

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2020

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
TABLE OF CONTENTS
SEPTEMBER 30, 2020

Financial Section:

Independent Auditors' Report	1-2
Management's Discussion and Analysis (Unaudited)	3-5

Basic Financial Statements:

Government-Wide Financial Statements:

Statement of Net Position	6
Statement of Activities	7

Fund Financial Statements:

Balance Sheet – Governmental Fund	8
Reconciliation of the Balance Sheet to the Statement of Net Position	9
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Fund to the Statement of Activities	11
Notes to the Basic Financial Statements	12-16

Required Supplementary Information (Unaudited):

Budgetary Comparison Schedule	17
Notes to Budgetary Comparison Schedule	18

Compliance Section:

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	19-20
Schedule of Findings and Responses	21
Management Letter in Accordance with the Rules of the Auditor General of the State of Florida	22-23
Independent Accountants' Report on Compliance with Florida Statutes	24

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Members of the Board of Directors
North Miami Beach Community Redevelopment Agency
(a Component Unit of the City of North Miami Beach,
Florida)
North Miami Beach, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the North Miami Beach Community Redevelopment Agency (a component unit of the City of North Miami Beach, Florida) (the "NMB CRA") as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the NMB CRA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the NMB CRA's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the NMB CRA's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the NMB CRA as of September 30, 2020, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Schedule on pages 3-5 and 16, respectively, be presented to supplement the basic financial statements. Such information, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2021, on our consideration of the NMBCRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the NMBCRA's internal control over financial reporting and compliance.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
August 26, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

Our discussion and analysis of North Miami Beach Community Redevelopment Agency's (the "NMB CRA") financial performance provides an overview of the NMB CRA's financial activities for the fiscal year ended September 30, 2020. Please read it in conjunction with the NMB CRA's financial statements, which immediately follow this discussion.

Financial Highlights

The following are the highlights of financial activity for the fiscal year ended September 30, 2020:

- The NMB CRA's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at September 30, 2020 by \$6,330,214 (net position).
- The governmental activities revenues totaled \$2,600,698, including \$2,484,660 from incremental tax receipts and \$116,038 from interest income. Expenses, including transfers to the City of North Miami Beach, were \$1,087,648.
- At the end of the year, the NMB CRA reported a fund balance of \$4,347,466, an increase of \$1,185,990 from the previous year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the NMB CRA's basic financial statements. The basic financial statements are comprised of three components: 1) governmentwide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statement themselves.

Government-Wide Financial Statements: The government-wide financial statements, which consist of the following two statements, are designed to provide readers with a broad overview of the NMB CRA's finances, in a manner similar to a private sector business.

The statement of net position presents information on all the NMB CRA's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the NMB CRA's financial position. The NMB CRA's mission is not to collect assets, but to eliminate blighted conditions and increase the tax base; thus, while assets can provide an indicator of stability, the NMB CRA's intent is not to hold assets over a significant period of time.

The statement of activities presents information showing how the NMB CRA's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 6 and 7 of this report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The NMB CRA is comprised of only one governmental fund.

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 balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The governmental fund financial statements can be found on pages 8 through 10 of this report.

Notes to the Basic Financial Statements: The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 11 through 15 of this report.

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

Overview of the Financial Statements (Continued)

Required Supplementary Information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the NMBCRA's annual appropriated budget. A budgetary comparison schedule has been provided to demonstrate compliance with the budget. This required supplementary information is on pages 18 and 19 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time to be a useful indicator of the NMBCRA's financial position. The following table reflects the condensed government-wide statement of net position as of September 30, 2020 and 2019:

City of North Miami Beach Community Redevelopment Agency Net Position

	Governmental Activities	
	2020	2019
Current and other assets	\$ 4,439,604	\$ 3,169,606
Capital assets (net)	3,066,081	2,905,687
Total assets	7,505,685	6,075,293
Current and other liabilities	258,805	174,796
Long term liabilities	916,666	1,083,333
Total liabilities	1,175,471	1,258,129
Net position:		
Net investment in capital assets	2,149,415	1,822,354
Unrestricted	4,180,799	2,994,810
Total net position	\$ 6,330,214	\$ 4,817,164

