

The background of the cover is a photograph of a tropical scene. Two tall palm trees stand prominently in the center, their fronds reaching towards a clear blue sky. In the background, a building with a red-tiled roof is visible. The foreground shows a paved area with a checkered tile pattern. The image is overlaid with several semi-transparent geometric shapes in shades of blue and yellow, creating a modern, layered effect.

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FISCAL YEAR ENDED
SEPTEMBER 30, 2024**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF NORTH MIAMI, FLORIDA

FISCAL YEAR ENDED SEPTEMBER 30, 2024



PREPARED BY THE FINANCE DEPARTMENT

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SPECIAL ACKNOWLEDGEMENT

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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 residents,
businesses, customers, visitors and employees
in an atmosphere of courtesy,
integrity and quality, while providing
fiscally and environmentally
responsible service.



CITY OF NORTH MIAMI, FLORIDA

Fiscal Year Ended September 30, 2024

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I. Introductory Section

- Letter of Transmittal
- Listing of City Officials
- Organizational Structure
- Certificate of Achievement for Excellence in Financial reporting



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May 30, 2025

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, 2024. 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 ensures 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, 2024. 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.

PROFILE OF THE CITY OF NORTH MIAMI GOVERNMENT

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 oversight of 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 storm water 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 current fiscal year. Additional information on component units and related entities can be found in Note 1 of the notes to the Basic Financial Statements section.

The annual budget serves as the foundation for the City's financial planning and control systems. Management's budget request is presented to the City Council by the City Manager. The Council holds public hearings on the proposed budget prior to adopting the final budget and setting the tax rates for the budget year. The City Council is required to hold public hearings on the proposed budget and to adopt the final budget no later than September 30th preceding the beginning of the fiscal year on October 1st.

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, C.D.B.G. Entitlement and the Landfill Closure Funds, (which are major special revenue 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 1 million square foot office market continues to prosper, bucking national trends.

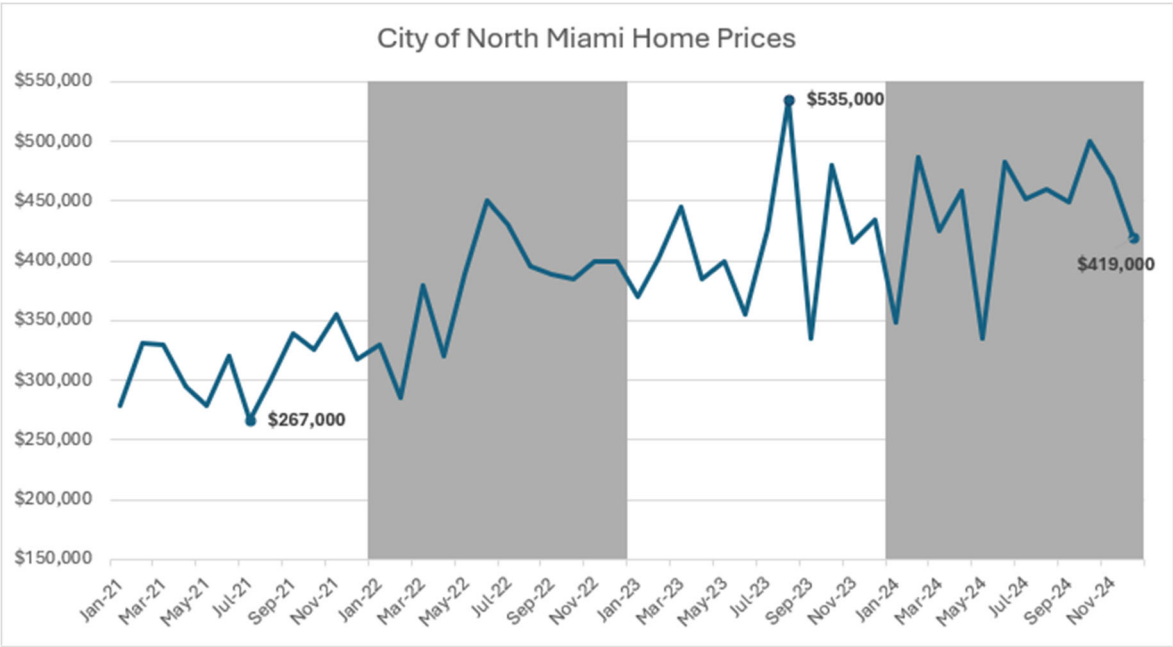
The City's housing stock features a diverse mix of single-family homes, apartment buildings, and condominiums, along with luxury estates offering stunning views of Biscayne Bay. In North Miami, single-family home prices have doubled over the past five years, rising from a median of \$267,000 in 2021 to \$535,000 in 2023. Meanwhile, apartment inventory has grown by 10% during this period.

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 2.4% as of December 2024. Real estate fundamentals are solid across all sectors, while retail and restaurant activity has reached its highest levels since 2019.

North Miami has experienced a period of revitalization and investment in recent years, which has been in part due to the redevelopment initiatives which 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%.



Source: Miami-Dade County Beacon Council

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, 2024, was 7.4000 mills.

MAJOR REDEVELOPMENT INITIATIVES AND OUTLOOK

Downtown Area Redevelopment

The City of North Miami envisions transforming its downtown area into a vibrant, active, and walkable hub that fosters economic growth, community engagement, and modern urban living. This redevelopment plan includes the creation of a new civic center, serving 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 in the Pipeline

The City of North Miami continues to experience growth, with a notable rise in development applications over the past year. Experts credit this surge in demand to lower interest rates and an influx of new residents relocating from densely populated cities such as New York and California to suburban areas like North Miami. This trend has enhanced access to capital, creating more opportunities for new projects that will revitalize previously underutilized sites and contribute to the City's tax base. Below are a few notable developments:

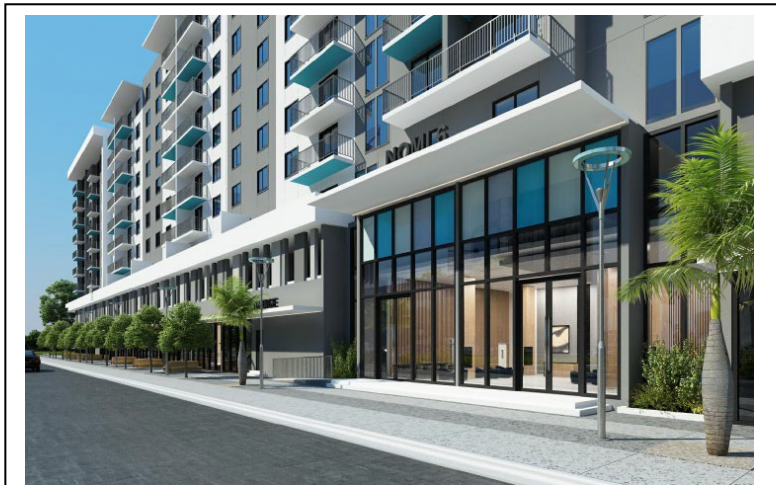
Claude Pepper Park

Claude Pepper Park Conceptual Master Plan is an approved mixed-use development consisting of eight 19-story residential buildings, featuring a total of 2,193 residential units, 121,500 square feet of ground-level commercial and retail space, along with the redevelopment of Claude Pepper Park. The park redevelopment will include a new amphitheater, multipurpose field, banquet hall/ballroom, community pool with splash pad, exercise trail, and the expansion of the Joe Celestin Center with 4,114 parking spaces to accommodate residents, guests, and patrons.



NoMi 6

NoMi 6 is an approved mixed-use, multi-family residential development featuring a total of 240 units within an 11-story building located at 12830 NE 6th Ave, North Miami, FL, 33161. The ground level will feature approximately 19,935 square feet of commercial and retail space, complemented by outdoor entertainment and recreational areas. Additionally, the development will include a two-level parking garage providing 365 parking spaces, 44 of which will be designated for hybrid or eco-efficient vehicles.



14440 NE 6 Avenue

This approved mixed-use development will feature 31 new residential apartments, along with small commercial spaces designed to serve the local neighborhood. Located on the corner of NE 145th Street and NE 6th Avenue, at 14440 NE 6th Avenue, North Miami, FL 33161, the development aims to enhance the area's community and business offerings.



NORTHEAST VIEW



SOUTHEAST VIEW



NORTHWEST VIEW

Botanik

Botanik is an approved 4-story multi-family building that will feature 48 residential units, providing modern living spaces, along with 64 surface parking spaces for residents and guests. The development is conveniently located at 12290 NE 6th Avenue, offering a prime location within the community.



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.

AWARDS AND ACKNOWLEDGEMENTS

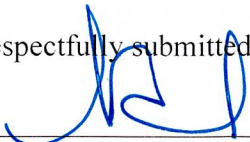
The successful preparation of this report would not have been possible without the tireless and dedicated efforts of the entire staff of the Finance Department and the valuable contributions of the Management and Budget Office, Housing and Social Services and the Development Services Department formerly Community and Planning Department.

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 fiscal year ended September 30, 2023. This was the eight 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 Achievements Program's requirement, 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 2023.

Respectfully submitted,



Anna-Bo Emmanuel, Esq, FRA-RA
Interim City Manager

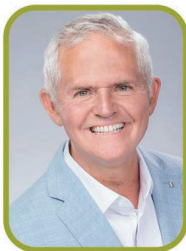


Anegla Reyes-Santana
Chief Financial Officer

Elected Officials



Mayor Alix
Desulme, Ed.D.



Councilman
Scott Galvin



Vice Mayor
Mary Estime-Irvin



Councilwoman
Kassandra Timothe, MPA



Councilman
Pierre Frantz Charles



City Clerk
Vanessa Joseph, Esq.

Executive Staff



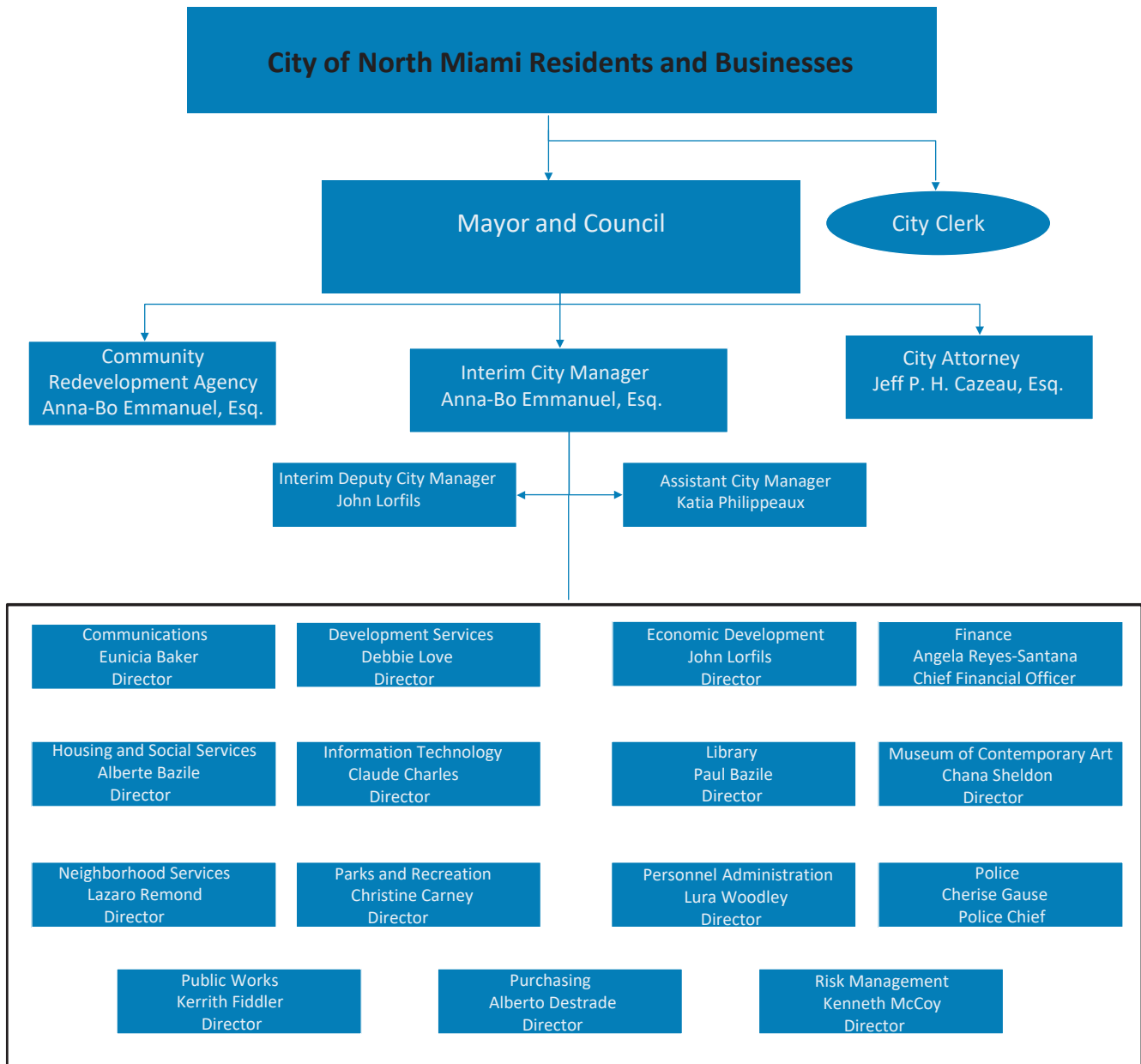
Interim City Manager
Anna-Bo Emmanuel, Esq., FRA-RA



City Attorney
Jeff P. H. Cazeau, Esq.



Organizational Structure





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, 2023

Christopher P. Morill

Executive Director/CEO



II. Financial Section

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements:
 - Government-wide Financial Statements
 - Fund Financial Statements
 - Notes to Basic Financial Statements
- Required Supplementary Information
- Combining Fund Statements and Schedules



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Independent Auditor's Report



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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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, 2024, 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, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 23 percent, 5 percent and 12 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

As disclosed in Note 15, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62* and implemented a change to its financial reporting entity as it was determined that MOCA no longer qualifies for presentation as a blended component unit and is now reported as a discretely presented component unit for the fiscal year ended September 30, 2024. Consequently, the beginning net position of the non-major governmental funds and governmental activities has been restated. Our opinions are not modified in respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

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 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 May 30, 2025 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.



North Miami, Florida
May 30, 2025



**Management's Discussion and Analysis -
Unaudited
(MD&A)**



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City of North Miami, Florida

Management's Discussion and Analysis – Unaudited September 30, 2024

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, 2024. This MD&A is offered here by the management of the City to the 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 starting 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.

Financial Highlights

In August 2024, the City of North Miami experienced a significant cybersecurity incident that temporarily disrupted municipal operations. The breach was caused by a ransomware attack that affected various city services. City Hall was closed from August 5 to August 9, 2024, as the Information Technology team, in collaboration with federal and local authorities, worked diligently to secure and restore systems.

Despite these challenges, the City's finance team demonstrated exceptional resilience. Payroll operations continued without interruption, ensuring all employees were compensated on schedule. Vendor payments were processed in real-time, maintaining the City's financial obligations and trust with partners. The primary service impacted was the issuance of utility bills, which experienced delays due to the disruption. However, the City took proactive measures to prevent service disconnections and provided alternative payment options to residents. The City's commitment to operational continuity and the swift restoration of critical financial functions highlighted the dedication to serve the community, even amidst unforeseen challenges.

At September 30, 2024, the government-wide assets and deferred outflow of resources of the City exceeded its liabilities and deferred inflows by \$154.6 million compared with \$140.6 million in the previous year. The unrestricted net position, which represents the amounts available to meet the City's ongoing obligations to citizens and creditors, was a deficit of (\$72.8 million). The City is committed to providing other postemployment benefits ("OPEB") and pension benefits to its employees. As a result, the City has recognized substantial liabilities in the financial statements for these benefits. As of September 30, 2024, the City had liabilities of \$71 million for OPEB and pension related benefits, which contributed to the (\$72.8 million) net unrestricted deficit.

The City's total net position increased by \$14 million or 10% primarily because of increase in charges for services, property taxes and gain on sale of a capital asset.

At the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$102.3 million, an increase of \$57.1 million in comparison to the prior year's increase of \$11.1 million. Of this amount, \$12.8 million was available for spending at the City's discretion.

Included in the combined ending governmental fund restricted fund balance of \$89.8 million is \$55.3 million, which is only available for use for the Community Redevelopment Agency ("CRA"), a component unit of the City. \$5.6 million is restricted for landfill closure, \$7 million in the General Fund restricted for capital projects and \$21.9 million for special revenues and grant related projects.

City of North Miami, Florida

Management's Discussion and Analysis – Unaudited September 30, 2024

At the end of the current fiscal year, the City's General Fund reported a total fund balance of \$21 million of which \$13.8 million was unassigned, representing approximately 16% of total General Fund expenditures.

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 of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements. This report contains other required supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. Both statements are prepared using the economic resources measurement focus and the accrual basis of accounting, which means that revenues include all revenues earned during the year and expenses include all expenses incurred during the year regardless of when cash is actually received or paid.

The statement of net position presents information on all the City's assets and deferred outflows of resources, liabilities and deferred inflows of resources and 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. It focuses on both the gross and the net cost of the government's various activities and thus summarizes the cost of providing specific governmental services. This statement reports all current year revenues and expenses.

Both government-wide financial statements distinguish functions of the City that are principally supported by ad-valorem taxes and intergovernmental revenues such as shared taxes, grants, etc. (governmental activities), from other functions that are intended to recover all, or a significant portion of their costs, through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works and transportation, culture and recreation, physical environment, and housing and urban/economic development. The business-type activities of the City include a water and sewer utility fund and a storm-water utility fund.

The government-wide financial statements include, not only the City itself, but also the CRA and MOCA, which are separate legal entities for which the City is financially accountable. MOCA was previously reported as a blended component unit based primarily on the "financial burden" criteria. However, further assessments were made during the current year where it was determined that MOCA no longer met the requirements for presentation as a blended component unit and is therefore discretely presented for the fiscal year ended September 30, 2024. As a result, the beginning net position was restated.

City of North Miami, Florida

Management's Discussion and Analysis – Unaudited September 30, 2024

More detailed information for the CRA and MOCA may be obtained from their separately issued financial statements which can be obtained by writing to:

- City of North Miami CRA Executive Director, 735 NE 125 Street, Suite 100, North Miami, Florida 33161
- City of North Miami MOCA Executive Director, 770 NE 125 Street, North Miami, Florida 33161

The government-wide financial statements are presented at the beginning of the basic financial statements section which immediately follows the MD&A.

