF NORTH MIAMI, FLORIDA
FISCAL YEAR BUDGETED AND HISTORIC NON-AD VALOREM FUNDS (Unaudited)
FISCAL YEAR ENDED SEPTEMBER 30, 2025

Sources of Funds	2026 (Budgeted) [6]	2025	2024	2023	2022	2021	2020	2019
General government funds [1]:								
Franchise fees	$ 5,951,817	$ 5,674,369	$ 5,106,435	$ 4,423,028	$ 4,294,905	$ 4,369,008	$ 4,376,529	$ 4,323,846
Utility taxes	6,503,975	4,633,903	3,873,710	3,764,093	3,915,623	3,763,707	3,663,407	3,517,469
Communication services tax	1,169,438	1,131,024	1,120,285	1,047,087	1,036,291	1,000,000	1,200,000	1,165,811
Licenses and permits	1,263,223	1,156,180	1,242,000	958,056	942,257	907,257	7,326,202	4,901,352
Intergovernmental revenues [2]	10,626,120	10,529,743	10,316,412	8,627,766	8,151,004	7,634,489	8,559,325	7,702,962
Charges for services [3]	9,839,546	8,298,928	7,142,243	7,491,090	5,579,832	6,923,914	6,006,557	4,937,245
Fines and forfeitures	602,050	538,590	437,050	408,053	442,120	646,600	718,300	1,054,633
Other [5]	7,852,719	6,611,466	5,627,499	5,749,123	5,453,310	6,710,843	8,436,766	6,598,372
Total general government non-ad valorem funds	43,808,888	38,574,203	34,865,634	32,468,296	29,815,342	31,955,818	40,287,086	34,201,690
Enterprise funds [4]:								
Water and sewer utility	60,065,750	58,495,772	60,170,529	46,231,967	46,437,852	49,973,082	59,532,531	49,372,814
Stormwater utility	4,485,091	3,361,908	4,458,924	3,034,424	3,655,000	4,305,197	4,138,138	4,389,308
Total enterprise funds non-ad valorem funds	64,550,841	61,857,680	64,629,453	49,266,391	50,092,852	54,278,279	63,670,669	53,762,122
Total non-ad valorem funds	$ 108,359,729	$ 100,431,883	$ 99,495,087	$ 81,734,687	$ 79,908,194	$ 86,234,097	$ 103,957,755	$ 87,963,812

(1) Includes general fund, special revenue funds and debt service funds; excludes capital project funds.
(2) All intergovernmental revenue restricted for specific use and not available to fund debt service has been excluded from this category.
(3) Includes interfund services provided and used. 101,899,808.00
(4) Only operating revenues are shown. (71,030,513.00)
(5) Excludes revenues legally restricted for specific use and not available to fund debt service.
(6) As originally budgeted.

TABLE 17

CITY OF NORTH MIAMI, FLORIDA
DEBT SERVICE REQUIREMENTS AND COVERAGE (Unaudited)
OUTSTANDING AND PROPOSED
PAYABLE FROM NON-AD VALOREM FUNDS

Fiscal Year	Outstanding Debt Service (1)	(3) City of North Miami 2010 Taxable Promissory Note (Pension) Principal	Interest	Total	Non-Ad Valorem Funds (2)	Coverage Ratio Percentage
2026	1,786,450	1,350,000	436,450	1,786,450	100,431,883	56.22
2027	1,788,575	1,450,000	338,575	1,788,575	100,431,883	56.15
2028	1,788,449	1,555,000	233,449	1,788,449	100,431,883	56.16
2029	1,785,713	1,665,000	120,713	1,785,713	100,431,883	56.24
	$ 7,149,187	$ 6,020,000	$ 1,129,187	$ 7,149,187	$ 401,727,532	

(1) This assumes that total debt service for this debt is paid from Non-Ad Valorem Funds (see Table 18).

(2) This reflects the budgeted funds available for the fiscal year ended September 30 from General Government Non-Ad Valorem Funds and Enterprise Funds (see Table 16).