Governmental Activities: Governmental activities for the year ended September 30, 2020 increased the NMBCRA's net position by \$1,513,051 as reflected in the table below:

North Miami Beach Community Redevelopment Agency Change in Net Position

	Government Activities	
	2020	2019
Revenues:		
General revenues:		
Incremental tax receipts	2,484,660	1,642,740
Interest income	116,038	105,461
Total Revenues	2,600,698	1,748,201
Expenses:		
General Government	1,087,648	648,261
Total Expenses	1,087,648	648,261
Change in net position	1,513,050	1,099,940
Net position, October 1	4,817,164	3,717,224
Net position, September 30	\$ 6,330,214	\$ 4,817,164

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

Governmental Fund Budgetary Highlights

The NMBCRA's Governmental Fund revenues were \$ 101,037 more than the final budget projections. Expenditures were \$2,278,462 less than final appropriations.

Capital Assets

Capital assets held by the NMBCRA are summarized as follows:

	Government Activities	
	2020	2019
Land	\$ 1,535,000	\$ 1,535,000
Construction in progress	1,161,295	968,369
Building & improvements, net	369,786	402,318
	<u>\$ 3,066,081</u>	<u>\$ 2,905,687</u>

Long Term Liabilities

The following chart provides information on the changes in long-term liabilities with comparative balances between the current and last fiscal year.

	Government Activities	
	2020	2019
Notes Payable \$	1,083,383	\$ 1,250,000

Additional information on the NMBCRA's capital assets and long term liabilities can be found in Note 3 and 4, respectively, on page 15 of this report.

Economic Factors and Next Year's Budget

The North Miami Beach Community Redevelopment area known as "the NMBCRA Area" is bounded by the major East/West highway, State Road 826/NE 163rd Street/North Miami Beach Boulevard. The NMBCRA Area has become a vibrant business and residential district through substantive capital investment and close cooperation between the City and the local business community. Redevelopment decisions are guided by the NMBCRA Board of Directors which consists of the North Miami Beach City Commission. Funding for redevelopment is obtained through the process of the tax increment financing. Through this process, any increases in the City of North Miami Beach and Miami-Dade County property tax base directly resulting from redevelopment in the NMBCRA Area are set aside and re-used for additional redevelopment. Each year the NMBCRA's annual budget is approved by both the City of North Miami Beach and by Miami-Dade County.

The taxable value is only one component in the computation of incremental taxes; the other component is the millage rate. The NMBCRA received more in incremental tax receipts for the fiscal year ending September 30, 2020 than it did in fiscal year ending September 30, 2019.

The economic redevelopment of the NMBCRA is based on a productive partnership between the City and the business community to achieve positive results in attracting new businesses and residential development to the area. The NMBCRA will sunset on October 11, 2028 in accordance with Miami-Dade County Resolution R-1427-06 unless renewed.

Requests for Information

This financial report is designed to provide a general overview of NMBCRA's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Marcia Fennell, Finance Director for the City of North Miami Beach, 17011 NE 19th Avenue, North Miami Beach, Florida, 33162.

BASIC FINANCIAL STATEMENTS

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	<u>Governmental Activities</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 4,439,604
Capital assets:	
Land	1,535,000
Construction in progress	1,161,295
Building	458,575
Improvements other than buildings	565,303
Infrastructure	124,862
Furniture and equipment	16,558
Less: accumulated depreciation	<u>(795,512)</u>
Total capital assets	<u>3,066,081</u>
Total assets	<u>\$ 7,505,685</u>
<u>Liabilities</u>	
Current liabilities:	
Accounts payable and other current liabilities	\$ 92,138
Note payable due within one year	<u>166,667</u>
Total current liabilities	258,805
Non-current liabilities:	
Note payable	<u>916,666</u>
Total non-current liabilities	<u>916,666</u>
Total liabilities	1,175,471
Net position:	
Net investment in capital assets	2,149,415
Unrestricted	<u>4,180,799</u>
Total net position	<u>\$ 6,330,214</u>

The notes to the basic financial statements are an integral part of these financial statements.