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, like other state and local governments, 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 funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating 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 government's near-term financing decisions. Both the governmental funds balance sheet and 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, Community Development Block Grant ("C.D.B.G.") Entitlement, CRA Component Unit, Landfill Closure Fund and American Rescue Plan Act Fund, 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 combining statements on pages 130-135 of this report.

The City adopts annual budgets for its major governmental funds. To demonstrate compliance with the budget, budgetary comparison schedules have been provided as Required Supplementary

City of North Miami, Florida

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Information for each of the major funds. The budgetary comparison schedules can be found on pages 115-119.

Proprietary Funds

The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer and storm-water operations. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles and its self-insurance activities. Because both of these services predominately benefit governmental rather than business-type functions, they have been included in the governmental activities in 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 storm-water operations. Both funds are considered major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. The basic proprietary fund financial statements can be found on pages 38-40 of this report. The individual fund data for the internal service funds is provided in the form of combining statements on pages 136-138.

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 and can be found on pages 139-140 of this report.

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 on pages 43-114 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. The required supplementary information can be found on pages 122-129 of this report.

City of North Miami, Florida

Management's Discussion and Analysis – Unaudited September 30, 2024

Government-Wide Overall Financial Analysis

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the end of the 2024 fiscal year, assets and deferred outflow of resources exceeded liabilities and deferred inflows of resources by \$154.6 million of which approximately 49% was for governmental activities and 51% was for business-type activities.

	Summary Statement of Net Position					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 153,558,754	\$ 91,850,913	\$ 43,877,260	\$ 42,240,423	\$ 197,436,014	\$ 134,091,336
Capital assets	87,475,964	88,659,316	56,880,357	55,986,043	144,356,321	144,645,359
Total assets	241,034,718	180,510,229	100,757,617	98,226,466	341,792,335	278,736,695
Deferred outflows of resources:						
OPEB related items	1,038,385	1,351,193	142,623	191,516	1,181,008	1,542,709
Pension related items	25,318,770	47,570,940	3,214,563	4,339,276	28,533,333	51,910,216
Total deferred outflows of resources	26,357,155	48,922,133	3,357,186	4,530,792	29,714,341	53,452,925
Other liabilities	25,974,149	19,771,725	10,971,899	9,731,053	36,946,048	29,502,778
Noncurrent liabilities:						
Due within one year	7,651,712	6,731,200	713,407	619,044	8,365,119	7,350,244
Due in more than one year	147,393,752	104,796,333	11,258,524	11,510,859	158,652,276	116,307,192
Long-term liabilities outstanding	155,045,464	111,527,533	11,971,931	12,129,903	167,017,395	123,657,436
Total liabilities	181,019,613	131,299,258	22,943,830	21,860,956	203,963,443	153,160,214
Deferred inflows of resources:						
OPEB related items	3,666,455	4,598,886	561,714	707,457	4,228,169	5,306,343
Pension related items	2,273,861	25,221,806	2,063,818	3,117,686	4,337,679	28,339,492
Gasb 87 lease related items	4,318,583	4,770,745	-	-	4,318,583	4,770,745
Other	27,582	5,000.00	-	-	27,582	5,000.00
Total deferred inflows of resources	10,286,481	34,596,437	2,625,532	3,825,143	12,912,013	38,421,580
Net position						
Net investment in capital assets	76,649,635	62,549,727	52,353,375	51,070,204	129,003,010	113,619,931
Restricted	98,430,489	48,174,588	-	-	98,430,489	48,174,588
Unrestricted (deficit)	(98,994,345)	(47,187,648)	26,192,066	26,000,955	(72,802,279)	(21,186,693)
Total net position	\$ 76,085,779	\$ 63,536,667	\$ 78,545,441	\$ 77,071,159	\$ 154,631,220	\$ 140,607,826

At the end of the current fiscal year, the City reported positive balances in both categories of net position for its business-type activities. The governmental activities net position is either restricted as to the purpose to which it can be used or is invested in capital assets. The governmental activities unrestricted net position showed a deficit of approximately (\$99 million) compared to prior year unrestricted deficit of (\$47.2 million). The increase of \$51.8 million in the unrestricted deficit was due primarily to the impact of significant changes again in actuarial valuations for the City's pension and OPEB plans liabilities and the related deferred inflows/outflows: current year net was (\$39.7 million) compared to prior year net of (\$43.6 million). In addition, the CRA issued a \$50 million series bond, which also contributed to the unrestricted deficit.

Although the business-type activities reflected \$26.2 million in unrestricted net position, these resources cannot be used to make up the deficit in governmental activities. The City generally can use

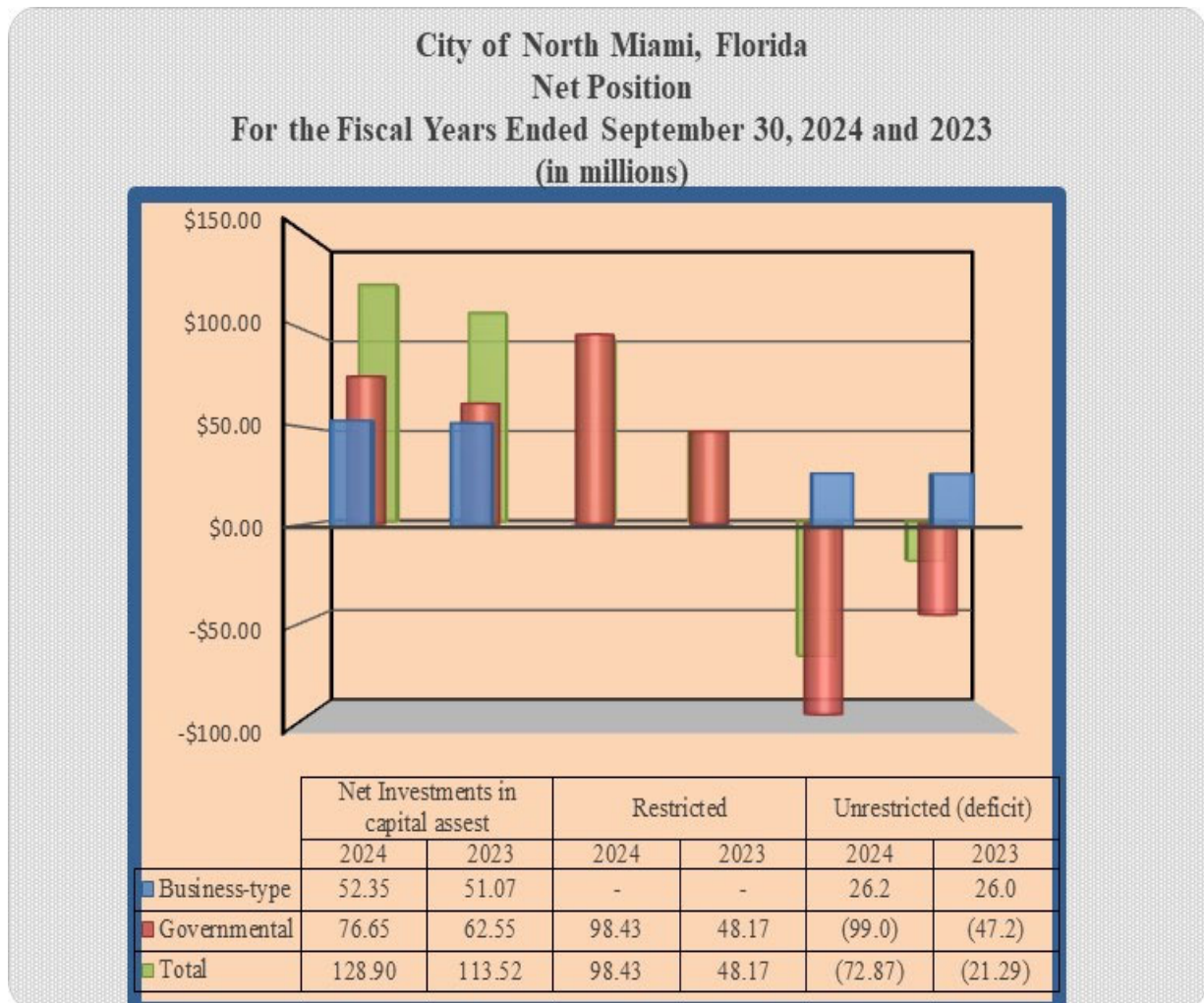
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only the net position to finance the continuing operations of water and sewer, and storm-water operations.

The City's net investment in capital assets, totaling \$129 million, represented, by far, the largest portion of the net position. Net investment in capital assets comprises land, buildings, infrastructure and machinery and equipment and leases, less any outstanding related debt used to acquire them. The net investment in capital assets increased slightly from the prior year.

The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets was reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from the other sources since the capital assets themselves cannot be used to liquidate those liabilities.



The reasons for the overall increase are discussed in the following sections for governmental activities and business-type activities.

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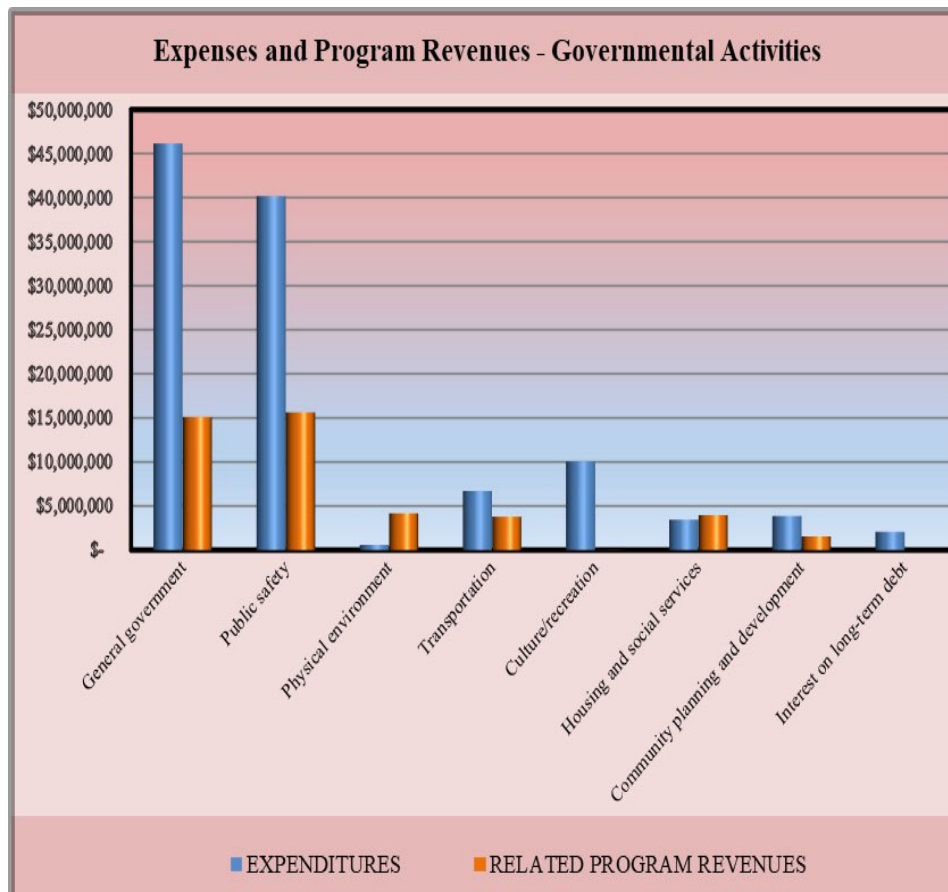
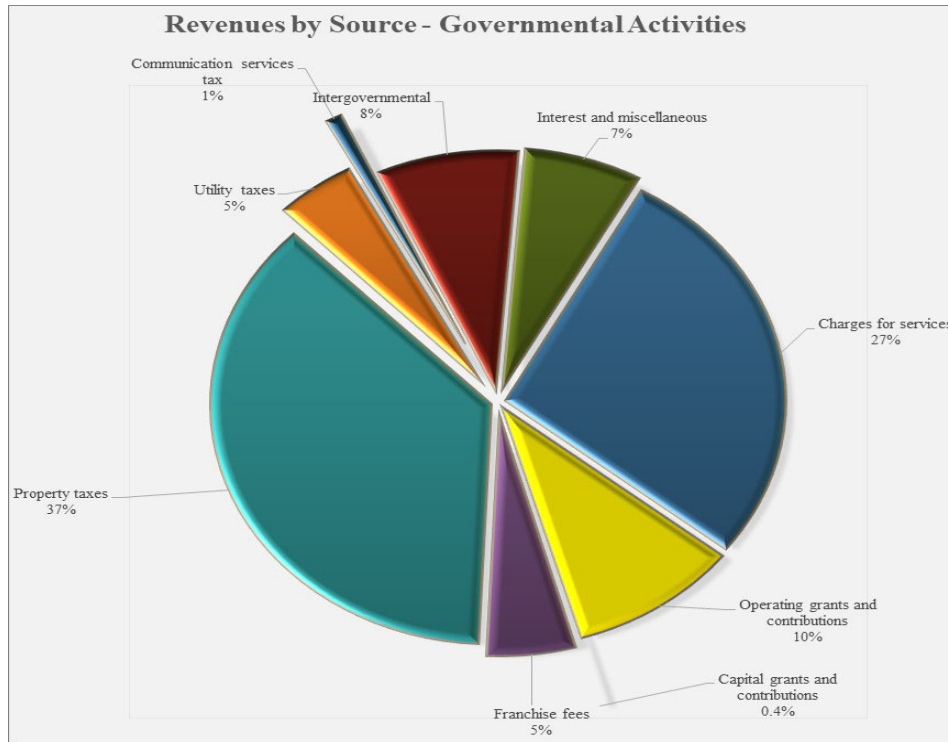
Changes in Net Position

The following is a comparative analysis of the changes in net position for the current and prior fiscal years:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Program Revenues:						
Charges for services	\$ 32,379,002	\$ 31,629,830	\$ 45,245,820	\$ 39,666,033	\$ 77,624,822	\$ 71,295,863
Operating grants/contributions	11,524,784	7,265,015	-	-	11,524,784	7,265,015
Capital grants/contributions	291,055	290,769	-	-	291,055	290,769
General Revenues:						
Property taxes	43,305,771	33,625,021	-	-	43,305,771	33,625,021
Utility and gas taxes	5,427,631	5,263,670	-	-	5,427,631	5,263,670
Communication services tax	1,087,693	1,098,082	-	-	1,087,693	1,098,082
Franchise fees	5,950,820	5,479,496	-	-	5,950,820	5,479,496
Intergovernmental	9,603,125	12,660,993	-	-	9,603,125	12,660,993
Gain on sale of capital assets	1,539,484	-	-	8,025	1,539,484	8,025
Investment earnings	2,063,345	804,277	-	-	2,063,345	804,277
Miscellaneous revenues	5,877,972	7,477,384	1,010,194	508,137	6,888,166	7,985,521
Total revenues	119,050,682	105,594,537	46,256,014	40,182,195	165,306,696	145,776,732
Expenses:						
General government	45,898,000	33,997,489	-	-	45,898,000	33,997,489
Public safety	40,178,445	38,251,924	-	-	40,178,445	38,251,924
Physical environment	585,428	545,514	-	-	585,428	545,514
Transportation and public works	6,709,879	6,298,728	-	-	6,709,879	6,298,728
Housing and social services	3,440,987	4,027,256	-	-	3,440,987	4,027,256
Culture and recreation	10,073,990	15,348,146	-	-	10,073,990	15,348,146
Development services (formerly CP&D)	3,865,059	4,500,866	-	-	3,865,059	4,500,866
Debt service - interest	2,073,111	747,588	-	-	2,073,111	747,588
Water and sewer	-	-	33,914,491	37,144,473	33,914,491	37,144,473
Stormwater	-	-	1,677,250	2,158,326	1,677,250	2,158,326
Total expenses	112,824,899	103,717,511	35,591,741	39,302,799	148,416,640	143,020,310
Change in net position before transfers	6,225,783	1,877,026	10,664,273	879,396	16,890,056	2,756,422
Transfers - net	9,189,991	254,768	(9,189,991)	(254,768)	-	-
Change in net position	15,415,774	2,131,794	1,474,282	624,628	16,890,056	2,756,422
Net position, beginning as previously reported	63,536,667	61,404,873	77,071,159	76,446,531	140,607,826	137,851,404
Prior year adjustment -for blended component unit	(2,866,662)	-	-	-	(2,866,662)	-
Net position, beginning as restated (Note 14)	60,670,005	61,404,873	77,071,159	76,446,531	137,741,164	137,851,404
Net position - ending	\$ 76,085,779	\$ 63,536,667	\$ 78,545,441	\$ 77,071,159	\$ 154,631,220	\$ 140,607,826

City of North Miami, Florida

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Governmental Activities

Governmental activities for fiscal year 2024 increased the City's total net position by \$15.2 million. This resulted primarily from overall net revenues exceeding net expenses in the current year. The most significant changes are explained below:

Net increase of \$13.5 million in revenues:

1. Charges for services increased by \$0.7 million due primarily to the net effect of the following:
 - a. Increase of \$0.8 million for impact fees.
 - b. Increase of \$5.9 million in building department fees mostly for building permits due to increased building activities within the city.
 - c. Increase of \$3.1 million for charges from the internal services funds for services provided to other funds.
 - d. Decrease of (\$11.8 million) for interfund charges provided by the general fund to other funds for internal services which were regrouped and reported as other financing sources (transfers-in) in the current year. These charges were grouped in operating revenues in the prior year.
 - e. Increase of \$0.8 million for miscellaneous charges for services related to off-duty policing, special magistrate, etc.
 - f. Increase of \$0.4 million for zoning compliance fees.
2. Operating grants and contributions increased \$4.3 million due primarily to the net of a \$5 million contribution from the CRA and decrease of (\$0.7 million) for grant reimbursements and donations received.
3. Property taxes increased by \$9.7 million due primarily to general increases in the values of properties because of new developments and sales.
4. Franchise fees increased by \$0.5 million due primarily to increases for FPL franchise tax.
5. Intergovernmental decreased by (\$3 million) due primarily to decrease of (\$0.345 million) adjustments in state revenue sharing- local government ½ cent sales tax and other state revenue sharing. MOCA which was also no longer included as a blended component unit accounted for (\$2.7 million) of the decrease.
6. Gain on sale of capital assets increased by \$1.5 million due primarily sale of a segments of right-of-way roads.