(3) Reflects new debt issuance. The Taxable Special Obligation Refunding Bonds-Series 2002 (Pension) were refunded in February 2010 through the issuance of City of North Miami Taxable Promissory Note, Series 2010.

TABLE 18

CITY OF NORTH MIAMI, FLORIDA
DEBT SERVICE PAYABLE FROM PORTIONS OF THE NON-AD VALOREM FUNDS
(Unaudited)

Year	2010 Taxable Promissory Note (Pension)
2026	1,786,450
2027	1,788,575
2028	1,788,449
2029	1,785,713
Total	$ 7,149,187

Source: City of North Miami, Florida Finance Department

DEMOGRAPHIC AND ECONOMIC INFORMATION

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TABLE 19

CITY OF NORTH MIAMI, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS (Unaudited)
LAST TEN FISCAL YEARS

Fiscal Year	(1) Population	Personal Income (in thousands)	(2) Per Capita Personal Income	(3) Median Age	(4) School Enrollment	(5) Unemployment Rate Percentage
2016	57,146	$ 1,154,506	$ 18,799	34	349,817	4.9
2017	62,042	$ 1,177,596	$ 19,170	34	356,086	4.8
2018	62,225	$ 1,201,148	$ 19,554	34	354,263	4.2
2019	62,996	$ 1,225,171	$ 19,945	35	350,101	3.3
2020	62,822	$ 1,249,674	$ 20,344	35	346,427	11.9
2021	62,146	$ 1,274,668	$ 20,751	36	332,776	4.7
2022	59,229	$ 1,300,161	$ 21,166	36	331,483	1.7
2023	58,906	$ 1,326,164	$ 21,589	38	340,052	1.5
2024	59,008	$ 1,352,688	$ 22,021	37	339,365	1.5
2025	62,202	$ 1,379,741	$ 22,461	37	333,993	3.7

(1) U.S. Census Bureau

(2) Data 2024 based on U.S. Census of Population 2022. Per Capita Income in past 12 months (in 2022 dollars), 2020-2024

(3) U.S. Census Bureau, Census 2022.

(4) Source: Miami-Dade County School Board. Data is for the School District of Miami-Dade County.

(5) U.S. Department of Labor, Bureau of Labor Statistics.

TABLE 20

CITY OF NORTH MIAMI, FLORIDA
PRINCIPAL EMPLOYERS (Unaudited)
CURRENT YEAR AND TEN YEARS AGO

	2025			2016		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Miami-Dade Public Schools	605	1	1.84	950	1	3.15
City of North Miami (Including Police Dept.)	536	2	1.63	540	2	1.79
Villa Marie Nursing Home	400	3	1.21	300	4	1.00
Florida International University	363	4	1.10	249	6	0.83
Publix Super Markets	309	5	0.94	-	-	-
Whole Food Market	300	6	0.91	200	9	0.66
Lexus Of North Miami	250	7	0.76	240	8	0.80
Warren Henry Auto Group	250	7	0.76	-	-	-
Home Depot	201	8	0.61	-	-	-
Techno Coasting Inc	200	9	0.61	-	-	-
Total	3,414		10.37	2,479		8.23

Estimated Labor Force	32,964	30,125

Source: Economic Development Division

TABLE 21

CITY OF NORTH MIAMI, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION (Unaudited)
LAST TEN FISCAL YEARS

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
General government	58	80	86	88	76	108	126	105	112	111
Public safety	159	149	151	155	144	149	143	153	149	156
Transportation	42	55	51	50	46	40	6	40	35	43
Personnel services	6	6	6	6	4	4	5	5	4	5
Culture and recreation	54	56	54	57	49	25	36	31	26	29
Physical environment	-	-	-	-	-	-	-	-	17	2
Economic environment	10	10	8	7	11	15	15	23	-	17
Business-type activities:										
Water & sewer utility	42	49	51	49	46	42	48	51	41	42
Stormwater	9	7	15	12	14	8	5	6	6	6
Total	380	412	422	424	390	391	384	414	390	411