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

<u>Functions/programs</u>	<u>Expenses</u>	<u>Net Revenue (Expenses) and Change in Net Position</u>
		<u>Total Governmental Activities</u>
Governmental activities:		
General government	\$ 1,087,648	\$ (1,087,648)
Total governmental activities	<u>\$ 1,087,648</u>	<u>\$ (1,087,648)</u>
	General revenues:	
	Incremental tax receipts	2,484,660
	Investment income	<u>116,038</u>
	Total general revenues	<u>2,600,698</u>
	Change in net position	1,513,050
	Net position, beginning	<u>4,817,164</u>
	Net position, ending	<u>\$ 6,330,214</u>

The notes to the basic financial statements are an integral part of these financial statements.

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
 (A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2020

	<u>Assets</u>	
Cash and cash equivalents		\$ 4,439,604
Total assets		<u>4,439,604</u>
	<u>Liabilities</u>	
Liabilities:		
Accounts payable		<u>92,138</u>
Total liabilities		<u>92,138</u>
Fund balance:		
Unassigned		<u>4,347,466</u>
Total fund balance		<u>4,347,466</u>
 Total liabilities and fund balance		 <u>\$ 4,439,604</u>

The notes to the basic financial statements are an integral part of these financial statements.

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

Fund balances - total government funds (Page 8) **\$ 4,347,466**

Amounts reported for governmental activities in the statement of net position are different as a result of:

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

Governmental capital assets	3,861,592
Less accumulated depreciation	(795,511)

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

Note payable	<u>(1,083,333)</u>
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Net position of governmental activities (Page 6) **\$ 6,330,214**

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
 (A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

REVENUES:	
Incremental tax receipts	\$ 2,484,660
Investment income	116,038
Total revenues	<u>2,600,698</u>
EXPENDITURES:	
General government	932,086
Capital outlay	287,128
Debt service:	
Principal	166,667
Interest	28,827
Total expenditures	<u>1,414,708</u>
Excess of revenues over expenditures	<u>1,185,990</u>
Net change in fund balance	1,185,990
Fund balance, beginning	<u>3,161,476</u>
Fund balance, ending	<u><u>\$ 4,347,466</u></u>

The notes to the basic financial statements are an integral part of these financial statements.

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
 (A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Net change in fund balance - total governmental fund (see page 10) **\$ 1,185,990**

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

Governmental funds report capital outlays as expenditures. However, in the statement
 of activities, the cost of those assets are depreciated over their estimated useful lives:

Capital outlay	287,129	
Current year provision for depreciation	(35,592)	
Amounts reported as capital outlay not included in capital assets (not capitalized)	(91,144)	
Net adjustment		160,393

The issuance of long-term debt provides current financial resources to governmentatl funds.
 Repayment of the principal consumes current financial resources of governmental funds.
 Neith transaction, however, has any effect on net position. The detail of the difference
 (excluding the internal service fund) are as follows:

Principal Payments		
Note Payable	166,667	
Net adjustment		166,667

Change in net position of governmental activities (see page 7) **\$ 1,513,050**

NOTES TO BASIC FINANCIAL STATEMENTS

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Note 1 – Summary of Significant Accounting Policies

The Financial Reporting Entity: The North Miami Beach Community Redevelopment Agency (the “NMB CRA”) is a dependent special district established by the City of North Miami Beach, Florida (the “City”) under the authority granted by Florida Statute 163, Section III. The purpose of the NMB CRA is to prevent the spread of and eliminate the existence of slum and blighted conditions within the redevelopment area. The NMB CRA was established by the City of North Miami Beach Ordinance Number 05-110 on June 7, 2005. The Miami-Dade County Board of County Commissioners (the “Board”) approved and adopted the North Miami Beach Redevelopment NMB CRA Plan (the “Plan”) on November 30, 2004 with the adoption of Resolution R1345-04. On December 19, 2006 the Board approved Resolution R-1427-06 extending the life of the NMB CRA for 13 years. The Board adopted Resolution R-429-12 amending the NMB CRA Plan to include certain projects and redevelopment strategies, on May 15, 2012. The Agency approved Resolution R2016-7 in acceptance of a second amended plan which did not modify the funding being contribution nor did it extend the life of the NMB CRA past the originally agreed upon 13-year term.