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7. Increase of \$1.3 million in investments earnings due primarily to decision taken by management to continue to maintain approximately \$20 million of operating funds in short-term investments thereby generating additional earnings for the City.
8. Net decrease of (\$1.6 million) in miscellaneous revenues due primarily to the net of :
 - a. Increase of \$3 million payment from Oleta Partners related to amendment to the lease agreement to release their obligation to the City to build a park.
 - b. Increase of \$0.3 million related to contribution received from the CRA for the Tyler Energov project.
 - c. Decrease of (\$1.6 million) for deferred inflows adjustments for GASB 63 revenues: prior year was \$1.3 million credit versus current year \$0.3 debit.

Net increase of \$9.1 million in expenses:

1. General government net increase of \$12 million due primarily to:
 - a. Net decrease of (\$1.4 million) for the allocated portion of net adjustments related to the annual actuarial calculations which resulted in significant increases/decreases for pension and OPEB liabilities, and the related deferred inflows and outflows. These adjustments have tended to fluctuate violently over the past few years. The net allocation in the prior year was \$1.4 million compared to current year \$0.02 million.
 - b. Decrease of (\$1 million) for legal and grant writer services.
 - c. Increase of \$7.9 million for CRA grants awarded for various CRA projects including \$5 million contribution to the City for the acquisition of the Scott Galvin Center.
 - d. Increase of \$0.4 million for the CRA bond series issuance cost.
 - e. Increase of \$3.9 million in costs related to adjustments for the landfill cost care, based on the engineer's actuarial report.
 - f. Net increase of \$1.7 million in salaries and related benefits.
 - g. Increase of \$1.1 million for payments for insurance and workers' compensation claims.
2. Public safety net increase of \$1.9 million due primarily to:
 - a. Net decrease of (\$3.4 million) for the allocated portion of net adjustments related to the annual actuarial calculations which resulted in significant increases/decreases for pension and OPEB liabilities, and the related deferred inflows and outflows. These adjustments have tended to fluctuate violently over the past few years. The net

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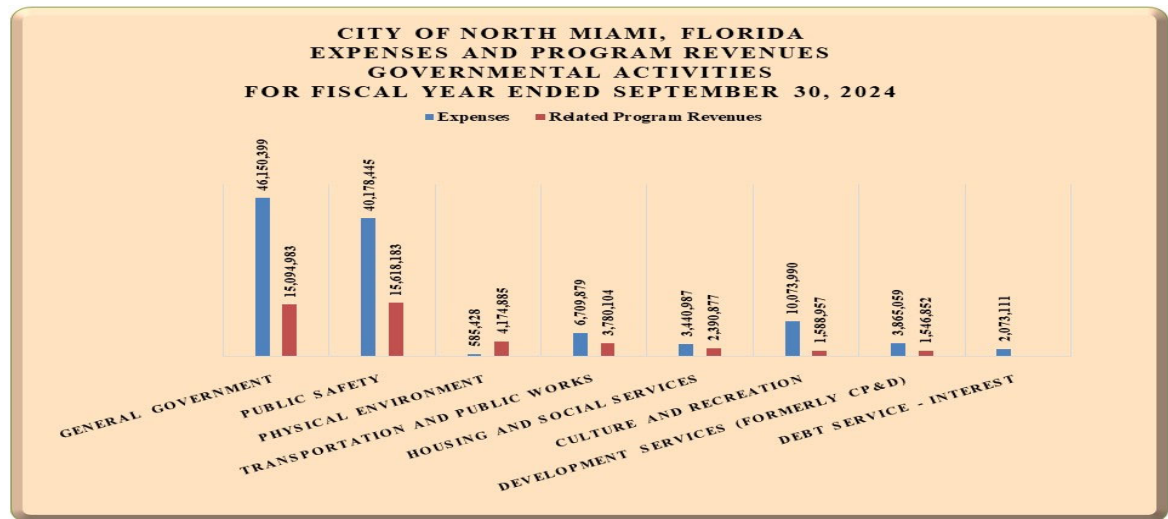
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allocation in the prior year was a debit of \$0.732 million compared to a credit of (\$2.7 million) in current year.

- b. Net increase of \$2.9 million in salaries and related benefits.
 - c. Increase of \$1.7 million for equipment rental.
 - d. Net increase of \$0.7 million for general contractual services (engineering and other services).
- 3. Transportation and public works increase of \$0.4 million due primarily to the increase for equipment rental.
 - 4. Housing and social services net decrease of (\$0.6 million) due primarily to less rehabilitation assistance provided.
 - 5. Culture and recreation net decrease of (\$5.3 million) due primarily to:
 - a. Net decrease of (\$0.3 million) for the allocated portion of net adjustments related to the annual actuarial calculations which resulted in significant increases/decreases for pension and OPEB liabilities, and the related deferred inflows and outflows. These adjustments have tended to fluctuate violently over the past few years. The net allocation in the prior year was a debit of \$0.2 million compared to a credit of (\$0.089 million) in current year.
 - b. Decrease of (\$4.1 million) related to MOCA which was no longer included as a blended component unit.
 - c. Decrease of (\$1 million) for depreciation related to the termination of lease for the Scott Galvin Center.
 - 6. Development services (formerly community planning and development) net decrease of (\$0.6 million) due primarily to:
 - a. Increase of \$0.2 million for contractual services primarily related to the on-going P3 consultancy program.
 - b. Net decrease of (\$0.7 million) for CRA related programs (primarily housing and commercial incentives) and contractual engineering and other services.
 - 7. Debt service – net increase of \$1.3 million due primarily to charges related to the new CRA bond that was issued in September 2024 and lease interest for the Scott Galvin Center.

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In 2024, program revenues comprised charges for services, operating and capital grants and contributions, which represented approximately 60.3% of the governmental activities total revenues (excluding change in landfill closure cost adjustment, gains on sale of capital assets and transfers). Property taxes, accounted for approximately 59% of general revenues (excluding change in landfill closure cost adjustment, gains on sale of capital assets and transfers), are non-program specific and can be used to fund all activities not covered by program revenues.

Business-type Activities

	Water and Sewer		Stormwater		Total Business-type Activities	
	2024	2023	2024	2023	2024	2023
OPERATING REVENUES						
Water fees	\$ 19,668,437	\$ 17,341,661	\$ -	\$ -	\$ 19,668,437	\$ 17,341,661
Sanitary sewer fees	21,689,486	19,004,097	-	-	21,689,486	19,004,097
Stormwater charges	-	-	2,938,813	2,920,624	2,938,813	2,920,624
Other revenues	949,084	399,651	-	-	949,084	399,651
Total operating revenues	<u>42,307,007</u>	<u>36,745,409</u>	<u>2,938,813</u>	<u>2,920,624</u>	<u>45,245,820</u>	<u>39,666,033</u>
OPERATING EXPENSES						
Personnel services	5,385,547	5,117,279	558,176	539,041	5,943,723	5,656,320
Wholesale water cost and sewage disposal	21,717,902	18,036,041	-	-	21,717,902	18,036,041
Materials, supplies, services and other operating expenses	4,107,778	3,082,893	694,254	261,375	4,802,032	3,344,268
Depreciation	2,670,887	2,263,820	424,820	424,113	3,095,707	2,687,933
Total operating expenses	<u>33,882,114</u>	<u>28,500,033</u>	<u>1,677,250</u>	<u>1,224,529</u>	<u>35,559,364</u>	<u>29,724,562</u>
Operating income	<u>8,424,893</u>	<u>8,245,376</u>	<u>1,261,563</u>	<u>1,696,095</u>	<u>9,686,456</u>	<u>9,941,471</u>
NON-OPERATING REVENUES (EXPENSES) AND TRANSFERS						
Interest income	709,739	277,328	21,104	54	730,843	277,382
Gain from sale of capital assets	-	8,025	-	-	-	8,025
Other non-operating revenues	279,351	228,630	-	2,125	279,351	230,755
Interest expense	(32,377)	(75,980)	-	-	(32,377)	(75,980)
Transfers in	624,179	-	354,546	-	978,725	-
Transfers out	(8,867,570)	(8,794,169)	(1,301,146)	(962,856)	(10,168,716)	(9,757,025)
Total non-operating revenues (expenses)	<u>(7,286,678)</u>	<u>(8,356,166)</u>	<u>(925,496)</u>	<u>(960,677)</u>	<u>(8,212,174)</u>	<u>(9,316,843)</u>
Change in net position	1,138,215	(110,790)	336,067	735,418	1,474,282	624,628
Net position- beginning	68,198,937	68,309,727	8,872,222	8,136,804	77,071,159	76,446,531
Net position, ending	<u>\$ 69,337,152</u>	<u>\$ 68,198,937</u>	<u>\$ 9,208,289</u>	<u>\$ 8,872,222</u>	<u>\$ 78,545,441</u>	<u>\$ 77,071,159</u>

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Net position at year end for the City's business-type activities increased from \$77 million in the prior fiscal year to \$78.5 million in the current fiscal year.

Water and sewer fund: The change in net position for the water and sewer fund showed \$1.1 million compared to the prior year's negative of (\$0.111 million). The increase was due primarily to increase in rates for water and sewer and sanitary sewer fees.

Operating income was \$8.4 million in the current year compared to \$8.2 million in the previous fiscal year. It must be noted that the prior year's published report shows operating loss of (\$0.3 million) which was due to grouping of interfund charges as operating expenses instead of transfers out. This was corrected in the current year.

Operating revenues increased by \$5.6 million over the previous year due primarily to the net effect of the following factors:

1. Increase of \$2.3 million or 13.4% for charges for water due primarily to rate increase of 8.4% for water in October 2023, and increased consumption.
2. Increase of \$2.6 million or 14.1% for sanitary sewer fees due primarily to rate increase of 8.6% in October 2023, and increased consumption.
3. Increase of \$0.5 million for other revenues due primarily for pressure tests and other miscellaneous services provided by the public works department.

Operating expenses increased by a net of \$5.4 million due primarily to the net effect of the following:

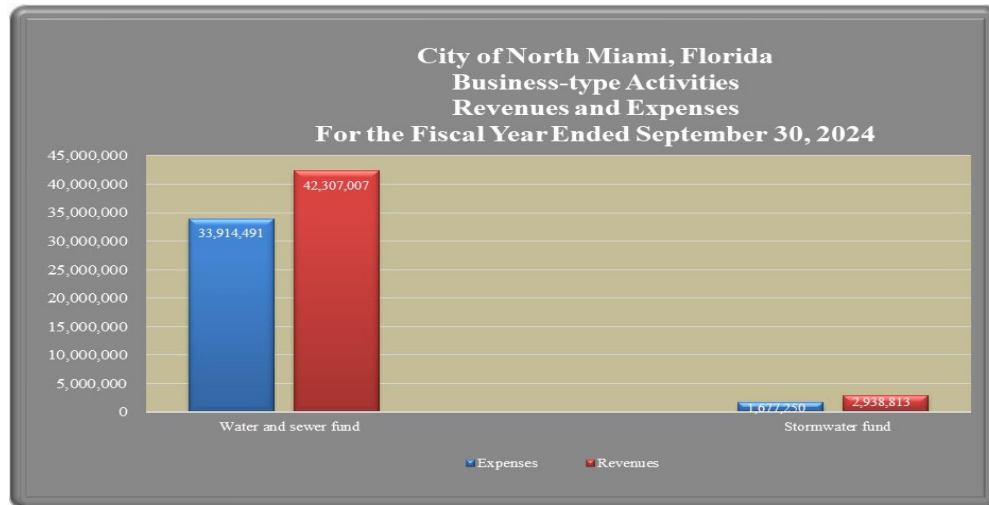
1. Net increase of \$0.3 million for personnel services due primarily to budgeted increases for salaries, additional part-time employees and allocation of changes in the actuarial valuations for OPEB liability and net pension liability (NPL) and the related deferred inflows/outflows.
2. Increase of \$3.7 million for wholesale water cost and sewage due mainly to a combination of increased water consumption and rate increase from the Miami-Dade Water and Sewer department.
3. Net increase of \$1.1 million for materials, supplies, services, and other operating expenses.
4. Increase of \$0.4 in depreciation related to the completion of capital works in progress that were transferred to infrastructure.

Non-operating revenues (expenses) had a net increase of \$1.1 million due primarily to the increases in interest income for \$0.4 million and interfund transfers-in from the ARPA fund for \$0.6 million for allowance for uncollectible receivables. It must be noted that the prior year's published report shows

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transfers out of (\$0.225 million) which was due to grouping of interfund charges as operating expenses instead of transfers out. This was corrected in the current year.



Stormwater fund: The net position at year end for the stormwater utility fund increased from \$8.9 million in the prior year to \$9.2 million for the current fiscal year.

Operating revenues for 2024 were \$2.9 million, similar to the prior year's \$2.9 million.

The increase of \$0.5 million in operating expenses from the previous year was due primarily to increases for materials, supplies, services, and other operating expenses.

Non-operating revenues (expenses) decreased slightly by (\$0.04 million) from prior year due primarily to the net effect of the decrease for other non-operating revenues income and increased interfund transfers-in from the ARPA fund for allowable charges. It must be noted that the prior year's published report shows transfers out of (\$0.029 million) which was due to grouping of interfund charges as operating expenses instead of transfers out. This was corrected in the current year.

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

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 may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of September 30, 2024, the City's governmental funds reported combined ending fund balance of \$102 million, which was a total increase of \$57 million in the current year compared to a \$11.1 million

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increase in the prior year. \$90 million of the combined ending fund balances constituted non-spendable and restricted fund balances.

Funds established to separately account for certain revenue sources that are legally restricted for expenditures for specified purposes. Restricted fund balances of \$89.8 million included \$5.6 million for landfill closure cost, \$0.6 million restricted for housing, \$7 million restricted for the Cagni Park project, \$55.3 million for CRA projects and \$20.8 million for other special revenues and capital projects.

In addition to balances noted above, governmental funds showed combined unassigned fund balance of \$12.3 million for the current fiscal year compared with \$8 million in the prior year. The increase of \$4.3 million was due primarily to the sale of capital assets for \$1.8 million, contribution of \$5 million from the CRA and the decrease of (\$0.6 million) related to the removal of MOCA from the blended presentation and also operations whereby revenues exceeded expenditures.

General Fund

The General Fund is the main operating fund of the City. General tax revenues and other receipts not allocated to another fund by law or contractual commitment, are accounted for in this fund. General operating expenditures and capital improvement costs not paid through another fund are paid from this fund. At September 30, 2024, the General Fund had an unassigned fund balance of \$13.8 million, compared to \$9.9 million in the prior year. The increase of \$4 million over the prior year was due primarily to the sale of capital assets for \$1.8 million, and \$5 million contribution from the CRA.

General Fund expenditures (excluding other financing uses) increased by \$21 million or 31.5% over prior year due primarily to the purchase of the purchase of the Scott Galvin Center for \$11.5 million.

General Fund revenues (excluding other financing sources) also increased by \$8.6 million or approximately 13.8% over the prior year, due primarily to increased ad valorem taxes, and increased interest and other earnings.

Expenditures in the General Fund are shown in the following schedule:

	2024 Amount	Percent of Total	2023 Amount	Percent of Total	Change	
					Increase (Decrease) From Prior Year	
General Fund Expenditures						
General government	\$ 16,786,386	19.2%	\$ 15,316,888	23.0%	\$ 1,469,498	9.6%
Public safety	38,935,304	44.5%	33,849,875	50.9%	5,085,429	15.0%
Physical environment and transportation	4,123,699	4.7%	3,688,892	5.5%	434,807	11.8%
Culture and recreation	9,552,494	10.9%	8,339,561	12.5%	1,212,933	14.5%
Development services (formerly community planning & development)	1,994,948	2.3%	1,856,676	2.8%	138,272	7.4%
Housing and social services	1,401,062	1.6%	1,379,457	2.1%	21,605	1.6%
Debt service	1,725,638	2.0%	1,328,696	2.0%	396,942	29.9%
Capital outlay	12,974,146	14.8%	769,191	1.2%	12,204,955	1586.7%
Total expenditures	\$ 87,493,677	100%	\$ 66,529,236	100%	\$ 20,964,441	31.51%

City of North Miami, Florida

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The significant increase of \$21 million in General Fund expenditures were due primarily to the following:

1. **General Government** increase of \$1.5 million was due primarily to:
 - a. Net decrease of (\$0.4 million) for non-departmental expenditures primarily for:
 - (\$0.7 million) for grant writer services;
 - \$0.3 million for miscellaneous expenditures (bank charges and grants to others).
 - b. Net increase of \$1.2 million for salaries and related benefits primarily for new staff positions and budgeted increase.
 - c. Net increase of \$0.6 million for other expenses (allocated interfund charges for maintenance and operation of equipment and equipment rental and miscellaneous).
2. **Public safety** net increase of \$5.1 million due primarily to the net of the following factors:
 - a. \$3.1 million net increase in salaries and related benefits.
 - b. \$1.7 million for allocated interfund charges.
 - c. \$0.3 million for other miscellaneous expenditures for contractual services, special department supplies etc.
3. **Physical environment** increase of \$0.4 million was due primarily to the increase for equipment rental and street maintenance.
3. **Culture and recreation** increase of \$1.2 million was due primarily to the net of the following:
 - a. Net increase of \$0.6 million for contractual service.
 - b. Increase of \$0.2 million for equipment rental.
 - c. Net increase of \$0.2 million for salaries and related benefits.
 - d. Increase of \$0.2 million for insurance and surety bonds.
4. **Development services** (formerly community planning and development) net increase of \$0.1 million was due primarily to increases in salaries and related benefits and travel and conferences.

City of North Miami, Florida

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5. **Debt service increase** of \$0.4 million due primarily to increase in lease cost for the Scott Galvin Community Center.
6. **Capital outlay** increase of \$12.2 million due primarily to the purchase of the Scott Galvin Community Center (formerly Wildcat Center) for \$11.5 million and \$0.7 million for license plate readers and installation of monuments within the city. It should be noted that the lease for the Scott Galvin Community Center was terminated and the building was subsequently purchased by the City.