Source: City Personnel Department

NORTH MIAMI
FLORIDA

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OPERATING INFORMATION

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TABLE 22

CITY OF NORTH MIAMI, FLORIDA
OPERATING INDICATORS BY FUNCTION (Unaudited)
LAST TEN FISCAL YEARS

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public safety:										
Police: (1)										
Physical arrests	1,563	1,448	1,442	1,218	1,013	968	772	909	895	1,050
Traffic citations	16,332	11,718	13,023	8,923	5,758	7,991	5,365	6,403	6,806	7,338
Parking citations	2,644	2,018	2,566	2,953	1,861	1,606	1,704	1,319	1,560	1,673
Number of calls for service	46,664	46,610	53,529	48,065	63,769	75,404	68,122	64,639	72,170	79,675
Fire: (2)										
Number of calls answered	10,163	9,070	11,842	9,208	9,412	12,928	8,059	9,941	17,985	10,738
Culture and recreation: (3)										
Athletic field permits issued (rentals):										
Soccer	325	295	125	95	1	1	2	26	8	8
Football	64	45	-	-	4	3	2	3	12	12
Baseball	45	57	51	50	-	2	3	7	14	14
Basketball	48	148	178	120	6	0	7	5	28	28
Other(Rugby, Kickball, Field Hockey)	56	28	15	16	6	1	6	2	1	1
Membership (yearly):										
Tennis	4	4	1	25	37	21	24	17	22	22
Swim	0	0	-	1	0	0	0		0	
Adult center	132	90	166	162	58	0	33	147	285	179
Afterschool	21	26	58	32	7	0	24		57	47
Camp program participants	1,737	1,119	1,226	1,199	16	0	135	30	768	719
Youth athletic participants (all sports)	655	583	841	632	50	0	35	174	188	211
Adult participants (all sports)	125	748	150	195	0	0	0	395	25	0
Water: (4)										
Daily average treatment in gallons (plant)	6,876,175	5,403,781	3,188,301	5,272,111	6,915,479	6,077,068	6,447,507	5,482,493	5,945,726	6,055,151
Average daily consumption in gallons	11,499,644	12,517,534	12,689,616	12,958,383	13,264,301	13,086,849	12,734,136	13,039,808	13,053,945	12,677,976
Solid waste:										
Refuse and trash collected (tons) (5)	-	15,658.00	11,101	10,941	11,885	11,938	21,766	19,739.44	29,031	18,442
Stormwater:										
Equivalent and commercial residential units (ERU's)	35,394	35,237	35,188	36,334	36,704	36,778	36,484	37,037	37,592	38,014

(1) Source: North Miami Police Department
(2) Source: Miami-Dade County Fire Department
(3) Source: North Miami Parks and Recreation Department
(4) Source: North Miami Public Works Department
The difference between the daily average treatment in gallons and average daily consumption in gallons represents water purchased from Miami-Dade County.
*In 2008, daily average treatment in gallons (plant) decreased due to the main raw water well being out of service.
(5) Solid waster services outsourced.
N/A - Not available

TABLE 23

CITY OF NORTH MIAMI, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION (Unaudited)
LAST TEN FISCAL YEARS

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public safety:										
Police:										
Stations (including off-site locations)	2	2	2	1	1	1	1	1	1	1
Patrol units	64	68	68	93	71	88	89	89	89	89
Transportation:										
Streets (miles)	136	113	113	109	109	109	132	132	132	132
Street lights (FPL and City owned) (1)	4,447	2,623	2623	2,623	2,623	2,752	2,752	2,752	2,752	2752
Culture and recreation:										
Library	1	1	1	1	1	1	1	1	1	1
Museums	1	1	1	1	1	1	1	1	1	1
Parks	17	16	17	18	19	19	19	19	19	19
Park acreage	549	549	549	549	549	549	550	550	550	550
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	25	25	25	25	25	25	27	27	27	27
Community centers	7	7	7	7	7	8	9	8	8	8
Water:										
Water mains (miles)	311	311	311	311	312	316	320	324	327	327
Maximum daily capacity in gallons	9,300,000	9,300,000	9300000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000
Fire hydrants	927	935	941	941	959	969	971	981	981	1090
Sewage system:										
Miles of storm sewers	38	38	39	39	39	39	39	39	39	43.5
Miles of sanitary sewers	175	175	175	175	175	175	178	178	182	205.87
Solid waste:										
Collection trucks	-	-	-	-	-	-	-	-	5	5

Sources: Various city departments.