As defined by accounting principles generally accepted in the United States of America (“GAAP”), the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

Based upon the application of these criteria, the NMB CRA was evaluated and determined to be a component unit of the City of North Miami Beach, Florida. Although it is legally separate from the City, the NMB CRA’s sole purpose is to finance and redevelop the City’s designated redevelopment areas, and the tax increment financing allocated to the NMB CRA is considered evidence of the City’s obligation to provide continuing financial support to the NMB CRA. Consequently, the NMB CRA is reported in the primary government using the blended method.

Additionally, as a result of evaluating the above criteria, management has determined that no units exist for which the NMB CRA is financially accountable and which would require their inclusion in the NMB CRA’s basic financial statements.

Government-wide and Fund Financial Statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the NMB CRA. The effect of the interfund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The NMB CRA had no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers 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 that are restricted to meeting the operational or capital requirements of a particular function or segment. In 2020, the NMB CRA did not have any program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The NMB CRA utilizes only one fund, the General Fund, which is classified as a governmental fund and accounts for all financial resources of the NMB CRA. Following the governmental fund statements (balance sheet and statement of revenues, expenditures, and change in fund balance) are reconciliations with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements.

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. Revenues are recorded when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Incremental tax receipts are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Note 1 – Summary of Significant Accounting Policies (Continued)

The 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 NMBCRA considers revenues to be available if they are collected within sixty days of end of the current fiscal period. Incremental tax revenue, when levied for, and interest income, associated with the correct fiscal period, are recorded when earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

The NMBCRA's policy is to use restricted amounts first when both restricted and nonrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the NMBCRA would first use committed fund balance followed by assigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications exist and could be used.

Cash and Cash Equivalents: The NMBCRA's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of purchase.

Capital Assets: Capital assets which include land, and buildings and improvements, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the NMBCRA, as assets with an initial, individual cost of more than \$ 1,000 for tangible assets, \$30,000 for software, and \$75,000 for easements, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Category:	Useful life:
Building and improvements	30-50 years
Infrastructure	30 years
Improvements other than buildings	20 years
Furniture, fixtures, machinery and equipment	5-10 years

Long-Term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the governmental fund financial statements, bond premiums, discounts, and bond issuance costs are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Equity Classifications:

Government-wide financial statements:

Net position in the government-wide financial statements is displayed in three categories, as applicable: 1) net investment in capital assets, 2) restricted, or 3) unrestricted. Net investment in capital assets consist of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets, excluding unexpended proceeds. Net position is reported as restricted when constraints are placed on their use either by external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation. Remaining net position that does not meet the definition of "restricted" or "net investment in capital assets" is reported as unrestricted.

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Note 1 – Summary of Significant Accounting Policies (Continued)

Fund financial statements:

Fund balance is presented in accordance with adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement requires that governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the NMBBCRA is bound to honor constraints on the specific purposes for which amounts in the respective governmental fund can be spent. The classifications available to the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted into cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the NMBBCRA's Board of Directors, the highest level of decision making authority of the NMBBCRA. These amounts cannot be used for any other purpose unless the NMBBCRA's Board of Directors removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. Resources accumulated pursuant to stabilization arrangements are reported in this category. The NMBBCRA had no committed fund balance at year-end.

Assigned: This classification includes amounts that are constrained by the NMBBCRA's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the NMBBCRA's Board of Directors delegating their responsibility to the City's Chief Financial Officer. The NMBBCRA had no assigned fund balance at year-end.

Unassigned: This classification includes amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund. Positive amounts are only reported in the General Fund.