General Fund revenues (by type) percentage of the total and the amount of change compared to the prior year fiscal year are shown in the following schedule:

<u>General Fund Revenues</u>	<u>2024 Amount</u>	<u>Percent of Total</u>	<u>2023 Amount</u>	<u>Percent of Total</u>	<u>Change</u>	
					<u>Increase (Decrease) From Prior Year</u>	
Taxes:						
Ad valorem taxes	\$ 28,901,089	33.0%	\$ 24,013,712	31.9%	\$ 4,887,377	20.4%
Utility and communication taxes	5,753,697	6.6%	5,600,554	7.5%	153,143	2.7%
Franchise fees	5,950,820	6.8%	5,479,496	7.3%	471,324	8.6%
Total taxes	40,605,606	46.4%	35,093,762	46.7%	5,511,844	15.7%
General revenues:						
Charges for services	8,851,807	10.1%	9,176,923	12.2%	(325,116)	-3.5%
Fines and forfeitures	601,450	0.7%	312,999	0.4%	288,451	92.2%
Intergovernmental	10,533,127	12.0%	10,830,887	14.4%	(297,760)	-2.7%
Licenses and permits	1,116,241	1.3%	1,012,782	1.3%	103,459	10.2%
Interest and other earnings	7,324,890	8.4%	4,026,868	5.4%	3,298,022	81.9%
Rents and royalties	1,864,231	2.1%	1,846,237	2.5%	17,994	1.0%
Total general revenues	30,291,746	34.6%	27,206,696	36.2%	3,085,050	11.3%
Total revenues	70,897,352	81.0%	62,300,458	82.9%	8,596,894	13.8%
Other Financing Sources						
Contribution	5,000,000	5.7%	-	0.0%	5,000,000	100.0%
Proceeds from sale of capital assets	1,770,000	2.0%	1,549,963	2.1%	220,037	14.2%
Transfers in	14,867,254	17.0%	11,315,490	15.1%	3,551,764	31.4%
Total other financing source	16,637,254	19.0%	12,865,453	17.1%	3,771,801	29.3%
Total	\$ 87,534,606	100%	\$ 75,165,911	100%	\$ 12,368,695	16.5%

Explanation for the more significant changes for revenues are as follows:

1. **Property tax** revenues increased by a net of \$4.8 million or 20.4%. Although the gross increase was \$7.6 million including TIF refund from the CRA, there was also increase of \$2.5 million TIF payment to the CRA.
2. **Franchise fees** net increase of \$0.5 million was due primarily to general increase in shared revenues from FPL franchise tax and waste collection tax.
3. **Charges for services** net decrease of (\$0.3 million) or (3.5%), was due primarily to the following:

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- a. Net increase of \$1.2 million for other miscellaneous revenues (off-duty police reimbursement, zoning and permit fee, etc.)
 - b. Decrease of (\$1.5 million) for GASB 63 annual adjustments.
4. ***Fines and forfeitures*** net increase of \$0.3 million was due primarily to fines for special magistrate services.
5. ***Intergovernmental*** net decrease of (\$0.3 million) was due primarily to less received for local government half cent sales tax and state revenue sharing.
6. ***Interest and other earnings*** net increase of \$3.3 million or 81.9% due primarily to the following:
 - a. \$3.0 million from Oleta Partners related to amendment to the ground lease agreement.
 - b. Increase of \$0.5 million for interest income on investments based on decision taken by management to maintain additional funds in short-term investments in the current year.
 - d. Decrease of (\$0.3 million) for insurance recoveries.

FINANCIAL ANALYSIS OF OTHER GOVERNMENTAL FUNDS

Landfill Closure Fund (Major Fund)

This fund is restricted for funding the remediation and closure costs of an old landfill. The fund was set up from a one-time contribution of \$31 million, received from the Miami-Dade County in 2004, which was placed in an escrow account. At the end of 2024, the long-term cost was estimated to be \$12.4 million. Remediation cost for the current year was \$0.585 million in 2024.

This fund had a restricted fund balance of \$5.6 million at September 30, 2024. See **NOTE 11** for additional information on the landfill.

CRA Component Unit Capital Projects Fund (Major Fund)

The CRA, a component unit of the City, reported \$55.4 million fund balance at year end. During the year, approximately \$19.8 million in property tax incremental revenues was recognized (both the City and Miami-Dade County portions). The CRA refunded tax increment revenues of approximately \$1.9 million to Miami-Dade County and approximately \$3.5 million to the City. The City acts as a pass-through for the tax incremental property tax monies that were transferred to the CRA.

The CRA issued a bond for \$50 million with a premium of \$2.2 million. See **NOTE 6** starting on page 76 for additional information on the bond.

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Community Development Block Grant (C.D.B.G.) Entitlement Fund (Major Fund)

The C.D.B.G. fund accounts for federal grant-related revenues and expenditures for housing rehabilitation programs. For the fiscal year, the fund awarded a total of \$0.8 million toward direct housing and rehabilitation projects.

American Rescue Plan Act (A.R.P.A.) (Major Fund)

The A.R.P.A. fund accounts for revenues and expenditures for post-pandemic recovery. For the fiscal year \$5 million was transferred to the General Fund, the Water and Sewer Fund, the Storm Water Fund, the Internal Services Funds and other Non-Major Funds, based on final reconciliation for eligible activities.

Other Governmental Funds (Nonmajor)

Significant items pertaining to other Governmental Funds (Nonmajor) are as follows:

1. Special revenues restricted fund balance at year-end was \$21.2 million, comprised primarily of:
 - The Neighborhood Stabilization Program (“NSP”) reported \$0.4 million;
 - Law Enforcement Trust Fund reported \$0.2 million;
 - Half-cent Transportation Surtax Fund reported \$5 million;
 - Developer Impact Fees Fund reported \$4 million;
 - Building Fund reported \$11.0 million;
2. The Home Investment Partnership Program (HIPP), the Neighborhood Stabilization Program (NSP) and the State Housing Initiative Program (SHIP) combined funds awarded a total of \$1.3 million in direct housing grants and aid to homeowners and local businesses.
3. MOCA is no longer included as a blended component unit of the City because it now meets the criteria to be presented discretely.

Internal Service Funds

Risk Management Fund

In 2024, the Risk Management Fund reported net position of \$1.2 million, a decrease of (\$1 million) over the prior year's \$2.2 million.

Operating loss for the current year was (\$1.2 million) compared to operating income of \$0.7 million in the prior year. The current year's loss was due primarily to increase of \$1.1 million paid for insurance claims.

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Fleet Management Fund

The Fleet Management Fund reported net position of \$3.5 million, a slight decrease from the prior year's net position of \$3.6 million.

The operating loss for the current year was (\$0.3 million) compared to loss of (\$3.3 million) in the prior year. The (\$3 million) decrease in operating loss was due primarily to increase of \$3.6 million for interfund charges in the current year for services provided to other funds.

Fiduciary Funds

Net investment income from interest and dividends for both City pension plans combined was reported at \$47.7 million. The Plans' investment policies set the portfolio allocation. Many U.S. market indices posted favorable returns across the board this year. There was a significant appreciation for both plans of approximately \$41.8 million (prior year appreciation was \$15.4 million). Employer contribution for 2024, for both plans was \$6.4 million. During 2024, benefit payout was approximately \$15.9 million for both plans combined compared to \$14.5 million in the prior year.

Capital Assets and Debt Administration

Capital Assets

As of September 30, 2024, the City's capital assets for the governmental and business-type activities amounted to \$144.2 million (net of accumulated depreciation), compared with \$144.6 million in the previous fiscal year. These assets included land, construction in progress, buildings, and improvements, infrastructure, machinery and equipment, library books and other right-to-use leased assets. The total net decrease in the City's capital assets balances from the prior fiscal year was (\$0.4 million) or 0.27%.

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CAPITAL ASSETS - GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES						
	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Capital assets, not being depreciated:						
Land	\$ 16,010,479	\$ 16,240,995	\$ 653,080	\$ 653,080	\$ 16,663,559	\$ 16,894,075
Land - right-to-use	1,268,967	1,268,967	-	-	1,268,967	1,268,967
Construction in progress	3,494,517	2,418,209	6,264,715	8,336,315	9,759,232	10,754,524
Total capital assets, not being depreciated	20,773,963	19,928,171	6,917,795	8,989,395	27,691,758	28,917,566
Capital assets, being depreciated, net:						
Land Improvements	19,451,864	19,496,007	1,249,069	1,249,069	20,700,933	20,745,076
Buildings and improvements	38,163,518	26,156,203	2,549,278	2,522,999	40,712,796	28,679,202
Buildings - right-to-use	2,296,875	16,847,815	-	-	2,296,875	16,847,815
Infrastructure	67,198,295	65,273,013	100,807,920	95,301,391	168,006,215	160,574,404
Machinery and equipment	21,272,766	20,264,145	8,271,670	7,848,375	29,544,436	28,112,520
Equipment - right-to-use	97,954	102,126	7,969	7,969	105,923	110,095
Library books	2,509,450	2,484,064	-	-	2,509,450	2,484,064
Total capital assets, being depreciated	150,990,722	150,623,373	112,885,906	106,929,803	263,876,628	257,553,176
Accumulated depreciation:						
Land Improvements	(15,563,891)	(15,373,990)	(144,335)	(143,787)	(15,708,226)	(15,517,777)
Buildings and improvements	(13,942,530)	(14,893,574)	(1,339,396)	(1,267,692)	(15,281,926)	(16,161,266)
Buildings - right-to-use	(343,985)	(152,076)	-	-	(343,985)	(152,076)
Infrastructure	(35,882,098)	(34,843,834)	(55,719,382)	(52,939,512)	(91,601,480)	(87,783,346)
Machinery and equipment	(16,036,668)	(14,187,961)	(5,820,150)	(5,579,782)	(21,856,818)	(19,767,743)
Equipment - right-to-use	(75,784)	(30,659)	(5,600)	(2,382)	(81,384)	(33,041)
Library books	(2,443,765)	(2,410,621)	-	-	(2,443,765)	(2,410,621)
Total accumulated depreciation	(84,288,721)	(81,892,715)	(63,028,863)	(59,933,155)	(147,317,584)	(141,825,870)
Total capital assets, being depreciated, net	66,702,001	68,730,658	49,857,043	46,996,648	116,559,044	115,727,306
Total Capital Assets, net	\$ 87,475,964	\$ 88,658,829	\$ 56,774,838	\$ 55,986,043	\$ 144,250,802	\$ 144,644,872

Total net increase in capital assets for governmental activities (excluding depreciation) was \$1.2 million, due primarily to the following significant changes:

1. Decrease of (\$0.2 million) for land due to sale of a segment of right-of-way road.
2. Net increase of \$1 million for construction in progress primarily related to existing projects for pedestrian bridge replacement on Biscayne canal, Cagni Park and Breezeswept Park renovations and traffic circles.
3. The increase of \$12 million for buildings and improvements was due primarily to the \$11.5 million purchase of the Scott Galvin Center after the termination of lease.
4. The decrease of (\$14.5 million) for buildings right-to-use was due primarily to the termination of the lease for the Scott Galvin Center.
5. The increase of \$2 million for infrastructure was due primarily to the completion of several projects for city-wide resurfacing in the four city districts.
6. Increase of \$1.0 million for machinery and equipment due primarily to acquisition of eight (8) Harley Davison motor cycles for the police department, 13 motor vehicles, 43 computers with relevant accessories and other miscellaneous equipment.

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7. Total net increase in capital assets for business-type activities (excluding depreciation) was \$3.9 million, due primarily to net of the following significant factors:
 - a. (\$2.8 million) net decrease in construction in progress for projects that were completed (i.e. \$1.3 million for water main projects on NE 6th avenue and NE 13 street, and \$1.9 million for force main improvements on NW 12th avenue from 95 street to 125 street).
 - b. \$5.5 million increase for infrastructure for new pumps and upgrades to lift stations etc.
 - c. \$0.4 million for machinery and equipment for concrete mixer and concrete saws, three (3) motor vehicles, a trailer, compactor and excavator and other miscellaneous equipment.

Additional information on the City's capital assets is disclosed in **NOTE 5** starting on page 74 of this report.

Long-term Debt

At September 30, 2024, the City had total outstanding debt of approximately \$67 million compared to approximately \$30.5 million at the end of the previous fiscal year.

The majority of the City's outstanding debt was secured by specific revenue sources. The outstanding debts are summarized below:

	Outstanding Debt					
	Governmental		Business-type		Totals	
	Activities		Activities			
	2024	2023	2024	2023	2024	2023
Note payable	\$ 7,280,000	\$ 8,455,000	\$ -	\$ -	\$ 7,280,000	\$ 8,455,000
Unamortized bond discount	(166,484)	(216,307)	-	-	(166,484)	(216,307)
Redevelopment Revenue Bond, Series 2024 (CRA)	50,000,000	-	-	-	50,000,000	-
Unamortized bond premium - CRA	2,236,769	-	-	-	2,236,769	-
State revolving fund loan	-	-	4,176,769	4,476,846	4,176,769	4,476,846
Right-to-use lease obligation	2,175,414	15,388,379	-	-	2,175,414	15,388,379
Lease obligations	1,478,911	2,436,590	1,861	3,417	1,480,772	2,440,007
Total	\$ 63,004,610	\$ 26,063,662	\$ 4,178,630	\$ 4,480,263	\$ 67,183,240	\$ 30,543,925

During the fiscal year 2024, the City had the following debt activity:

Governmental Activities – Net increase of \$37 million was due primarily to:

- a. Decrease of (\$1.2 million) for note payable related scheduled debt repayment;
- b. Increase of \$52.2 million for new Redevelopment Revenue Bonds and related premium thereof, for the CRA;

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- c. Decrease of (\$13.2 million) for right-to-use buildings related to the termination of lease for the Scott Galvin Center; and
- d. Decrease of (\$1 million) for scheduled lease payments.

Business-type Activities – The total debt decreased by (\$\$0.3 million) from the prior year, primarily due to scheduled debt repayments for the current fiscal year.

Additional information on the City's long-term debt and capital leases can be found in **NOTE 6** on page 76.

Overall Budget

The adopted budget for fiscal year 2024, is \$208.9 million, marking a 25% increase from the \$167.1 million adopted for fiscal year 2023.

The 2024 general fund original budget of \$84 million was amended to \$90.6 million, showing an approximate \$6.6 million (or 7.9%) increase. This increase stemmed from re-allocating funds for prior year projects.

The general fund budget remains the largest component, representing 41% of the total budget.

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The budgetary highlights are detailed in the following schedule:

GENERAL FUND BUDGETARY HIGHLIGHTS

UNAUDITED FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Ad valorem taxes	\$ 24,554,163	\$ 26,416,142	\$ 28,901,089	\$ 2,484,947
Utility and communication taxes	3,873,710	5,707,553	5,753,697	46,144
Charges for services	7,058,143	7,265,593	8,851,807	1,586,214
Return on investment - utility	-	-	-	-
Franchise fees	5,106,435	5,106,435	5,950,820	844,385
Fines and forfeitures	437,050	437,050	601,450	164,400
Intergovernmental	11,031,970	11,070,880	10,533,127	(537,753)
Licenses and permits	1,242,000	1,242,000	1,116,241	(125,759)
Interest	354,246	354,246	1,066,296	712,050
Other earnings	2,701,342	3,149,437	6,258,594	3,109,157
Rents and royalties	1,783,288	1,783,288	1,864,231	80,943
Total revenues	<u>58,142,347</u>	<u>62,532,624</u>	<u>70,897,352</u>	<u>8,364,728</u>
EXPENDITURES				
General Government:				
Mayor and city council	2,461,680	2,523,433	2,560,340	(36,907)
City manager	2,761,893	2,893,168	2,759,687	133,481
City clerk	792,988	794,788	748,204	46,584
Financial Services	3,479,406	3,512,906	3,290,631	222,275
Legal	1,407,986	1,407,986	1,257,464	150,522
Human resources	862,114	902,214	817,856	84,358
Information technology	2,625,227	3,317,655	2,965,103	352,552
Management and budget	491,985	435,732	411,436	24,296
Procurement and purchasing	577,929	577,929	454,245	123,684
Non-departmental	7,059,955	8,798,354	1,521,420	7,276,934
Total general government	<u>22,521,163</u>	<u>25,164,165</u>	<u>16,786,386</u>	<u>8,377,779</u>
Public Safety:				
Police	33,004,286	32,903,173	32,880,368	22,805
Neighborhood services (formerly Code enforcement)	6,148,843	6,148,843	5,776,054	372,789
Citizen investigative board	426,171	431,736	278,882	152,854
Total public safety	<u>39,579,300</u>	<u>39,483,752</u>	<u>38,935,304</u>	<u>548,449</u>
Physical Environment				
Public works	1,461,291	1,456,267	1,394,110	62,157
Transportation	2,635,170	2,640,194	2,729,589	(89,395)
Total physical environment	<u>4,096,461</u>	<u>4,096,461</u>	<u>4,123,699</u>	<u>(27,238)</u>
Economic Environment:				
Development services (formerly CP&D)	3,080,263	3,055,994	1,994,948	1,061,046
Housing and social services	1,663,620	1,797,727	1,401,062	396,665
Total economic environment	<u>4,743,883</u>	<u>4,853,721</u>	<u>3,396,010</u>	<u>1,457,711</u>
Culture and Recreation:				
Parks and recreation	7,126,585	7,269,156	6,768,807	500,349
Library	1,275,546	1,399,783	1,289,413	110,370
MOCA	1,431,094	1,566,446	1,494,274	72,172
Total culture and recreation	<u>9,833,225</u>	<u>10,235,385</u>	<u>9,552,494</u>	<u>682,891</u>
Debt service	1,359,616	1,769,457	1,725,638	43,819
Capital outlay	1,833,023	4,976,361	12,974,146	(7,997,786)
Total expenditures	<u>83,966,671</u>	<u>90,579,302</u>	<u>87,493,677</u>	<u>3,085,625</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(25,824,324)</u>	<u>(28,046,678)</u>	<u>(16,596,325)</u>	<u>11,450,353</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	1,770,000	1,770,000	-
Contribution	5,000,000	5,000,000	5,000,000	-
Transfers in	22,266,708	22,719,061	14,867,254	(7,851,807)
Transfers out	(1,442,384)	(1,442,383)	(1,460,540)	(18,157)
Total other financing sources (uses)	<u>25,824,324</u>	<u>28,046,678</u>	<u>20,176,714</u>	<u>(7,869,964)</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>3,580,389</u>	<u>\$ 3,580,389</u>
Fund balance, beginning			17,419,881	
Fund balance, ending			<u>\$ 21,000,270</u>	

City of North Miami, Florida

Management's Discussion and Analysis – Unaudited

September 30, 2024

The net positive variance of \$8.4 million for revenues was due primarily to the following significant factors:

1. Ad valorem taxes positive variance of \$2.5 million was due to estimated amounts budgeted.
2. The positive \$1.6 million for charges for services was due primarily to unanticipated administration charges for liens and off-duty police reimbursements
3. Franchise fees positive variance of \$0.8 million was due primarily to collections for Florida Power and Light and waste collection tax that were deferred in the prior year in accordance with GASB 63, were released and recognized as revenues in the current which were not included in the budgeted estimates.
4. Intergovernmental revenues were (\$0.5 million) negative variance was due mainly to underestimated true-up for state sharing revenues which was based on prior year amount received.
5. Interest positive variance of \$0.7 million was due to underestimated budget for income on investments.
6. Other earnings positive variance of \$3.1 million was due primarily to the \$3 million received from Oleta Partners related to amendments to the ground lease agreement which was not anticipated in the budget.