Note: No capital asset indicators are available for the general government function.

(1) This number represents the total number of poles in the City.

COMPLIANCE

IV. Compliance Section

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CITY OF NORTH MIAMI, FLORIDA

SINGLE AUDIT REPORTS IN ACCORDANCE WITH THE UNIFORM GUIDANCE

FOR THE YEAR ENDED SEPTEMBER 30, 2025

CITY OF NORTH MIAMI, FLORIDA
COMPLIANCE SECTION
FOR THE YEAR ENDED SEPTEMBER 30, 2025

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

To the Honorable Mayor and Members of the City Council
City of North Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Miami (the "City"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 22, 2026. Our report includes an Emphasis-of-Matter paragraph related to the correction of errors that required the restatement of the financial statements. As disclosed in the notes, the beginning net position of the governmental activities and the beginning fund balance of the General Fund were restated to properly reflect the corrected lease-related balances. Our opinions were not modified with respect to this matter.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item IC 2025-001 that we considered to be a significant deficiency.

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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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

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

North Miami, Florida
June 22, 2026

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

To the Honorable Mayor and Members of the City Council
City of North Miami, Florida

Report on Compliance for Each Major Federal Program and State Projects

Opinion on Each Major Federal Program and State Projects

We have audited City of North Miami, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement and* Florida Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of the City's major federal programs and state projects for the fiscal year ended September 30, 2025. The City's major federal programs and state projects are identified in the summary of auditor's 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 each of its major federal programs and state projects for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program and State Project

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) and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards and the Uniform Guidance and Chapter 10.550. Rules of are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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 each 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 programs and state projects.

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Auditor's 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*, 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 each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, 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 and Chapter 10.550, Rules of the Auditor General, 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.

North Miami, Florida
June 22, 2026

CITY OF NORTH MIAMI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Federal Agency/Pass-Through Grantor/Program Title	Assistance Listing Number	Grant or Identifying Number	Pass Through Entity Identifying Number	Expenditures
U.S. Department of Housing and Urban Development				
CDBG- Entitlement Grants Cluster:				
Community Development Block Grants/ Entitlement Grants – COVID 19	14.218	B-20-MW-12-0039	Not applicable	$ 104,926
Community Development Block Grants/ Entitlement Grants	14.218	B-21-MC-12-0039	Not applicable	1,664
Community Development Block Grants/ Entitlement Grants	14.218	B-22-MC-12-0039	Not applicable	132,976
Community Development Block Grants/ Entitlement Grants	14.218	B-23-MC-12-0039	Not applicable	471,006
Community Development Block Grants/ Entitlement Grants	14.218	B-24-MC-12-0040	Not applicable	435,436
Total CDBG – Entitlement Grants Cluster				1,146,008
Home Investment Partnerships Program	14.239	M-19-MC-12-0231	Not applicable	40,000
Home Investment Partnerships Program	14.239	M-20-MC-12-0231	Not applicable	75,983
Home Investment Partnerships Program	14.239	M-21-MP-12-0231	Not applicable	28,971
Home Investment Partnerships Program	14.239	M-21-MC-12-0231	Not applicable	120,241
Home Investment Partnerships Program	14.239	M-22-MC-12-0231	Not applicable	219,654
Home Investment Partnerships Program	14.239	M-23-MC-12-0231	Not applicable	15,057
Home Investment Partnerships Program	14.239	M-24-MC-12-0231	Not applicable	63,994
				563,901
Total U.S. Department of Housing and Urban Development				1,709,909
U.S. Department of Justice				
Pass Through Florida Department of Law Enforcement (FDLE)				
Missing Alzheimer's Disease Patient Assistance Program	16.015	15PBJA-21-GG-02957-MAPX		87,377
Pass Through the State of Florida Office of the Attorney General				
Crime Victim Assistance	16.575	VOCA-C-2024		104,627
Pass Through Pals of South Florida				
Students, Teachers, and Officers Preventing (STOP) School Violence	16.839	N/A		95,000
Total U.S. Department of Justice				287,005
TOTAL EXPENDITURES OF FEDERAL AWARDS				$ 1,996,913

See Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance.

CITY OF NORTH MIAMI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

State Grantor/Pass-Through Grantor/Project or Cluster Title	CSFA Number	Contract Number	State Expenditures
Florida Department of Environmental Protection			
Statewide Water Quality Restoration Projects	37.039	L0084	$ 532,062
Statewide Water Quality Restoration Projects	37.039	LPA0347	394,018
Florida Housing Finance Corporation			
State Housing Initiatives Partnership Program (SHIP)	40.901	N/A	404,089
Department of State and Secretary of State			
State Aid to Libraries	45.030	25-ST-34	14,031
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			$ 1,344,200

See Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance.

Note 1 - General

The accompanying Schedule of Expenditures of Federal and State Financial Assistance (the Schedule) presents the activity of all federal awards and state financial assistance projects of the City of North Miami, Florida (the City) for the year ended September 30, 2025.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The information in the 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) and Chapter 10.550, Rules of Auditor General, Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the financial statements. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net positions, or cash flows of the City.

Basis of Accounting

The expenditures in the accompanying Schedule are presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the City becomes obligated for a payment as a result of the receipt of the related goods or services.

Note 3 - Contingencies

Grant monies received and disbursed by the City are for specific purposes and are subject to review by grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures.

Management is not aware of any material questioned or disallowed costs as a result of grant audits in process or completed; however, the possible disallowance by a governmental agency of any item charged to a program cannot be determined at this time.

Note 4 - Subrecipients

Of the federal awards and state financial assistance presented in the Schedule, the City did not provide any amounts to subrecipients.

Note 5 - Indirect Cost Rate

The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Section I - Summary of Independent Auditors' Results

Financial Statements

Type of auditors' report issued:		**Unmodified**
• Material weakness(es) identified?	____ Yes	X No
• Significant deficiency(ies) identified that are not considered to be a material weakness?	X Yes	____ None Reported
• Noncompliance material to financial statements noted?	____ Yes	X No

Federal Awards

Internal control over major Federal programs:		
• Material weakness(es) identified?	____ Yes	X No
• Significant deficiency(ies) identified that are not considered to be a material weakness?	____ Yes	X None Reported
Type of Auditors' Report issued on Compliance for Major Federal Programs:		**Unmodified**
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	____ Yes	X No

Identification of Major Federal Programs:

Assistance Listing Number	Name of Federal Programs
14.239	Home Investment Partnership Program
CSFA	
39.039	Statewide Water Quality Restoration Projects
40.901	State Housing Initiative Partnership Program

Dollar threshold used to distinguish between Type A and Type B programs:

Federal	$1,000,000
State	$ 403,260

Auditee qualified as a low-risk auditee?	X Yes	____ No

Section II - Financial Statement - Current Year Findings and Questioned Costs

IC 2025-001 Lease Accounting and Prior Period Adjustments

Criteria

Internal control policies and procedures should ensure that financial reporting is accurate, complete, and prepared in accordance with GAAP. Under GASB Statement No. 87, governments must properly identify lease arrangements, calculate lease liabilities and related right-of-use assets, and lease receivable and record activity in the appropriate accounting period.

Condition

Errors were identified in the calculation and reporting of the government’s lease liability, related right-of-use asset, and lease receivable balances. The initial lease schedules contained incorrect amortization amounts and misstated beginning balances, resulting in improper reporting of lease activity. Significant adjustments were required to correct the lease balances, including a prior-period adjustment to restate beginning net position.