Tax Increment Financing Revenue: The NMBBCRA's primary source of revenue is tax-increment financing. The increment is determined annually and is the amount that is approximately 95% of the difference between:

- a) The amount of ad valorem taxes levied each year by each taxing authority, exclusive of any amount from any debt service millage, on taxable real property contained within the geographic boundaries of the Redevelopment Area; and
- b) The amount of ad valorem taxes which would have been produced by the rate upon which the tax is levied each year by or for each taxing authority, exclusive of any debt service millage, upon the total of the assessed value of the taxable real property in the Redevelopment Area.

Both the City and the County are required to fund this amount annually without regard to tax collections or other obligations.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Accordingly, actual results could differ from these estimates.

Note 2 – Deposits

The NMBBCRA's deposits must be placed with banks and savings and loans which are qualified as public depositories under Chapter 280, Florida Statutes. All of the NMBBCRA's deposits are insured by federal depository insurance or collateralized by the multiple financial institution collateral pool pursuant to *Florida Statutes*, Chapter 280, "Florida Security for Public Deposits Act" (the "Act"). Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, multiplied by the depository's collateral pledging level. The book value of the NMBBCRA's deposits as of September 30, 2020 was \$4,439,604.

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Note 2 – Deposits (Continued)

The NMBCRA follows the City's deposit and investment policy. This policy was developed in accordance with Florida Statute 218.415 which authorizes investments in certificates of deposit, interest bearing time deposits or savings accounts in qualified public depositories, direct obligations of the U.S. Treasury, its agencies and instrumentalities, prime commercial paper, Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, state and local taxable and tax-exempt debt, corporate notes and The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969.

Note 3 – Capital Assets

Capital asset activity for the year ended September 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Ending Balance</u>
Governmental Activities			
Capital assets not being depreciated			
Land	\$ 1,535,000	\$ -	\$ 1,535,000
Construction in progress	968,369	192,926	1,161,295
Total capital assets not being depreciated	<u>2,503,369</u>	<u>192,926</u>	<u>2,696,295</u>
Capital assets being depreciated			
Buildings	458,575	-	458,575
Improvement other than buildings	565,303	-	565,303
Infrastructure	124,862	-	124,862
Furniture, fixtures, machinery and equipment	13,498	3,060	16,557
Total capital assets being depreciated	<u>1,162,237</u>	<u>3,060</u>	<u>1,165,297</u>
Less accumulated depreciation			
Buildings	(327,372)	(15,286)	(342,658)
Improvement other than building	(401,496)	(14,392)	(415,888)
Infrastructure	(17,553)	(5,761)	(23,314)
Furniture, fixture machinery and equipment	(13,498)	(153)	(13,651)
Total accumulated depreciation	<u>(759,919)</u>	<u>(35,592)</u>	<u>(795,511)</u>
Total capital assets being depreciated, net	<u>402,318</u>	<u>(32,226)</u>	<u>369,786</u>
Governmental activities capital assets, net	<u>\$ 2,905,687</u>	<u>\$ 160,700</u>	<u>\$ 3,066,081</u>

Provision for depreciation was charged to community services function of the NMBCRA amounting to \$35,592. During the fiscal year ended September 30, 2020, the NMB CRA had additions of \$195,986 and no deletions or transfers occurred.

Note 4 – Long Term Liabilities

The following is a summary of changes in long-term liabilities for the fiscal year ended September 30, 2020:

	Balance October 1, 2019	Additions	Reductions	Balance September 30, 2020	Due Within One Year
Governmental Activities:					
Notes payable CRA - Nontaxable	\$ 1,250,000	\$ -	\$ (166,667)	\$ 1,083,333	\$ 166,667
Total	<u>\$ 1,250,000</u>	<u>\$ -</u>	<u>\$ (166,667)</u>	<u>\$ 1,083,333</u>	<u>\$ 166,667</u>

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Note 5 – Deposits and Withdrawals

As required by Florida Statute section 163.387(8), additional description of NMBCRA financial information during fiscal year 2020 is as follows:

Sources of deposits:

Tax increment financing - Miami-Dade County	\$ 1,090,387
Tax increment financing - City	1,394,273
Interest earnings	116,038
Total sources	<u>\$ 2,600,698</u>