The net positive variance of \$3.1 million for expenditures was due primarily to the following significant factors:

1. *General Government* total positive variance of \$8.4 million due primarily to the following significant variances:
 - a. City Manager - positive variance of \$0.133 million primarily for Public Information Office staff positions that were not filled.
 - b. Financial Services - positive variance of \$0.222 million primarily for staff positions that were vacant for a part of the fiscal year and other operating costs that were not incurred during the cyber incident in August, 2024.
 - c. Legal - positive variance of \$0.151 million primarily for -case costs that did not materialize.
 - d. Information Technology – positive variance of \$0.353 million primarily for equipment that were on back-order. The amount was reappropriated to 2025 fiscal year.
 - e. Procurement and Purchasing – positive variance of \$0.124 million primarily for salaries for unfilled position.

City of North Miami, Florida

Management's Discussion and Analysis – Unaudited

September 30, 2024

- f. Non-departmental – positive variance of \$7,276,934 due primarily to budgeted fund reserves that were not utilized which will be reappropriated to the next fiscal year.
- 2. *Public Safety* - total positive variance of \$0.548 million due primarily:
 - a. Neighborhood Services Department had budget savings of \$0.372 million for unfilled budgeted staff positions for \$0.237 million and \$0.100 million costs for contractual services roll forward to the next fiscal year.
 - b. Citizen Investigative Board had budget savings of \$0.153 million because the department was closed during the fiscal year.
- 3. *Economic Environment* - total positive variance of \$1.5 million due primarily to:
 - a. Neighborhood Services Department had budget savings of \$0.171 million for unfilled budgeted staff positions and \$0.8 million for contractual services that were not completed in the current year that were reappropriated for next fiscal year.
 - b. Housing and Social Services had budget savings of \$0.397 million due to incomplete housing rehabilitation grants program reappropriated to the next fiscal year.
- 4. *Culture and Recreation* - total positive variance of \$0.683 million due primarily to:
 - a. Parks and Recreation had budget savings of \$0.500 million for unfilled staff positions and contractual services for unfinished projects which were reappropriated to the next fiscal year.
 - b. Library had budget savings of \$0.110 million due to contractual services that did not materialize.
- 5. *Capital outlay* had a negative variance of (\$8 million) due primarily to the purchase of the Scott Galvin Center which was not budgeted in this line item.
- 6. *Transfers in* - had a negative variance of (\$7.9 million) due primarily to amount of \$5 million contribution from the CRA, which should have been budgeted under capital outlay.

Economic Factors and Next Year's Budgets and Rates

The 2024 budget prioritizes maintaining expected service levels for residents and businesses. It aims to deliver essential services equitably and efficiently, with a focus on areas of greatest need, particularly affordable housing. To fund these services, adjustments were made, including increases in water fees by 8.4%, sewer fees by 8.6%, and stormwater utility fees, while the operating millage rate remaining at 7.4000 mills.

City of North Miami, Florida

Management's Discussion and Analysis – Unaudited
September 30, 2024

Economic Impact on the Fiscal 2024 Budget

As reported by the Miami-Dade County Property Appraiser, the City of North Miami has seen a ninth consecutive year of growth in assessed taxable value. In fiscal year 2023-24, the assessed value was \$5.260 billion, a 16% increase from the prior year's \$4.541 billion, with the North Miami CRA Area being the primary driver of this growth.

North Miami continues to strive for excellence year after year. We proactively explore increased revenue streams, cost-saving measures, and streamlined operations, all to ensure we provide the valued services our residents deserve. Highlights of the 2023-24 budget include:

- a. Seven (7) additional positions totaling 464 full-time employees (FTE)
- b. \$418,000 for MUNIS ERP implementation
- c. 4% COLA and 5% merit increase for sergeants and police officers
- d. 3% COLA and 3% merit increase for all other employees
- e. \$250,000 for FreeBee service citywide
- f. 14.191 million for various Water and Sewer projects
- g. \$537,500 for Parks and Recreation Department for various capital upgrades project

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.

Finance Department
City of North Miami
776 NE 125th Street
North Miami, Florida, 33161

or

Visit our website at www.northmiamifl.gov/financialreports



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Basic Financial Statements



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Government-wide Financial Statements



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CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Governmental Activities	Business-type Activities	Total	Component Unit MOCA
ASSETS				
Cash and cash equivalents	\$ 95,987,447	\$ 3,693,161	\$ 99,680,608	\$ 1,474,478
Investments	17,756,309	12,606,922	30,363,231	1,149,707
Receivables, net	3,981,523	26,648,648	30,630,171	546,546
Due from other governments	9,150,871	-	9,150,871	-
Inventories and supplies	71,627	814,924	886,551	-
Prepays, deposits and other assets	507,440	610	508,050	54,323
Right to use lease receivable	4,318,583	-	4,318,583	-
Unamortized debt issuance - prepaid insurance	-	-	-	-
Notes receivable	3,367,770	-	3,367,770	-
Restricted cash	14,167,112	-	14,167,112	-
Net pension asset	4,250,072	218,514	4,468,586	-
Capital assets not being depreciated	20,773,963	6,917,795	27,691,758	-
Capital assets being depreciated, net	66,702,001	49,857,043	116,559,044	-
Total assets	241,034,718	100,757,617	341,792,335	3,225,054
DEFERRED OUTFLOW OF RESOURCES				
OPEB related items	1,038,385	142,623	1,181,008	-
Pension related items	25,318,770	3,214,563	28,533,333	-
Total deferred outflow of resources	26,357,155	3,357,186	29,714,341	-
LIABILITIES				
Vouchers payable and accrued liabilities	9,853,984	7,012,785	16,866,769	164,206
Construction contracts payable	58,489	242,833	301,322	-
Accrued payroll and benefits	1,410,382	211,120	1,621,502	-
Unearned revenues	13,702,302	-	13,702,302	-
Deposits and other liabilities	817,042	3,505,161	4,322,203	-
Interest payable	131,950	-	131,950	-
Noncurrent liabilities:				
Due within one year	7,651,712	713,407	8,365,119	-
Due in more than one year	147,393,752	11,258,524	158,652,276	-
Total liabilities	181,019,613	22,943,830	203,963,443	164,206
DEFERRED INFLOW OF RESOURCES				
OPEB related items	3,666,455	561,714	4,228,169	-
Pension related items	2,273,861	2,063,818	4,337,679	-
Lease related	4,318,583	-	4,318,583	-
Other	27,582	-	27,582	135,000
Total deferred inflows of resources	10,286,481	2,625,532	12,912,013	135,000
NET POSITION				
Net investments in capital assets	76,649,635	52,353,375	129,003,010	-
Restricted for:				
Capital projects	56,109,432	-	56,109,432	-
Housing and development	403,723	-	403,723	-
Public safety	235,086	-	235,086	-
Transportation	5,049,005	-	5,049,005	-
Net pension benefits	4,250,072	218,514	4,468,586	-
Other purposes (see Note 1)	32,383,171	-	32,383,171	-
Unrestricted (deficit)/net position	(98,994,345)	25,973,552	(73,020,793)	2,925,848
Total net position	\$ 76,085,779	\$ 78,545,441	\$ 154,631,220	\$ 2,925,848

See notes to basic financials statements.

**CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		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	\$ 45,898,000	\$ 10,016,578	\$ 5,078,405	\$ -	\$ (30,803,017)	\$ -	\$ (30,803,017)	\$ -
Public safety and development services	40,178,445	15,346,060	272,123	-	(24,560,262)	-	(24,560,262)	-
Physical environment	585,428	4,174,885	-	-	3,589,457	-	3,589,457	-
Transportation and public works	6,709,879	71,351	3,708,753	-	(2,929,775)	-	(2,929,775)	-
Housing and social services	3,440,987	-	2,390,877	-	(1,050,110)	-	(1,050,110)	-
Culture and recreation	10,073,990	1,549,498	20,129	19,330	(8,485,033)	-	(8,485,033)	-
Development services (formerly CP&D)	3,865,059	1,220,630	54,497	271,725	(2,318,207)	-	(2,318,207)	-
Interest and fiscal charges	2,073,111	-	-	-	(2,073,111)	-	(2,073,111)	-
Total governmental activities	112,824,899	32,379,002	11,524,784	291,055	(68,630,058)	-	(68,630,058)	-
Business-type activities:								
Water and sewer	33,914,491	42,307,007	-	-	-	8,392,516	8,392,516	-
Stormwater	1,677,250	2,938,813	-	-	-	1,261,563	1,261,563	-
Total business-type activities	35,591,741	45,245,820	-	-	-	9,654,079	9,654,079	-
Total primary government	\$ 148,416,640	\$ 77,624,822	\$ 11,524,784	\$ 291,055	\$ (68,630,058)	\$ 9,654,079	\$ (58,975,979)	\$ -
Component unit - MOCA	\$ 4,795,988	\$ 138,428	\$ 4,400,784	\$ -				\$ (256,776)

General revenues

Taxes:

Property taxes levied for general purposes	\$ 43,305,771	\$ -	\$ 43,305,771	-
Utility taxes	4,666,004	-	4,666,004	-
Local option gas tax	761,627	-	761,627	-
Communication services tax	1,087,693	-	1,087,693	-
Franchise fees based on gross receipts	5,950,820	-	5,950,820	-
Intergovernmental not restricted to specific programs	9,603,125	-	9,603,125	-
Gain on sale of capital assets	1,539,484	-	1,539,484	-
Unrestricted investment earnings	2,063,345	-	2,063,345	285,482
Miscellaneous revenues	5,877,972	1,010,194	6,888,166	30,480
Total general revenues	74,855,841	1,010,194	75,866,035	315,962
Transfers	9,189,991	(9,189,991)	-	-
Total general revenues and transfers	84,045,832	(8,179,797)	75,866,035	315,962
Change in net position	15,415,774	1,474,282	16,890,056	59,186
Net position, beginning as restated (Note 15)	60,670,005	77,071,159	137,741,164	2,866,662
Net position, ending	\$ 76,085,779	\$ 78,545,441	\$ 154,631,220	\$ 2,925,848

See notes to basic financials statements.



Fund Financial Statements



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**CITY OF NORTH MIAMI, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	General	CRA	C.D.B.G. Entitlement	Landfill Closure	American Rescue Plan Act (ARPA)	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Pooled cash and cash equivalents	\$ 12,219,079	\$ 61,200,331	\$ -	\$ -	\$ -	\$ 19,015,999	\$ 92,435,409
Pooled investments	5,458,510	-	-	-	2,246,550	4,146,925	11,851,985
Accounts receivables, net of allowance	3,948,254	11,150	-	-	-	3,903	3,963,307
Due from other governments and entities	2,246,236	-	266,032	-	-	1,626,699	4,138,967
Due from other funds	3,015,263	-	-	-	-	-	3,015,263
Due from component unit	5,000,000	-	-	-	-	-	5,000,000
Prepays, deposits and other current assets	234,448	16,623	-	-	-	155,894	406,965
Right to use lease receivable	4,318,583	-	-	-	-	-	4,318,583
Restricted cash	7,000,000	-	-	5,617,101	-	1,550,011	14,167,112
Notes receivable	3,367,770	-	-	-	-	-	3,367,770
Total Assets	46,808,143	61,228,104	266,032	5,617,101	2,246,550	26,499,431	142,665,361
LIABILITIES							
Vouchers payable	2,499,053	857,125	68,714	-	184,298	891,098	4,500,288
Construction contracts payable	24,906	-	-	-	-	31,561	56,467
Accrued payroll and benefits	1,274,829	-	2,569	-	-	89,164	1,366,562
Advances from other funds	-	-	-	-	-	-	-
Due to other funds	-	-	39,222	-	1,495,775	1,480,266	3,015,263
Due to primary government	-	5,000,000	-	-	-	-	5,000,000
Unearned revenues	10,450,683	-	-	-	-	3,251,619	13,702,302
Deposits and other liabilities	173,049	20,000	-	-	-	623,993	817,042
Total Liabilities	14,422,520	5,877,125	110,505	-	1,680,073	6,367,701	28,457,924
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues - from other sources	3,699,000	-	54,346	-	-	455,036	4,208,382
Unavailable revenues - lease related items	4,318,583	-	-	-	-	-	4,318,583
Unavailable revenue from notes receivable	3,367,770	-	-	-	-	-	3,367,770
Total deferred inflows of resources	11,385,353	-	54,346	-	-	455,036	11,894,735
FUND BALANCES (DEFICITS)							
Non-spendable	234,448	16,623	-	-	-	-	251,071
Committed for:	-	-	-	-	-	-	-
Restricted for:							
Impact fees - culture and recreation	-	-	-	-	-	2,142,560	2,142,560
Impact fees - public safety	-	-	-	-	-	501,622	501,622
Impact fees - transportation	-	-	-	-	-	91,770	91,770
Impact fees - general government	-	-	-	-	-	635,227	635,227
Cagni park project and CRA projects	7,000,000	55,334,356	-	-	-	-	62,334,356
Other	-	-	101,181	5,617,101	566,477	17,804,604	24,089,363
Assigned	-	-	-	-	-	-	-
Unassigned (deficit)	13,765,822	-	-	-	-	(1,499,089)	12,266,733
Total Fund Balances	21,000,270	55,350,979	101,181	5,617,101	566,477	19,676,694	102,312,702
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 46,808,143	\$ 61,228,104	\$ 266,032	\$ 5,617,101	\$ 2,246,550	\$ 26,499,431	\$ 142,665,361

See notes to basic financials statements.

CITY OF NORTH MIAMI, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Fund balance - total governmental funds	\$	102,312,702
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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.		83,606,771
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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	4,215,281	
Unavailable revenues relating to loans receivable	3,367,770	
		7,583,051

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:

Unamortized bond discount	166,484	
Unamortized bond premium	(2,236,769)	
Bonds and loans payable	(57,280,000)	
Leases payable	(2,251,467)	
Compensated absences liability	(9,377,249)	
Landfill closure liability	(12,438,791)	
Claims payable	(435,864)	
Net pension liability	(47,574,272)	
Total other post-employment benefit (OPEB) liability	(9,856,363)	
		(141,284,291)
Accrued interest payable		(131,950)

Net deferred outflows (inflows) for pensions and OPEB which are not recognized under the modified accrual basis of accounting		19,326,047
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Assets and liabilities of internal service funds are included in governmental activities statement of net position.		4,673,449
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Net position of governmental activities	\$	76,085,779
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CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	General	CRA	C.D.B.G. Entitlement	Landfill Closure	American Rescue Plan Act (ARPA)	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Ad valorem taxes	\$ 28,901,089	\$ 14,404,682	\$ -	\$ -	\$ -	\$ -	\$ 43,305,771
Utility and communication taxes	5,753,697	-	-	-	-	-	5,753,697
Charges for services:							
Sanitation fees	4,174,885	-	-	-	-	-	4,174,885
Other	4,676,922	-	-	-	-	1,860,011	6,536,933
Franchise fees	5,950,820	-	-	-	-	23,218	5,974,038
Fines and forfeitures	601,450	-	-	-	-	-	601,450
Intergovernmental	10,533,127	-	844,579	-	-	5,661,694	17,039,400
Licenses and permits	1,116,241	-	-	-	-	11,871,287	12,987,528
Interest and other earnings	7,324,890	375,157	-	147,471	126,058	282,341	8,255,917
Rents and royalties	1,864,231	-	-	-	-	-	1,864,231
Total revenues	<u>70,897,352</u>	<u>14,779,839</u>	<u>844,579</u>	<u>147,471</u>	<u>126,058</u>	<u>19,698,551</u>	<u>106,493,850</u>
EXPENDITURES							
Current:							
General government	16,786,386	7,351,270	-	-	298,123	-	24,435,779
Public safety and neighborhood services	38,935,304	-	-	-	-	3,366,326	42,301,630
Physical environment	4,123,699	-	-	585,427	-	1,982,494	6,691,620
Housing and social services	1,401,062	-	732,320	-	-	1,184,110	3,317,492
Culture and recreation	9,552,494	-	-	-	-	15,362	9,567,856
Development services (formerly CP&D)	1,994,948	4,026,159	-	-	-	(636)	6,020,471
Debt service:							-
Principal retirement	1,263,183	-	4,157	-	-	1,175,000	2,442,340
Interest and fiscal charges	462,455	997,544	125	-	-	612,987	2,073,111
Capital outlay	12,974,146	6,600	109,762	-	124,088	2,353,347	15,567,943
Total expenditures	<u>87,493,677</u>	<u>12,381,573</u>	<u>846,364</u>	<u>585,427</u>	<u>422,211</u>	<u>10,688,990</u>	<u>112,418,242</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,596,325)</u>	<u>2,398,266</u>	<u>(1,785)</u>	<u>(437,956)</u>	<u>(296,153)</u>	<u>9,009,561</u>	<u>(5,924,392)</u>
OTHER FINANCING SOURCES (USES)							
Contribution	5,000,000	(5,000,000)	-	-	-	-	-
Proceeds from sale of capital assets	1,770,000	-	-	-	-	-	1,770,000
Debt issued	-	50,000,000	-	-	-	-	50,000,000
Premium on debt issued	-	2,236,769	-	-	-	-	2,236,769
Transfers in	14,867,254	-	18,161	-	-	2,689,803	17,575,218
Transfers out	(1,460,540)	-	-	-	(5,053,515)	(2,006,027)	(8,520,082)
Total other financing sources (uses)	<u>20,176,714</u>	<u>47,236,769</u>	<u>18,161</u>	<u>-</u>	<u>(5,053,515)</u>	<u>683,776</u>	<u>63,061,905</u>
Net change in fund balances/(deficits)	3,580,389	49,635,035	16,376	(437,956)	(5,349,668)	9,693,337	57,137,513
Fund balances (deficits), beginning, as restated (Note 15)	17,419,881	5,715,944	84,805	6,055,057	5,916,145	9,983,357	45,175,189
Fund balances, ending	<u>\$ 21,000,270</u>	<u>\$ 55,350,979</u>	<u>\$ 101,181</u>	<u>\$ 5,617,101</u>	<u>\$ 566,477</u>	<u>\$ 19,676,694</u>	<u>\$ 102,312,702</u>