Cause

Controls over the preparation, review, and reconciliation of lease schedules were not operating effectively. The review process did not identify errors in the underlying lease data, including incorrect discount rate application and misclassification of lease terms, which contributed to the misstated balances.

Effect

Beginning net position for governmental activities was restated to correct the misstated lease liability and right-of-use asset balances. Without the adjustments, the financial statements would not have been presented in accordance with GAAP, and the errors indicate a weakness in internal controls over the lease accounting process.

Recommendation

Management should strengthen internal controls over lease accounting by implementing a more robust and documented review process that includes independent verification of lease inputs, discount rates, and amortization schedules, along with periodic reconciliation of lease balances throughout the fiscal year to ensure accuracy and completeness. In addition, supervisory review should be enhanced to confirm that lease activity is properly recorded in the correct accounting period and that all required elements under GASB 87 are consistently applied. We also recommend that management purchase and implement a dedicated lease accounting software solution to support the accurate calculation, tracking, and reporting of lease balances, which will help reduce manual errors and improve the reliability of financial reporting.

Section II - Financial Statement - Current Year Findings and Questioned Costs (cont'd)

IC 2025-001 Lease Accounting and Prior Period Adjustments (cont'd)

Management View

Management reviewed the variance identified during the FY25 application of GASB 87 lease accounting. In prior years, the City calculated lease assets and liabilities using its internal manual GASB 87 methodology. For FY25, staff engaged the external auditors to prepare the lease calculations using their specialized lease accounting software. The software's automated approach produced results that differed from the City's earlier manual calculations. As a result, a prior period adjustment was required to align beginning balances with the corrected lease valuations. Management has reviewed the updated methodology, confirmed the accuracy of the underlying assumptions, and accepts the revised calculations. The City will use system-generated schedules going forward to ensure consistency, accuracy, and continued compliance with GASB 87.

Section III - Prior Year Findings —Financial Statement Audit

None reported.

Section IV - Federal Award —Current Year Findings and Questioned Costs

None reported.

Section V - Federal Award —Prior Year Findings and Questioned Costs

None reported.

Appendix A - Current Year's Recommendations to Improve Financial Management

2025-001 Schedule of Expenditures of Federal Awards and State Financial Assistance

Criteria

The Code of Federal regulation (CFR) Section 200.303(b) requires non-federal entities to establish and maintain effective internal control over federal award that provides reasonable assurance that non-federal entity is managing federal awards in compliance with federal statutes, regulations, and terms and conditions of the federal award. CFR Section 200.502(a) states that the determination of when a federal award is expended should be based on when the activities related to the federal award occurs. Generally, the activity pertains to events that require the non-federal entity to comply with federal statutes, regulations and the terms and conditions of federal awards, such as expenditures transactions associated with grant awards.

The design of a control structure and related policies and procedures should ensure that the City's SEFA and related expenditures are reconciled to ensure expenditures are incurred within the correct period and in compliance with the grant requirements.

Condition

We noted that the SEFA provided to the auditors for the Single Audit and major program determination for the fiscal year ended September 30, 2025, required revisions.

Context

The condition is an isolated incident due to the Cyber incident.

Effect

Lack of effective control may result in noncompliance with grant requirements, disallowance of program expenditures, and potential untimely recognition in the accounting records of financial transactions related to the program.

Cause

The contributing factor was due primarily to a ransomware incident that occurred toward the end of the fiscal year, which disrupted access to key financial systems and delayed reconciliations. As a result, the City included expenditures in the SEFA for the fiscal year ended September 30, 2025, that were related to obligations and activities occurring in the subsequent fiscal year. These items were initially misclassified due to timing differences in recognizing when the activity related to the federal award occurred.

Appendix A - Current Year's Recommendations to Improve Financial Management (cont'd)

2025-001 Schedule of Expenditures of Federal Awards and State Financial Assistance (cont'd)

Recommendation

We recommend that the City strengthen its internal review procedures for the preparation of the SEFA to ensure that all expenditures are recognized in the appropriate fiscal year based on when the related grant activities occur. This should include a reconciliation process between the SEFA and underlying accounting records, with particular attention to the timing of obligations and activities.