Purpose of withdrawals:

Dedicated personnel allocation	\$ 71,615
City administrative cost allocation	278,855
Debt service	195,494
Grants to private organizations	485,617
Operating	95,999
Residential improvement	91,142
Infrastructure	192,926
Equipment	3,060
Total withdrawals	<u>\$ 1,414,708</u>

Note 6 – Commitments and Contingencies

Construction Projects: As part of its purpose to bring economic revitalization to the depressed area of the City through tax increment financing, the NMBCRA has routinely executed several professional service contracts that provide for various services in relation to the planning, design and construction of various improvement projects.

The NMBCRA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The NMBCRA, through the City, purchases commercial insurance for the risks of loss to which it is exposed. Policy limits and deductibles are reviewed by management and established at amounts to provide reasonable protection from significant financial loss. Settled claims have not exceeded the retention and excess coverage in force for each of the past four years.

Note 7 – Risks and Uncertainties

During March 2020, the COVID-19 virus was declared a global pandemic as it continued to spread rapidly. Business continuity, including supply chains and consumer demand across a broad range of industries and counties, could continue to be severely impacted for months or beyond as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and is continuously evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Intergovernmental	\$ 1,090,388	\$ 1,090,388	\$ 1,090,387	\$ (1)
Investment income	15,000	15,000	116,038	101,038
Total revenues	<u>1,105,388</u>	<u>1,105,388</u>	<u>1,206,425</u>	<u>101,037</u>
EXPENDITURES:				
Current:				
General government	2,465,788	2,464,064	652,680	1,811,384
Capital outlay	745,000	749,000	287,128	461,872
Debt service:				
Principal	166,667	166,667	166,667	-
Interest	<u>34,033</u>	<u>34,033</u>	<u>28,827</u>	<u>5,206</u>
Total expenditures	<u>3,411,488</u>	<u>3,413,764</u>	<u>1,135,302</u>	<u>2,278,462</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>(2,306,100)</u>	<u>(2,308,376)</u>	<u>71,123</u>	<u>2,379,499</u>
OTHER FINANCING SOURCES:				
Transfer in	1,394,273	1,394,273	1,394,273	-
Transfer out	<u>(480,106)</u>	<u>(480,106)</u>	<u>(279,406)</u>	<u>(200,700)</u>
Total other financing sources (uses)	<u>914,167</u>	<u>914,167</u>	<u>1,114,867</u>	<u>(200,700)</u>
Net change in fund balance	<u>(1,391,933)</u>	<u>(1,394,209)</u>	<u>1,185,990</u>	<u>2,178,799</u>
Fund balances, beginning			<u>3,161,476</u>	
Fund balances, ending			<u>\$ 4,347,466</u>	

NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF NORTH MIAMI BEACH, FLORIDA)
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2020

Note 1 – Budgets and Budgetary Accounting

The annual appropriated budget is adopted on a basis consistent with generally accepted accounting principles (“GAAP”).

The following procedures are used by the NMB CRA in establishing the budgetary data reflected in the financial statements:

- a) Prior to September 8, during a publicly noticed budget workshop, NMB CRA Director submits to the NMB CRA Board of Directors a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted to obtain taxpayer comments.
- c) During the October meeting of the NMB CRA Board of Directors, the budget is legally enacted through the adoption of a NMB CRA budget resolution.
- d) Formal budgetary integration is employed as a management control device during the year for the fund.
- e) In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the schedule represents final authorized amounts. Budgeted amounts are as originally adopted or as amended.

Revisions that alter the total expenditures of the NMB CRA must be approved by the NMB CRA Board of Directors. Actual expenditures and transfers out may not exceed budget appropriations. Appropriations that are not expended nor specifically designated to be carried over, lapse at the end of the fiscal year.

Note 2 – Reconciliation of Budgeted and Actual Results

There are transfers in and transfers out to primary government is reported within the Statement of Revenues, Expenditures, and Changes in Fund Balance within Intergovernmental revenues and the General Government function, respectively.