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, 2024

Net change in fund balances - total governmental funds	\$ 57,137,513
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	15,567,943
Less current year depreciation	<u>(2,648,247)</u>
	12,919,696
Net effect of various miscellaneous transactions involving capital assets (i.e. termination of right-to-use leased assets, donations etc.) is to decrease net position.	(13,027,532)
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	(1,513,554)
Other revenues	<u>74,918</u>
	(1,438,636)
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.	1,560,413
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	(49,823)
Principal paid on bonds, loans and lease obligations	14,201,378
Debt issued - CRA	<u>(52,236,769)</u>
	(38,085,214)
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	(445,599)
Landfill and closure cost	(3,997,328)
Total OPEB liability	(65,267)
Net pension liability	1,992,281
Accrued interest on long term debt	<u>(41,144)</u>
	(2,557,057)
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.	<u>(1,093,409)</u>
Change in net position of governmental activities	\$ 15,415,774

See notes to basic financial statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Business-type Activities - Enterprise Funds			Activities
			Total	Internal Service
	Water and Sewer	Stormwater	Enterprise Funds	Funds
ASSETS				
Current assets:				
Pooled cash and cash equivalents	\$ 2,422,579	\$ 1,270,582	\$ 3,693,161	\$ 3,552,038
Pooled investments	12,230,808	376,114	12,606,922	5,904,324
Accounts receivables, net of allowance	25,070,386	1,578,262	26,648,648	18,216
Grants receivables from other governments	-	-	-	11,904
Inventories and supplies	814,924	-	814,924	71,627
Prepays and deposits	610	-	610	100,475
Total current assets	<u>40,539,307</u>	<u>3,224,958</u>	<u>43,764,265</u>	<u>9,658,584</u>
Non-current assets:				
Net pension asset	174,722	43,792	218,514	61,219
Capital assets, net	49,724,392	7,050,446	56,774,838	3,869,193
Total non-current assets	<u>49,899,114</u>	<u>7,094,238</u>	<u>56,993,352</u>	<u>3,930,412</u>
Total assets	<u>90,438,421</u>	<u>10,319,196</u>	<u>100,757,617</u>	<u>13,588,996</u>
DEFERRED OUTFLOW OF RESOURCES				
OPEB related items	120,618	22,005	142,623	15,708
Pension related items	2,860,478	354,085	3,214,563	1,572,411
Total deferred outflow of resources	<u>2,981,096</u>	<u>376,090</u>	<u>3,357,186</u>	<u>1,588,119</u>
LIABILITIES				
Current liabilities:				
Vouchers payable	6,998,729	14,056	7,012,785	353,696
Constructions contracts payable	242,833	-	242,833	2,023
Accrued payroll and benefits	178,711	32,409	211,120	43,820
Deposits and performance bonds	3,505,161	-	3,505,161	-
Compensated absences	311,996	23,963	335,959	117,550
Loans and leases payable	303,478	-	303,478	1,154,140
Total OPEB liability	63,403	10,567	73,970	11,624
Total current liabilities	<u>11,604,311</u>	<u>80,995</u>	<u>11,685,306</u>	<u>1,682,853</u>
Non-current liabilities:				
Compensated absences	859,419	51,473	910,892	551,386
Loans and leases payable	3,875,152	-	3,875,152	248,717
Claims payable	-	-	-	4,762,566
Net pension liability	4,207,700	760,670	4,968,370	2,472,916
Total OPEB liability	1,282,944	221,166	1,504,110	253,422
Total non-current liabilities	<u>10,225,215</u>	<u>1,033,309</u>	<u>11,258,524</u>	<u>8,289,007</u>
Total liabilities	<u>21,829,526</u>	<u>1,114,304</u>	<u>22,943,830</u>	<u>9,971,860</u>
DEFERRED INFLOWS OF RESOURCES				
Other	-	-	-	6,898
OPEB related items	484,753	76,961	561,714	109,226
Pension related items	1,768,086	295,732	2,063,818	415,682
Total deferred inflows of resources	<u>2,252,839</u>	<u>372,693</u>	<u>2,625,532</u>	<u>531,806</u>
NET POSITION				
Net investment in capital assets	45,302,929	7,050,446	52,353,375	2,464,313
Restricted for:				
Net pension benefits	174,722	43,792	218,514	61,219
Unrestricted	23,859,501	2,114,051	25,973,552	2,147,917
Total net position	<u>\$ 69,337,152</u>	<u>\$ 9,208,289</u>	<u>\$ 78,545,441</u>	<u>\$ 4,673,449</u>

See notes to basic financials statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Stormwater	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES				
Water fees	\$ 19,668,437	\$ -	\$ 19,668,437	\$ -
Sanitary sewer fees	21,689,486	-	21,689,486	-
Stormwater charges	-	2,938,813	2,938,813	-
Premiums and charges for services provided to other funds	-	-	-	6,200,051
Other revenues	949,084	-	949,084	562,061
Total operating revenues	<u>42,307,007</u>	<u>2,938,813</u>	<u>45,245,820</u>	<u>6,762,112</u>
OPERATING EXPENSES				
Personnel services	5,385,547	558,176	5,943,723	1,443,052
Wholesale water cost and sewage disposal	21,717,902	-	21,717,902	-
Materials, supplies, services and other operating expenses	4,107,778	694,254	4,802,032	3,076,025
Insurance claims	-	-	-	2,286,068
Depreciation	2,670,887	424,820	3,095,707	1,480,937
Total operating expenses	<u>33,882,114</u>	<u>1,677,250</u>	<u>35,559,364</u>	<u>8,286,082</u>
Operating (loss)	<u>8,424,893</u>	<u>1,261,563</u>	<u>9,686,456</u>	<u>(1,523,970)</u>
NON-OPERATING REVENUES (EXPENSES)				
Interest income	709,739	21,104	730,843	327,354
Other non-operating revenues	279,351	-	279,351	-
Interest expense	(32,377)	-	(32,377)	(31,648)
Total non-operating revenues	<u>956,713</u>	<u>21,104</u>	<u>977,817</u>	<u>295,706</u>
Income /(loss) before transfers	<u>9,381,606</u>	<u>1,282,667</u>	<u>10,664,273</u>	<u>(1,228,264)</u>
TRANSFERS				
Transfers in	624,179	354,546	978,725	238,644
Transfers out	(8,867,570)	(1,301,146)	(10,168,716)	(103,789)
Total net transfers	<u>(8,243,391)</u>	<u>(946,600)</u>	<u>(9,189,991)</u>	<u>134,855</u>
Change in net position	<u>1,138,215</u>	<u>336,067</u>	<u>1,474,282</u>	<u>(1,093,409)</u>
Net position, beginning	<u>68,198,937</u>	<u>8,872,222</u>	<u>77,071,159</u>	<u>5,766,858</u>
Net position, ending	<u>\$ 69,337,152</u>	<u>\$ 9,208,289</u>	<u>\$ 78,545,441</u>	<u>\$ 4,673,449</u>

See notes to basic financials statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	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	41,357,923	2,938,813	44,296,736	-
Cash receipts from other funds for premiums and charges for services	-	-	-	6,200,051
Other cash receipts	949,084	-	949,084	562,061
Payments to employees	(5,385,547)	(558,176)	(5,943,723)	(1,443,052)
Payments for wholesale water & sewer	(21,717,902)	-	(21,717,902)	-
Payments to suppliers	(5,616,981)	(809,078)	(6,426,059)	(2,694,410)
Payments for claims	-	-	-	(1,236,048)
Payments for interfund services	(3,152,836)	(23,510)	(3,176,346)	-
Net cash (used in) provided by operating activities	<u>6,433,741</u>	<u>1,548,049</u>	<u>7,981,790</u>	<u>1,388,602</u>
CASH FLOWS FROM NON-FINANCING ACTIVITIES				
Grants and other revenues	279,351	-	279,351	238,644
Transfers in	624,179	354,546	978,725	-
Transfers out	(8,867,570)	(1,301,146)	(10,168,716)	(103,789)
Net cash provided by (used in) non-financing activities	<u>(7,964,040)</u>	<u>(946,600)</u>	<u>(8,910,640)</u>	<u>134,855</u>
CASH FLOWS FROM LEASE AND RELATED FINANCING ACTIVITIES				
Proceeds from loan	-	-	-	-
Principal paid on bonds, notes and leases	(301,633)	-	(301,633)	(1,112,618)
Interest paid on bonds, notes and leases	(32,377)	-	(32,377)	(31,648)
Acquisition and construction of capital assets	(3,786,149)	(98,353)	(3,884,502)	(470,796)
Net cash used in lease and related financing activities	<u>(4,120,159)</u>	<u>(98,353)</u>	<u>(4,218,512)</u>	<u>(1,615,062)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(615,167)	-	(615,167)	(327,354)
Interest earnings	709,739	-	709,739	327,354
Net cash used in investing activities	<u>94,572</u>	<u>-</u>	<u>94,572</u>	<u>-</u>
Net (decrease) increase in pooled cash and cash equivalents	(5,555,886)	503,096	(5,052,790)	(91,605)
Pooled cash and cash equivalents, beginning	7,978,465	767,486	8,745,951	3,643,643
Pooled cash and cash equivalents, ending	<u>\$ 2,422,579</u>	<u>\$ 1,270,582</u>	<u>\$ 3,693,161</u>	<u>\$ 3,552,038</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES:				
Operating (loss)	\$ 8,424,893	\$ 1,261,563	\$ 9,686,456	\$ (1,523,970)
Adjustments to reconcile operating income (loss) to net cash (used in) provided by operating activities:				
Depreciation expense	2,670,887	424,820	3,095,707	1,480,937
Changes in assets and liabilities, deferred inflows and outflows of resources:				
(Increase) decrease in accounts receivable	(6,141,558)	(271,271)	(6,412,829)	(18,216)
(Increase) decrease in grants receivable from other governments	228,630	-	228,630	(859)
(Increase) decrease in inventories and supplies	(6,892)	-	(6,892)	24,767
(Increase) decrease in prepaids and deposits	-	-	-	10,719
(Increase) decrease in net pension asset	(67,567)	(37,952)	(105,519)	(32,528)
(Increase) decrease in deferred outflows of resources	1,015,485	158,121	1,173,606	428,078
Increase (decrease) in vouchers payable	1,068,453	41,462	1,109,915	88,998
Increase (decrease) in constructions contracts payable	(192,743)	-	(192,743)	-
Increase (decrease) in accrued payroll and benefits	41,873	3,128	45,001	4,639
Increase (decrease) in deposits and performance bonds	261,297	-	261,297	-
Increase (decrease) in compensated absences	56,158	(1,934)	54,224	79,966
Increase (decrease) in claims payable	-	-	-	1,001,673
Increase (decrease) in other post-employment benefits obligation	(121,691)	(2,899)	(124,590)	2,468
Increase (decrease) in net pension liability	100,087	123,308	223,395	78,835
Increase (decrease) in deferred inflows of resources	(903,571)	(150,297)	(1,053,868)	(236,905)
Net cash (used in) provided by operating activities	<u>\$ 6,433,741</u>	<u>\$ 1,548,049</u>	<u>\$ 7,981,790</u>	<u>\$ 1,388,602</u>
Non-cash investing, capital and financing activities:				
Construction contracts payable	242,833	-	242,833	2,023
Total non-cash investing, lease and financing activities	<u>\$ 242,833</u>	<u>\$ -</u>	<u>\$ 242,833</u>	<u>\$ 2,023</u>

See notes to basic financials statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF FIDUCIARY FUNDS NET POSITION
SEPTEMBER 30, 2024

	Pension Trust Funds
	<hr/>
ASSETS	
Cash	\$ 235,775
Investments:	
Short-term investments	6,004,822
U.S. treasuries	14,311,771
U.S. agency obligations	19,969,121
Corporate bonds	3,332,141
Equity mutual funds	36,616,191
Common stock and mutual funds	72,633,669
Real estate funds	40,094,424
Bond index fund	27,535,394
Index funds (collective investment trust funds)	73,515,522
Total investments	<hr/> 294,013,055 <hr/>
Receivables:	
Plan members' contributions	16,519
Due from participants	13,589
CNM Share Plan	57,451
Receivable from broker on investments sold	261,185
Accrued interest	215,776
Accrued dividends	63,318
Total receivables	<hr/> 640,959 <hr/>
Total assets	<hr/> 294,889,789 <hr/>
LIABILITIES	
Accounts payable	80,323
Payable to broker for investments purchased	314,717
Benefits payable	6,753
Total liabilities	<hr/> 401,793 <hr/>
NET POSITION	
Net position restricted for pension benefits	<hr/> \$ 294,487,996 <hr/>

See notes to basic financials statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY FUNDS NET POSITION
FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Pension Trust Funds
ADDITIONS	
Contributions:	
Employer	\$ 6,354,681
Plan members	1,573,492
County	<u>89,408</u>
Total contributions	<u>8,017,581</u>
Investment income:	
Net increase (decrease) in fair value of investments	41,845,483
Interest	2,224,400
Dividends	<u>4,567,287</u>
Gross investment income	48,637,170
Less investment expenses	<u>(899,114)</u>
Net investment income	<u>47,738,056</u>
Total additions	<u>55,755,637</u>
DEDUCTIONS	
Benefits paid directly to Plan members:	
Normal retirement (pension benefits)	14,679,931
Lump sum retirement	<u>1,197,918</u>
Total benefits paid	15,877,849
Administrative expenses	<u>1,137,990</u>
Total deductions	<u>17,015,839</u>
Increase in net position	38,739,798
Net position restricted for pension benefits, beginning	<u>255,748,198</u>
Net position restricted for pension benefits, ending	<u><u>\$ 294,487,996</u></u>

See notes to basic financials statements.



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Notes to Basic Financial Statements



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CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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 which 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 identification of entities for which the City is financially accountable or organizations that 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, 2024.

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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 the majority of 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 organization 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 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 provide funding for an emergency utilities assistance program - NOMI Water Bill Assistance Program (the "Program") and to solicit and accept contributions from the general 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 founding board of seven members was

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 general 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.

B. Government-wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities report information on all of 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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 ***Community Development Block Grant (C.D.B.G.) Entitlement Fund*** accounts for grant-related revenues and expenditures for housing rehabilitation programs.

The ***Landfill Closure Fund*** accounts for the costs of remediation and closure of the former Munisport landfill site and revenues generated from interest earned on the restricted cash balances.

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 ***American Rescue Plan Act Fund*** accounts for federal funding provided to assist with Covid-19/post-pandemic related costs and lost revenues recovery.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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:

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 Plan and Police Pension Plan) 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.

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 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*.

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 change 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*.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

As a general rule, 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.

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 investments 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, with the exception of 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 upon equity balances of the

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

respective funds. The average interest rate earned on investments was approximately 10.57% for fiscal year 2024.

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 which 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 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.

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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 on a daily basis.

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 the 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).

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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:

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

6. Use of Estimates

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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Deferred Outflows/Inflows of Resources and Unearned Revenues

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) in this category:

- 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

The following schedule summarizes the City's deferred outflows/inflows of resources and unearned revenues as of fiscal year end:

<u><i>Governmental Activities</i></u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Unearned Revenues</u>
Grant funds received in advance	\$ -	\$ -	\$ 456,627
Deposits and other funds received in advance	-	-	3,816,405
Rent received in advance	-	-	9,429,270
OPEB	1,038,385	3,666,455	-
Pensions	25,318,770	2,273,861	-
Lease related	-	4,318,583	-
Other	-	27,582	-
Total governmental activities	<u>\$ 26,357,155</u>	<u>\$ 10,286,481</u>	<u>\$ 13,702,302</u>
<u><i>Business-type Activities</i></u>			
OPEB	\$ 142,623	\$ 561,714	
Pensions	<u>3,226,462</u>	<u>2,063,818</u>	
Total business-type activities	<u>\$ 3,369,085</u>	<u>\$ 2,625,532</u>	

8. 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 employees upon separation from City service. All vacation and 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.

9. 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

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 8 for further information.

10. 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.

11. 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.

12. Net Position and Fund Balance

Net Position - This 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

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Other restricted net position of \$32,383,171 is for the following purposes:

Pension obligation bond	\$ 160,167
Restricted cash	\$14,167,112
Landfill (cash)	\$ 5,617,101
Landfill closure liability	<u>\$12,438,791</u>
Total	<u>\$32,383,171</u>

Unrestricted – This category of net position consists of all net position that does 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:

Nonspendable 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 balances are for the following purposes:

Landfill closure \$5,617,101; housing and other community development \$560,844; public safety projects \$254,132; City transportation programs \$5,049,005; capital projects \$55,471,904; impact fees \$4,040,839; other purposes \$18,266,728.

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

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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. Accordingly, in addition to the General Fund positive unassigned fund balance of \$13,765,822, the nonmajor governmental funds reported a total negative unassigned fund balance of (\$1,499,089).

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) 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 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. Lease activity is included in Note 6.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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

Property taxes are levied on November 1st of each year, at which time taxes become an enforceable lien on property assessed as of the previous January 1st. Tax bills are payable upon receipt with discounts at the rate of 4% if paid in November, decreasing by 1% per month with no discount available in the month of March of the following year. Taxpayers also have the option of paying their taxes in advance in equal quarterly payments based on the prior year's tax assessment with quarterly discounts varying between 2% and 6%. All unpaid taxes on real and personal property become delinquent on April 1st and attract annual interest at 18% until a tax sale certificate is sold at auction. Miami-Dade County bills and collects all property taxes for the City and sells tax certificates for delinquent taxes. The total taxable value of property, as established by the Miami-Dade County Property Appraiser, at July 1, 2023, upon which the 2024 budget was based, was approximately \$5.8 billion. The City is permitted by Article 7, Section 9 of the Florida Constitution to levy taxes up to \$10 per \$1,000 of assessed value for general governmental services other than the payment of principal and interest on general obligation long-term debt. For the year ended September 30, 2024, the tax rate to finance General Fund operations was 7.4000 mills per \$1,000 of assessed value. Property taxes receivable representing collections within 60 days subsequent to September 30, for billings through the fiscal year then ended, amounted to approximately \$390,539 for the General Fund.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Impact of Recently Issued Governmental Standards

New Governmental Accounting Standards Implemented During Year Ended September 30, 2024

The City implemented the following Governmental Accounting Standards Board (GASB) Statements during the fiscal year ended September 30, 2024:

- **GASB Statement No. 99, *Omnibus 2022*** was issued in April 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The Statement was implemented for the current fiscal year without any impact for the City.
- **GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*** was issued in June 2022. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Statement was implemented for the current fiscal year which resulted in disclosure for a change within the financial reporting entity – see NOTE 15.
- **GASB Statement No. 101, *Compensated Absences***, was issued in June 2022, and effective for years beginning after December 15, 2023. The objective of this Statement is to update the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The updated Statement was implemented early for the current fiscal year with minor modification to the note disclosure for the City.
- **GASB Statement No. 102, *Certain Risk Disclosures***, was issue 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. However, the requirements of this Statement will be monitored for any future disclosures required.
- **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 requirements of this Statement will be monitored for any future disclosures required.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **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 requirements of this Statement will be monitored for any future disclosures required.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits – 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, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution, eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized under Florida Statutes Chapter 280 or the FDIC.