View of responsible officials and planned corrective actions

The ransomware cyber incident that occurred in August 2024, resulted in loss of data which took a significant amount of time to retrieve. During the recovery period, the SEFA was prepared based on best estimated expenditures to provide preliminary information for auditors to determine the federal grants to select for audit. Staff responsible for SEFA reconciliation and preparation are qualified and very knowledgeable of the federal compliance requirements.

Appendix A - Current Year's Recommendations to Improve Financial Management (cont'd)

2025-002 Accounts Receivable and Allowance for Uncollectible Accounts

Criteria

The City should apply sound financial management principles, including those endorsed by the Government Finance Officers Association (GFOA), that call for timely billing, active monitoring of aging receivables, and prompt collection efforts to ensure adequate liquidity. Governments are also expected to implement robust IT and cybersecurity controls to maintain operational continuity and protect critical financial systems.

Condition

The City of North Miami has experienced a consistent and significant increase in its accounts receivable balance related to utility and other billed services. Several accounts, including some large commercial accounts, have remained unpaid for multiple years with minimal collection activity. This issue was compounded in August 2024, when the City was impacted by a ransomware attack that disabled the billing system and halted the issuance of utility bills for a few months. As of the close of the audit period, a material portion of receivables were aged over 90 days, and collection rates were below industry benchmarks.

Cause

The growth in the City's accounts receivable appears to be the result of a combination of operational challenges and resource limitations over the years. While billing processes have been in place, enforcement of collection policies (particularly for older and larger accounts) has not always been consistent. Limited staffing and competing priorities may have contributed to less frequent follow-up on delinquent balances and delayed escalation of problem accounts. Additionally, while efforts have been made to modernize systems, gaps in cybersecurity preparedness left the City vulnerable to the August 2024 ransomware incident, which disrupted billing operations and further delayed collections.

Effect

The growing accounts receivable balance can cause strain on the City's cash flow and can reduce its flexibility to meet operational and capital needs. The inability to bill for two months in FY 2024 exacerbated the receivable position. If left unaddressed, this trend will likely result in liquidity shortfalls in future years, increasing reliance on reserves and can negatively affect the City's financial position and public confidence.

Appendix A - Current Year's Recommendations to Improve Financial Management (cont'd)

2025-002 – Accounts Receivable and Allowance for Uncollectible Accounts (cont'd)

Recommendation

We recommend that management consider taking the following actions to improve collections and safeguard the financial stability of the City:

- Conduct a comprehensive review of all outstanding receivables, with a focus on large and long-standing accounts, and develop a targeted recovery strategy in line with accounting standards.
- Implement stricter enforcement mechanisms, including penalties, shut-off policies where applicable, and legal recourse for chronic delinquents.
- Strengthen internal controls over the billing and collection process, including monthly aging reports, performance metrics, and executive oversight.
- Update City Policy to establish customer credit limits and implement monthly billing cycles for all accounts.
- Record liens on properties for nonpayment, to ensure that outstanding receivable balances are collected at a future date.

View of responsible officials and planned corrective actions

Management concurs with the recommendation of the auditors.

The City will continue its efforts to increase collection of delinquent account balances through a combination of increased collection efforts internally, including possibly taking legal action. The City plans to resume recording utility services liens manually, starting with fiscal 2025-2026, while awaiting the implementation of the new ERP software which will allow an electronic process.
The City will continue working with customers to set up payment arrangements and provide assistance to those who are unable to pay. In addition, through the lien mitigation and partial release processes, the City was able to enforce collections in full for some long outstanding balances, including utility services, which has resulted in an increase in collections. The City now has a dedicated staff member for utility services collections and plans to resume disconnection of services which have been on hold since the cyber-attack in August 2024.