COMPLIANCE SECTION

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

To the Members of the Board of Directors
North Miami Beach Community Redevelopment Agency
(a Component Unit of the City of North Miami Beach,
Florida)
North Miami Beach, Florida

We have audited, 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, the financial statements of the governmental activities and the non-major fund of the North Miami Beach Community Redevelopment Agency (a component unit of the City of North Miami Beach, Florida) (the "NMB CRA") as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the NMB CRA's basic financial statements and have issued our report thereon dated August 26, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the NMB CRA's internal control over financial reporting (internal control) to determine the 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 NMB CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the NMB CRA'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the NMB CRA'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompany schedule of findings and responses as item 2020-01.

Response to Findings and Recommendation

The NMBCRA's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The NMBCRA's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 NMBCRA'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 NMBCRA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
August 26, 2021

CITY OF HIALEAH GARDENS, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

I - CURRENT YEAR FINANCIAL STATEMENT FINDING

NONCOMPLIANCE

2020-01 Annual Financial Audit Report

Criteria:

Florida Statutes section 218.39 states that local government entity shall have an annual financial audit of its accounts and records completed within 9 months after the end of its fiscal year by an independent certified public accountant retained by it and paid from its public funds.

Condition:

The NMBCRA did not complete its annual financial audit for the fiscal year ended 2020 within 9 months after year end.

Cause:

Delays due to first year of implementation of stand-alone reporting requirement.

Effect:

The NMBCRA is not in compliance with Florida Statute section 218.39.

Recommendation:

We recommend that, in the future, the NMBCRA completes its annual financial audit within 9 months after its fiscal year end.

Views of responsible officials and planned corrective actions

Now that we have implemented our process for ensuring compliance with the new stand-alone reporting requirement, we will complete our annual financial audit within 9 months after fiscal year end. Therefore, this will be corrected in fiscal year 2021.

MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Members of the Board of Directors
North Miami Beach Community Redevelopment Agency
(a Component Unit of the City of North Miami Beach,
Florida)
North Miami Beach, Florida

Report on the Financial Statements

We have audited the financial statements of the governmental activities and the major fund of the North Miami Beach Community Redevelopment Agency (a component unit of the City of North Miami Beach, Florida) (the "NMB CRA") as of and for the fiscal year ended September 30, 2020 and have issued our report thereon dated August 26, 2021.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Schedule of Findings and Responses, and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated August 25, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

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. Refer to Note 1 in the notes to the financial statements regarding the creation of the NMB CRA.

Financial Condition and Management

Section 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 NMB CRA has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the NMB CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Financial Condition and Management (Continued)

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the NMBCRA. It is management's responsibility to monitor the NMBCRA's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. This assessment was performed as of the fiscal year end.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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 that NMBCRA (a special district component unit of the City of North Miami Beach) failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

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 which warrants the attention of those charged with governance. In connection with our audit, we did not have 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, and members of the NMBCRA Board and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
August 26, 2021

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH FLORIDA STATUTES

To the Members of the Board of Directors
North Miami Beach Community Redevelopment Agency
(a Component Unit of the City of North Miami Beach,
Florida)
North Miami Beach, Florida

We have examined the North Miami Beach Community Redevelopment Agency (a component unit of the City of North Miami Beach, Florida) (the "NMB CRA") compliance with the requirements of Section 218.415, Florida Statutes, Local Government Investment Policies and Sections 163.387(6) and 163.387(7), Florida Statutes during the period of October 1, 2019 to September 30, 2020. Management is responsible for the NMB CRA's compliance with the specified requirements. Our responsibility is to express an opinion on the NMB CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the NMB CRA complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the NMB CRA complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the NMB CRA's compliance with specified requirements.

In our opinion, the NMB CRA complied, in all material respects, with the requirements of Section 218.415, 163.387(6), and 163.387(7), Florida Statutes during the period of October 1, 2019 to September 30, 2020.

This report is intended solely for the information and use of management, the NMB CRA's Board, and others within the NMB CRA and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
August 26, 2021