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 PRIME is a money market funds 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

As of September 30, 2024, the City's deposit and investment balances, including balances for the City's blended component unit, were as follows:

<u>Investment Type</u>	<u>Balance</u>	<u>Percentage of Investments</u>
Pooled Cash and Investments:		
SBA (State Investment Pool):		
Florida PRIME	\$ 7,565,136	25%
Certificates of deposit:		
Florida Palm	21,298,095	70%
First Horizon	<u>1,500,000</u>	5%
Total certificates of deposit	<u>22,798,095</u>	
Total investments	30,363,231	100%
Pooled cash	<u>38,397,526</u>	
Total pooled cash and investments	<u>68,760,757</u>	
Non-Pooled Cash:		
North Miami CRA	61,200,331	
Impact Fees Fund (restricted portion)	1,550,011	
Cash in escrow	7,000,000	
Landfill	5,617,101	
Miscellaneous cash	<u>82,751</u>	
Total non-pooled cash	<u>75,450,194</u>	
Total pooled cash and investments, and non-pooled cash	<u>\$ 144,210,951</u>	

The City's investments are categorized as follows according to the GASB 72 fair level hierarchy:

		Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
	<u>9/30/2024</u>		
Investments by fair value level			
Certificates of Deposit:			
Florida Palm	\$ 21,298,095	-	\$ 21,298,095
First Horizon	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>
Total Investments by Fair Value	<u>\$ 22,798,095</u>	<u>\$ 1,500,000</u>	<u>\$ 21,298,095</u>

Investments in the SBA totaling \$7,565,136 and in the Florida Palm totaling \$21,298,095 are recorded at amortized cost.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

Interest Rate Risk

The City has an investment policy that limits the maturities on individual investments to no more than five years. The investments at September 30, 2024, 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. The City's investments of \$22,798, 095 in certificate of deposit are not rated.

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 issuers 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 deposits. 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 and Pension Plan 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 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").

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

As of September 30, 2024, the City's Pension Trust Funds had the following combined investments:

Combined Investments - CTS Retirement System and NMPP Plan					
Investment Type	Investment Maturities (In Years)				
	Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	10 or More Years
U.S. Treasuries	\$ 14,311,771	\$ -	\$ 7,085,205	\$ 7,226,566	\$ -
U.S. Agency Obligations	19,969,121	-	-	-	19,969,121
Corporate bonds	3,332,141	-	252,698	3,079,443	-
Bond index funds	1,640,267	-	-	1,640,267	-
Total	<u>\$ 39,253,300</u>	<u>\$ -</u>	<u>\$ 7,337,903</u>	<u>\$ 11,946,276</u>	<u>\$ 19,969,121</u>

Clair T. Singerman (CTS) Retirement System

All investments made or held by the CTS Retirement System shall be limited to the following as per the CTS Retirement System's investment policy:

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 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.

Investment Maturity

Neither State law, nor the CTS Retirement System investment policy limit maturity term on fixed income holdings.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

As of September 30, 2024, the following table shows the distribution of the CTS Retirement System's investments by maturity:

Investment Type	Investments - CTS Retirement System				
	Investment Maturities (In Years)				
	Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	10 or More Years
U.S. Treasuries	\$ 7,735,232	\$ -	\$ 3,890,876	\$ 3,844,356	\$ -
U.S. Agency Obligations	10,460,714	-	-	-	10,460,714
Corporate bonds	1,691,874	-	252,698	1,439,176	-
Total	<u>\$ 19,887,820</u>	<u>\$ -</u>	<u>\$ 4,143,574</u>	<u>\$ 5,283,532</u>	<u>\$ 10,460,714</u>

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 Retirement System does 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, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 9.57%. 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 on a monthly basis.

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 Retirement System's investment policy utilizes 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 Plan's investment policy limits fixed income investments to a rating no lower than Standard & Poor's BBB to Moody's Baa. The Plan's corporate bonds and agency bonds were all rated "A" or

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

better under Standard & Poor's ratings and at least "A" under Moody's ratings. The Plan's mutual bond fund investments were rated an average of "A" under both Standard & Poor's and Moody's.

Concentration of Credit Risk

The CTS Retirement System's investment policy stipulates that not more than 5% of its assets can be invested in the common stock of anyone issuing company nor can the aggregate investment in anyone issuing company exceed 5% of the outstanding capital stock of any company. As of September 30, 2024, the value of each position held by the Plan portfolio comprised less than 5% of 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 Retirement System does 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 Retirement System will not be able to recover the value of its investments or collateral securities that are held by the counterparty. The CTS Retirement System has 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 Retirement System are designated as assets of the CTS Retirement System in the Retirement System's name and are held in safekeeping by the CTS Retirement System's custodial bank or a third-party custodial institution.

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 Retirement System investments. Level 1 and 2 prices are obtained from various pricing sources by the CTS Retirement System's custodian bank:

- Money market funds are reported at amortized cost.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

- 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.
- The Plan has 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 compliance with each partnership's valuation policies. The Plan 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.

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CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

CTS Retirement System investments are categorized as follows according to the GASB 72 fair value hierarchy as of September 30, 2024:

		CTS Retirement System	
		Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
	9/30/2024		
Investments by Fair Value Level			
Debt securities:			
U.S. Treasury	\$ 7,735,232	\$ 7,735,232	\$ -
U.S. Agencies	10,460,714	-	10,460,714
Corporate bonds	1,691,874	-	1,691,874
Total Debt Securities	19,887,820	7,735,232	12,152,588
Equity securities:			
Common stock	43,221,818	43,221,818	-
Equity mutual fund	21,097,934	21,097,934	-
Total Equity Securities	64,319,752	64,319,752	-
Total Investments by Fair Value	\$ 84,207,572	\$ 72,054,984	\$ 12,152,588
Investments Measured at Net Asset Value (NAV)*			
Real estate funds	\$ 23,347,426		
Collective investment trust funds:			
Bond index fund	20,033,438		
Equity securities index fund	44,738,175		
Total investments measured at NAV	88,119,039		
Money market funds (exempt)	3,955,047		
Total Investments	\$ 176,281,658		

* 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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	\$ 23,347,426	\$ -	Daily	10 - 90
Collective investment trust funds:				
Bond index fund ²	20,033,438	-	Daily	1
Equity securities index fund ²	44,738,175	-	Daily	1
Total investments measured at NAV	<u>\$ 88,119,039</u>	<u>\$ -</u>		

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.

North Miami Police Pension Plan

All investments made or held by the North Miami Police Pension (“NMPP”) Plan shall be limited to the following as per the NMPP Plan’s investment policy:

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 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

8. Domestic commercial real estate property holdings.

Investment Maturity

Neither state law nor the NMPP Plan investment policy limits maturity term on fixed income holdings. As of September 30, 2024, the following table shows the distribution of the NMPP Plan's investments, by maturity:

Investment Type	Investments - NMPP Plan				
	Investment Maturities (In Years)				
	Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	10 or More Years
U.S. Treasuries	\$ 6,576,539	\$ -	\$ 3,194,329	\$ 3,382,210	\$ -
U.S. Agency Obligations	9,508,407	-	-	-	9,508,407
Corporate bonds	1,640,267	-	-	1,640,267	-
Total	<u>\$ 17,725,213</u>	<u>\$ -</u>	<u>\$ 3,194,329</u>	<u>\$ 5,022,477</u>	<u>\$ 9,508,407</u>

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 NMPP Plan does 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, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 7.33%. 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 on a monthly basis.

Credit Risk

State law and the Plan's investment policy limits investments in bonds, stocks, or other evidences 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 Plan's investment policy limits fixed income investments to a rating no lower than Standard & Poor's BBB to Moody's BAA. The Plan's 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 Plan's mutual bond fund investments were rated an average of "A" under both Standard & Poor's and Moody's.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

Concentration of Credit Risk

The NMPP Plan's investment policy stipulates that not more than 5% of Plan assets can be invested in the common stock of anyone issuing company nor can the aggregate investment in anyone issuing company exceed 5% of the outstanding capital stock of any company. As of September 30, 2024, the value of each position held by the NMPP Plan portfolio comprised less than 5% of fiduciary net position and less than 5% of the value of the outstanding capital stock of the respective company. GASB 40 requires disclosure when the percentage is 5% or more in any one issuer. The plan does 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 NMPP Plan will not be able to recover the value of its investments or collateral securities that are held by the counterparty. The Plan has 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 NMPP Plan are designated as assets of the NMPP Plan in the Plan's name and are held in safekeeping by the NMPP Plan's custodial bank or a third-party custodial institution.

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 techniques for the Plan's investments. Level 1 and 2 prices are obtained from various pricing sources by the Plan's 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

- 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.
- The Plan has investments in alternative assets consisting of real estate funds and collective investment trust funds 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 compliance with each partnership's valuation policies.

The fair value of collective investment trusts are determined by the 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.

Plan investments are categorized as follows according to the GASB 72 fair value hierarchy as of September 30, 2024:

		NMPP Plan	
		Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by Fair Value Level	9/30/2024		
Debt securities:			
U.S. Treasury	\$ 6,576,539	\$ 6,576,539	\$ -
U.S. Agencies	9,508,407	-	9,508,407
Corporate bonds	1,640,267	-	1,640,267
Total Debt Securities	17,725,213	6,576,539	11,148,674
Equity securities:			
Common stock	29,411,851	29,411,851	-
Equity mutual fund	15,518,257	15,518,257	-
Total Equity Securities	44,930,108	44,930,108	-
Total Investments by Fair Value	62,655,321	\$ 51,506,647	\$ 11,148,674
Investments Measured at Net Asset Value (NAV)*			
Real estate funds	\$ 16,746,998		
Collective investment trust fund:			
Bond index fund	7,501,956		
Equity securities index funds	28,777,347		
Total investments measured at NAV	53,026,301		
Money market funds (exempt)	2,049,775		
Total Investments	\$ 117,731,397		

* 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

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

North Miami Police Pension				
Investments Measured at NAV	Net Asset Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period (Day)
Real estate funds ¹	\$ 16,746,998	\$ -	Daily	10 - 90
Collective investment trust fund				
Bond index fund ²	7,501,956	-	Daily	1
Equity securities ²	28,777,347	-	Daily	1
Total investments measured at NAV	<u>\$ 53,026,301</u>	<u>\$ -</u>		

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 income and the potential for market appreciation. The fund invests primarily in core institutional quality industrial 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 real estate fund held by the plan 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 returns of their respective benchmark index. Each are 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, 2024, for the City's individual major funds and nonmajor funds, in the aggregate, net of the allowances for uncollectable accounts, are as follows:

	General	CDBG Entitlement	CRA	Nonmajor Governmental	Water and Sewer	Stormwater	Internal Service Funds	Total
Receivables:								
Customer accounts	\$ 3,159,357	\$ -	\$ -	\$ -	\$ 28,625,967	\$ 1,822,814	\$ -	\$ 33,608,138
Due from component unit	5,000,000	-	-	-	-	-	-	5,000,000
Other - liens interest	3,692,723	-	-	-	474,287	-	-	4,167,010
Miscellaneous - receivable	1,520,688	-	11,150	3,903	-	-	18,216	1,553,957
Intergovernmental	2,246,236	266,032	-	1,626,699	-	-	11,904	4,150,871
Gross receivables	15,619,004	266,032	11,150	1,630,602	29,100,254	1,822,814	30,120	48,479,976
Less allowance for uncollectables	(4,424,514)	-	-	-	(4,029,868)	(244,552)	-	(8,698,934)
Total net receivables	<u>\$ 11,194,490</u>	<u>\$ 266,032</u>	<u>\$ 11,150</u>	<u>\$ 1,630,602</u>	<u>\$ 25,070,386</u>	<u>\$ 1,578,262</u>	<u>\$ 30,120</u>	<u>\$ 39,781,042</u>

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 3. RECEIVABLES (Continued)

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 September 30:	Note 1		Note 2		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	801,684	65,430	815,686	57,098	1,617,370	122,528
2026	934,714	32,715	815,686	28,549	1,750,400	61,264
Total	<u>\$ 1,736,398</u>	<u>\$ 98,145</u>	<u>\$ 1,631,372</u>	<u>\$ 85,647</u>	<u>\$ 3,367,770</u>	<u>\$ 183,792</u>

Mortgage Loans Receivable - Housing Urban Development (HUD)

The City provides subsidy assistance to certain qualified residents of the City through the Home Purchase Subsidy Assistance Program in accordance with HUD guidelines. The Program was designed to assist in the acquisition and/or rehabilitation of qualified primary residences, for an amount not to exceed \$50,000 per participant. Each subsidy is secured by a mortgage on the property, which is required to be paid back in the event of a default. The amount outstanding at September 30, 2024, totaled \$254,218. The loans are forgivable ratably over a ten-year period and therefore allowances have been made as of fiscal year end.

NOTE 4. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Due to/from and advances to/from other funds consisted of the following balances at September 30, 2024:

Funds	Interfund	
	Receivable	Payable
General Fund	<u>\$ 8,015,263</u>	<u>\$ -</u>
C.D.B.G. Entitlement Fund	-	39,222
CRA	-	5,000,000
Non-major Funds:		
ARPA	-	1,495,775
Justice Assistance Grants	-	183,293
FEMA Disaster Recovery	-	237,004
North Miami Cagni Park Project	-	1,059,969
Total Non-major Funds	<u>-</u>	<u>8,015,263</u>
Total	<u>\$ 8,015,263</u>	<u>\$ 8,015,263</u>

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

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 for the year ended September 30, 2024, consisted of the following:

Transfers out		Transfers in							
Funds	Total	Major Funds		Non-major Funds		Enterprise Funds			Total
		General Fund	C.D.B.G.	Half-Cent Transportation Surtax	Debt Service Fund	Water and Sewer	Stormwater	Internal Service Funds	
General	\$ 1,460,540	\$ -	\$ 18,161	\$ -	\$ 1,442,379	\$ -	\$ -	\$ -	\$ 1,460,540
American Rescue Plan Act	5,053,515	2,988,718	-	902,428	-	569,179	354,546	238,644	5,053,515
Developer Impact Fees	118,553	118,553	-	-	-	-	-	-	118,553
Building	1,887,474	1,781,016	-	-	51,458	55,000	-	-	1,887,474
	<u>8,520,082</u>	<u>4,888,287</u>	<u>18,161</u>	<u>902,428</u>	<u>1,493,837</u>	<u>624,179</u>	<u>354,546</u>	<u>238,644</u>	<u>8,520,082</u>
Water and sewer	8,867,570	8,652,774	-	-	214,796	-	-	-	8,867,570
Stormwater utility	1,301,146	1,275,577	-	-	25,569	-	-	-	1,301,146
	<u>10,168,716</u>	<u>9,928,351</u>	<u>-</u>	<u>-</u>	<u>240,365</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,168,716</u>
Internal services	<u>103,789</u>	<u>50,616</u>	<u>-</u>	<u>-</u>	<u>53,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,789</u>
Total	\$ 18,792,587	\$ 14,867,254	\$ 18,161	\$ 902,428	\$ 1,787,375	\$ 624,179	\$ 354,546	\$ 238,644	\$ 18,792,587

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 nonmajor 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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CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 5. CAPITAL ASSETS

Capital assets activities for the year ended September 30, 2024, are as follows:

	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 16,240,995	\$ -	\$ (230,516)	\$ -	\$ 16,010,479
Land - right-to-use	1,268,967	-	-	-	1,268,967
Construction in progress	2,418,209	2,965,715	-	(1,889,407)	3,494,517
Total capital assets, not being depreciated	<u>19,928,171</u>	<u>2,965,715</u>	<u>(230,516)</u>	<u>(1,889,407)</u>	<u>20,773,963</u>
Capital assets, being depreciated:					
Land improvements	19,496,007	-	(44,143)	-	19,451,864
Building and improvements	26,156,203	12,007,315	-	-	38,163,518
Buildings - right-to-use	16,847,815	-	(14,550,940)	-	2,296,875
Infrastructure	65,273,013	35,875	-	1,889,407	67,198,295
Machinery and equipment	20,268,317	1,004,449	-	-	21,272,766
Equipment - right-to-use	97,954	-	-	-	97,954
Library Books	2,484,064	25,386	-	-	2,509,450
Total capital assets, being depreciated	<u>150,623,373</u>	<u>13,073,025</u>	<u>(14,595,083)</u>	<u>1,889,407</u>	<u>150,990,722</u>
Less accumulated depreciation for:					-
Land improvements	(15,373,990)	(222,789)	32,888	-	(15,563,891)
Building and improvements	(13,055,015)	(887,515)	-	-	(13,942,530)
Buildings - right-to-use	(1,990,635)	(49,482)	1,696,132	-	(343,985)
Infrastructure	(34,843,834)	(1,038,264)	-	-	(35,882,098)
Machinery and equipment	(14,143,937)	(1,892,731)	-	-	(16,036,668)
Equipment - right-to-use	(74,683)	(1,101)	-	-	(75,784)
Library Books	(2,410,621)	(33,144)	-	-	(2,443,765)
Total accumulated depreciation	<u>(81,892,715)</u>	<u>(4,125,026)</u>	<u>1,729,020</u>	<u>-</u>	<u>(84,288,721)</u>
Total capital assets, being depreciated, net	<u>68,730,658</u>	<u>8,947,999</u>	<u>(12,866,063)</u>	<u>1,889,407</u>	<u>66,702,001</u>
Governmental activities capital assets, net	<u><u>\$ 88,658,829</u></u>	<u><u>\$ 11,913,714</u></u>	<u><u>\$ (13,096,579)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 87,475,964</u></u>