Appendix B – Status of Prior Year's Recommendations to Improve Financial Management

Finding No.	Finding Title	Current Year Status
2024-001	Schedule of Expenditures of Federal Awards and State Financial Assistance	Repeated as 2025-001
2024-002	Accounts Receivable and Allowance for Uncollectible Accounts	Repeated as 2025-002

MANAGEMENT LETTER IN ACCORDANCE WITH CHAPTER 10.550, RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Report on the Financial Statements

We have audited the financial statements of the City of North Miami, Florida (the City), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 22, 2026, which was prepared to comply with the State of Florida reporting requirements. Our report includes an Emphasis-of-Matter paragraph related to the correction of an error that required the restatement of the financial statements. As disclosed in the notes, the beginning net position of the governmental activities and the beginning fund balance of the General Fund were restated to properly reflect the corrected lease-related balances. Our opinions were not modified with respect to this matter.

We did not audit the financial statements of the Clair T. Singerman Plan and the Police Pension Plan which represent 100 percent of the total assets, total net position/fund balance and total revenues/additions of the fiduciary fund information. We did not audit the financial statements of the Community Redevelopment Agency, which is a major fund and represents approximately 22 percent, 8 percent and 14 percent of the total assets, net position, revenues of the governmental activities opinion unit, respectively. We also did not audit the financial statements of the Museum of Contemporary Art, which is a discretely presented component unit of the City. Those statements were audited by other auditors which reports have been furnished to us, and our opinions, insofar as it relates to those amounts, are based solely on the report of the other auditors.

Auditor's 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 Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report(s) on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated May 30, 2025, should be considered in conjunction with this management letter.

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Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. The status of prior audit findings is addressed in Appendix B – Status of Prior Year's Findings and Recommendations to Improve Financial Management.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The name or official title and legal authority of the Primary government and component units are disclosed in Note 1 to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City 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.

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 review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. Such recommendations are included in Appendix A – *Current Year's Recommendations to Improve Financial Management.*

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6, *Rules of the Auditor General*, the City did not operate a PACE program authorized pursuant to Section 163.081 or Section 163.082 Florida Statutes, within the City geographical boundaries during the fiscal year ended September 30, 2025.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6., Rules of the Auditor General, the required information is included in the CRA's audit report dated February 27, 2026.

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 other granting agencies the Mayor, members of the City Council and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

North Miami Florida
June 22, 2026

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415 FLORIDA STATUTES, LOCAL GOVERNMENT INVESTMENT POLICIES

To the Honorable Mayor and Member of the City Council
City of North Miami, Florida

We have examined the City of North Miami (the "City") compliance with Section 218.415, *Florida Statutes*, *Local Government Investment Policies* (the specified requirements) for the year ended September 30, 2025. The City's management is responsible for the City's compliance with the 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 AICPA. 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.

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

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

In our opinion, the City complied with Section 218.415, *Florida Statutes*, *Local Government Investment Policies* during the period of October 1, 2024, to September 30, 2025, in all material respects.

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

Anthony Brunson P.A.

North Miami, Florida
June 22, 2026

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NORTH MIAMI

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Angela Reyes, who, being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the City of North Miami, which is a local government entity of the State of Florida.

2. The governing body of the City of North Miami adopted Ordinance No. 1302 implementing an impact fee or authorized the City of North Miami to receive and expend proceeds of an impact fee implemented; and

3. The City of North Miami has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Angela Reyes, Chief Financial Officer

STATE OF FLORIDA
MIAMI DADE COUNTY

CITY OF NORTH MIAMI

SWORN TO AND SUBSCRIBED BEFORE ME THIS 24 DAY OF June ,2026.

NOTARY PUBLIC
PRINT NAME: Zulema Hernandez

Personally know ✓ or produced identification ___ type of identification produced:________

My Commission Expires: Jun 5, 2029

Zulema Hernandez
Comm.: HH 674529
Expires: Jun. 5, 2029
Notary Public - State of Florida

NORTH MIAMI
FLORIDA

Annual Comprehensive Financial Report

Fiscal Year Ended September 30, 2025

NorthMiamiFL.gov