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 5. CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 653,080	\$ -	\$ -	\$ -	\$ 653,080
Construction in progress	8,336,315	2,720,036	-	(4,791,636)	6,264,715
Total capital assets, not being depreciated	<u>8,989,395</u>	<u>2,720,036</u>	<u>-</u>	<u>(4,791,636)</u>	<u>6,917,795</u>
Capital assets, being depreciated:					
Land improvements	1,249,069	-	-	-	1,249,069
Building and improvements	2,522,999	26,279	-	-	2,549,278
Infrastructure	95,301,390	714,894	-	4,791,636	100,807,920
Machinery and equipment	7,848,376	423,293	-	-	8,271,669
Equipment - right-to-use	7,969	-	-	-	7,969
Total capital assets, being depreciated	<u>106,929,803</u>	<u>1,164,466</u>	<u>-</u>	<u>4,791,636</u>	<u>112,885,905</u>
					-
Less accumulated depreciation for:					-
Land improvements	(143,787)	(548)	-	-	(144,335)
Building and improvements	(1,267,692)	(71,704)	-	-	(1,339,396)
Infrastructure	(52,939,512)	(2,779,870)	-	-	(55,719,382)
Machinery and equipment	(5,576,564)	(243,585)	-	-	(5,820,149)
Equipment - right-to-use	(5,600)	-	-	-	(5,600)
Total accumulated depreciation	<u>(59,933,155)</u>	<u>(3,095,707)</u>	<u>-</u>	<u>-</u>	<u>(63,028,862)</u>
					-
Total capital assets, being depreciated, net	<u>46,996,648</u>	<u>(1,931,241)</u>	<u>-</u>	<u>4,791,636</u>	<u>49,857,043</u>
Business-type activities capital assets, net	<u>\$ 55,986,043</u>	<u>\$ 788,795</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,774,838</u>

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

Governmental activities:

General government	\$ 1,064,292
Public safety	195,885
Transportation and public works	663,971
Housing & Social Services	124,752
Culture and recreation	<u>595,189</u>
Subtotal	2,644,089
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of assets	<u>1,480,937</u>
Total depreciation expense – governmental activities	<u>\$ 4,125,026</u>

Business-type activities:

Water and sewer	\$ 2,732,928
Stormwater	<u>362,779</u>
Total depreciation expense – business-type activities	<u>\$ 3,095,707</u>

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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, 2024:

	<u>Beginning Balance</u>	<u>Additions (1)</u>	<u>Reductions (1)</u>	<u>Ending Balance (1)</u>	<u>Due Within One Year</u>
Governmental Activities					
Debt payable:					
Pension obligation note-Series 2010	\$ 8,455,000	\$ -	\$ (1,175,000)	\$ 7,280,000	\$ 1,260,000
Unamortized bond discount	(216,307)	-	49,823	(166,484)	-
Redevelopment Revenue Bond, Series 2024 (CRA)	-	50,000,000	-	50,000,000	1,615,000
Unamortized bond premium - CRA	-	2,236,769	-	2,236,769	-
Right-to-use lease obligation	15,113,735	-	(12,938,321)	2,175,414	313,836
Lease obligation	2,711,234	-	(1,232,323)	1,478,911	898,043
Total debt payable	<u>26,063,662</u>	<u>52,236,769</u>	<u>(15,295,821)</u>	<u>63,004,610</u>	<u>4,086,879</u>
Other liabilities:					
Compensated absences	9,520,620	2,465,139	(1,939,574)	10,046,185	3,110,444
Landfill closure	8,441,463	3,997,328	-	12,438,791	-
Total OPEB liability	10,053,673	67,736	-	10,121,409	454,389
Net pension liability - NMPP	35,580,927	-	(924,389)	34,656,538	-
Net pension liability - FRS and HIS	17,670,432	1,909,069	-	19,579,501	-
Claims payable (risk)	3,760,892	2,286,068	(1,284,394)	4,762,566	-
Claims payable (other)	435,864	-	-	435,864	-
Total other liabilities	<u>85,463,871</u>	<u>10,725,340</u>	<u>(4,148,357)</u>	<u>92,040,854</u>	<u>3,564,833</u>
Governmental activities - long-term liabilities	<u>\$ 111,527,533</u>	<u>\$ 62,962,109</u>	<u>\$ (19,444,178)</u>	<u>\$ 155,045,464</u>	<u>\$ 7,651,712</u>

(1) Individual line items may differ from other supporting schedules/statements by \$1 or \$2 due to rounding.

For governmental activities, compensated absences, net pension liabilities and other post-employment benefit liabilities are generally liquidated by the General Fund. Internal Service Funds predominately 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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 follows:

Fiscal years ending September 30:	Principal	Interest	Total
2025	\$ 1,260,000	\$ 527,800	\$ 1,787,800
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	<u>\$ 7,280,000</u>	<u>\$ 1,656,988</u>	<u>\$ 8,936,988</u>

Redevelopment Revenue Bond, Series 2024 (CRA)

On May 30, 2024, the North Miami Community Redevelopment Agency (“the Agency”) a component unit of the City, issued a Redevelopment Revenue Bond, Series 2024, with a Par amount of \$50,000,000 and premium of \$2,236,769.10 for a total of \$52,236,769.10, to finance the costs of certain capital improvements 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6. LONG-TERM LIABILITIES (Continued)

- Authorizing Acts. The Bonds shall be issued under the authority of the Community Redevelopment 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 follows:

Fiscal years ending September 30:	Principal	Interest	Total
2025	\$ 1,615,000	\$ 2,459,625	\$ 4,074,625
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
2030-2034	11,500,000	8,881,000	20,381,000
2035-2039	14,760,000	5,615,000	20,375,000
2040-2043	14,785,000	1,524,375	16,309,375
Total	\$ 50,000,000	\$ 27,446,000	\$ 77,446,000

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, 2024:

	Beginning Balance	Additions (1)	Reductions (1)	Ending Balance (1)	Due Within One Year
Business-type Activities					
Debt payable:					
State revolving fund loans - direct borrowings	4,476,846	-	(300,077)	4,176,769	301,650
Right-to-use lease obligation	3,417	-	(1,556)	1,861	1,828
Total debt payable	4,480,263	-	(301,633)	4,178,630	303,478
Other liabilities:					
Compensated absences	1,192,628	369,798	(315,575)	1,246,851	335,959
Total OPEB liability	1,567,494	10,586	-	1,578,080	73,970
Net pension liability - NMPP	2,884,128	-	(47,512)	2,836,616	-
Net pension liability - FRS and HIS	2,005,390	126,364	-	2,131,754	-
Total other liabilities	7,649,640	506,748	(363,087)	7,793,301	409,929
Business-type activities - long-term liabilities	\$ 12,129,903	\$ 506,748	\$ (664,720)	\$ 11,971,931	\$ 713,407

(1) Individual line items may differ from other supporting schedules/statements by \$1 or \$2 due to rounding.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6. LONG-TERM LIABILITIES (Continued)

Loans Payable

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 as follows subsequent to 2012:

- First amendment – August 4, 2014, to increase the loan amount to \$3,485,499.
- Second amendment – November 10, 2014, to reduce the loan amount to \$3,127,093.
- Third amendment – February 13, 2017, 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, 2024, the total loan amount outstanding was \$1,845,688.

The loan agreement also includes the following additional information:

- Annual certification indicating that pledged revenue collections satisfy the rate coverage requirement; monthly escrow or loan debt service account is being maintained for the repayment of the loan; insurance which 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6. LONG-TERM LIABILITIES (Continued)

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 provide assistance for the City’s water treatment filters rehabilitation project. As of September 30, 2024, the total loan amount outstanding was \$2,331,081.

The loan agreement also includes the following additional information:

- Annual certification indicating that pledged revenue collections satisfy the rate coverage requirement; monthly escrow or loan debt service account is being maintained for the repayment of the loan, insurance which 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.

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CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6. LONG-TERM LIABILITIES (Continued)

Summary Debt Service Requirements to Maturity

Principal and interest are payable through 2040:

	Loan - WW131810			Loan - DW131831			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
Fiscal year ending September 30:									
2025	\$ 150,371	\$ 16,584	\$ 166,955	\$ 151,279	\$ 14,220	\$ 165,499	\$ 301,650	\$ 30,804	\$ 332,454
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 - 2034	800,146	34,627	834,773	789,370	38,122	827,492	1,589,516	72,749	1,662,265
2035 - 2039	280,184	3,713	283,897	776,018	6,489	782,507	1,056,202	10,202	1,066,404
Total	\$ 1,845,688	\$ 107,756	\$ 1,953,444	\$ 2,331,081	\$ 106,411	\$ 2,437,492	\$ 4,176,769	\$ 214,167	\$ 4,390,936

Lease Obligations

Lease Payable – The City entered into various lease agreements as lessee for financing the acquisition of building, vehicles and for 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 is recognized in the government-wide and proprietary fund statement of net position.

As of September 30, 2024, the minimum principal and interest payment requirement for the leasing activities, with remaining term in excess of one year are as follows:

Fiscal year ending September 30:	Governmental Activities	Business- Type
2025	\$ 1,263,648	\$ 1,931
2026	649,576	-
2027	372,383	-
2028	255,980	-
2029	255,969	-
Thereafter	1,362,531	-
Total minimum lease payments	4,160,087	1,931
Less amount representing interest	(505,762)	(70)
Present value of minimum lease payments	<u>\$ 3,654,325</u>	<u>\$ 1,861</u>

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6. LONG-TERM LIABILITIES (Continued)

The net book value of assets acquired through leases as of September 30, 2024, follows:

	Governmental Activities	Type Activities
Fleet	\$ 1,679,265	\$ -
Equipment	97,954	16,077
Buildings	2,296,875	-
Total cost	4,074,094	16,077
Less accumulated depreciation	(419,769)	(14,216)
Total net book value	<u>\$ 3,654,325</u>	<u>\$ 1,861</u>

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, 2024, follows:

	Non Ad-Valorem Revenues Pledged
Governmental Activities:	
Description of debt	Note payable
Purpose of debt	Refunded the Taxable Special Obligation Bonds -Series 2002 used to fund City pension obligations
Current revenue	\$54,015,114
Total future revenues pledged	\$8,936,988
Term of commitment (years)	2010-2029
Current year debt service	\$1,787,375
Percentage of current year debt service to pledged revenues	3.31%

	Non Ad-Valorem Revenues Pledged
Business-Type Activities:	
Description of debt	State Revolving Loans (drinking water)
Purpose of debt	Capital improvements (drinking water)
Current revenue	\$36,923,797
Total future revenues pledged	\$4,390,935
Term of commitment (years)	2014-2036
Current year debt service	\$301,633
Percentage of current year debt service to pledged revenues	0.82%

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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).

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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

At September 30, 2024, the date of the latest actuarial valuation, plan participation consisted of the following:

Retirees and beneficiaries	175
Active plan members	<u>386</u>
	<u>561</u>

Total OPEB Liability

The City's total OPEB liability of \$11,699,489 was determined by an actuarial valuation rolled-forward to September 30, 2023, measurement date.

Actuarial Assumptions and Other Inputs

Valuation Date: September 30, 2022

Measurement Date: September 30, 2023

Methods and Assumptions Used to Determine Total OPEB Liability:

Actuarial Cost Method - Entry-Age Normal

Inflation - 2.50%

Discount Rate – 4.63% - 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 4.40% (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 2.19% as of the previous measurement date.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Salary Increases - Rates are those used in the respective October 1, 2022, actuarial valuations. For participants in the Florida Retirement System, salary rates are based on those used in the July 1, 2022, actuarial valuation of 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, 2022, actuarial valuations. For participants in Florida Retirement System, retirement rates are based on those used in the July 1, 2022, actuarial valuation of 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, 2022, 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 published by the Society of Actuaries with generational 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 -3.40% for claims costs and premiums (based on actual premium rates effective January 1, 2023), and thereafter trend based on the Getzen Model, with trend rate decreasing to 6.25% effective January 1, 2024, and gradually decreasing to an ultimate trend rate of 4.00%.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

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, 2024, were as follows:

Balance at September 30, 2023	<u>\$ 11,621,166</u>
Changes for the year:	
Service cost	382,512
Interest	516,538
Changes of benefit terms	24,526
Difference between expected and actual experience	-
Changes in assumptions	(316,893)
Benefits payments	<u>(528,360)</u>
Net changes	<u>78,323</u>
Balance at September 30, 2024	<u>\$ 11,699,489</u>

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 4.63%, 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:

	<u>1 % Decrease</u>	<u>Current Discount Rate Assumption</u>	<u>1 % Increase</u>
	<u>3.63%</u>	<u>4.63%</u>	<u>5.63%</u>
Total OPEB liability	<u>\$ 13,192,766</u>	<u>\$ 11,699,489</u>	<u>\$ 10,471,708</u>

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:

	<u>1 % Decrease</u>	<u>Current Healthcare Cost Trend Rate Assumption</u>	<u>1 % Increase</u>
Total OPEB liability	<u>\$ 10,933,915</u>	<u>\$ 11,699,489</u>	<u>\$ 12,585,139</u>

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

For the fiscal year ended September 30, 2024, the City recognized OPEB gain of \$61,006 (instead of expense) 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	\$ -	\$ 784,691
Changes in assumptions and other inputs	603,863	3,443,478
	603,863	4,228,169
City contributions made subsequent to the measurement date	577,145	-
	<u>\$ 1,181,008</u>	<u>\$ 4,228,169</u>

The deferred outflows of resources totaling \$577,145, 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, 2025. The amount reported as net deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending September 30,	Amount
2025	\$ (542,526)
2026	(853,357)
2027	(833,858)
2028	(658,367)
2029	(690,926)
Thereafter	(45,272)
Total	<u>\$ (3,624,306)</u>

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 2024, is based on recommended funding requirements, as determined by a self-insurance actuarial review as of September 30, 2024, performed by outside actuary consultants.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8. SELF-INSURANCE (Continued)

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, 2024, the City's risk retention for certain types of risk is as follows:

<u>Line of Coverage</u>	<u>Retention/Deductible</u>	<u>Coverage After Retention/Deductible</u>
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	<u>\$100,000</u> (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

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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8. SELF-INSURANCE (Continued)

Estimated Claims Liability

The estimated claims liability of \$4,762,566 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:

	<u>Workers'</u> <u>Compensation</u>	<u>General</u> <u>Liability</u>	<u>2024</u> <u>Total</u>	<u>2023</u> <u>Total</u>
Estimated claims liability - beginning of year	\$ (1,511,990)	\$ (2,248,903)	\$ (3,760,893)	\$ (3,812,149)
Claim payments	563,244	721,151	1,284,395	985,065
Current year claims and changes in estimates	<u>(716,613)</u>	<u>(1,569,455)</u>	<u>(2,286,068)</u>	<u>(933,808)</u>
Estimated claims liability - end of year	<u>\$ (1,665,359)</u>	<u>\$ (3,097,207)</u>	<u>\$ (4,762,566)</u>	<u>\$ (3,760,892)</u>

The City carries Excess Workers' Compensation insurance to secure statutory worker's compensation coverage in excess of the self-insured retention. In 2024, 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 \$9,537 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

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 who are 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

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 to 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.

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**.

North Miami Police Pension Plan (NMPP Plan)

Plan Description

The City of North Miami (the employer) is the sponsor of a single employer defined benefit plan (hereafter the “Plan”) established to provide pension benefits for its employees. The Plan is administered by a seven-member Board of Trustees comprised of three members occupying positions specifically designated by Ordinance and four elected police members.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Since the Plan is a single-employer public employees' retirement system plan sponsored by the City, the Plan is considered part of the City's financial reporting entity and is included in the City's financial statements as a pension trust fund. The latest available actuarial valuation is as of October 1, 2023, (beginning of year valuation date); however, employer contribution requirements for the year ended September 30, 2024, were based on October 1, 2022, valuation. Benefit and contribution provisions are established by City ordinance and may be amended only by the City Council.

Membership in the Plan as of October 1, 2023, follows:

Inactive plan members and beneficiaries currently receiving benefits	69
Inactive plan members entitled but not yet receiving benefits	2
Active plan members	<u>74</u>
Total members	<u>145</u>

Pension Benefits

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

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.

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.

Contributions and Funding Policies

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 Trustees. The interest rate was 0.0% for 2024. Employer and state contributions for the fiscal year ended September 30, 2024, was 63.34% of covered payroll.

**CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

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, 2018, 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.

Net Pension Liability

Components of the net pension liability of the City at September 30, 2024 follows:

	<u>NMPP Plan</u>
Total pension liability	\$138,055,094
Plan fiduciary net position	<u>(100,561,940)</u>
Net pension liability	<u>\$ 37,493,154</u>

Plan fiduciary net position as a percentage of total pension liability 72.84%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2023 and rolled forward to September 30, 2024, using the following actuarial assumptions:

Assumptions Used to Determine Net Pension Liability

Actuarial cost method - Entry age normal

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 Safety Employee Female Table (preretirement), 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, 2022, Actuarial Valuation of the Florida Retirement System (FRS).

Long-Term Expected Rate of Return - 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2024, are summarized in the following table:

NMPP Plan		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	48.00%	7.50%
International equity	12.00%	8.50%
Domestic bonds	21.00%	2.50%
International bonds	0.00%	3.50%
Real Estate	19.00%	4.50%
Alternative assets	0.00%	6.24%

Discount Rate - A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00%. 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 Plan's 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 pension plan investments (7.00%) was applied.

Changes in Net Pension Liability

The following table shows the changes in net pension liability based on the actuarial information provided to the City at September 30, 2024:

	NMPP Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at September 30, 2023	\$ 132,960,355	\$ 94,495,301	\$ 38,465,054
Changes for the year			
Service cost	\$ 2,565,332	-	2,565,332
Interest	9,259,494	-	9,259,494
Changes in benefit terms	-	-	-
Difference between actual & expected experience	(235,691)	-	(235,691)
Assumption changes	-	-	-
Benefit payments	(6,494,396)	-	(6,494,396)
Refunds	-	-	-
Contributions - employer	-	5,020,198	(5,020,198)
Contributions - employer (from State/Share Plan)	-	82,682	(82,682)
Contributions - non-employer contributing entity	-	-	-
Contributions - employee	-	930,523	(930,523)
Net investment income	-	6,962,387	(6,962,387)
Benefit payments	-	(6,494,396)	6,494,396
Refunds	-	-	-
Administrative expense	-	(434,755)	434,755
Net changes	5,094,739	6,066,639	(971,900)
Balance at September 30, 2024	\$ 138,055,094	\$ 100,561,940	\$ 37,493,154

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Sensitivity of the Net Pension 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 Plan		
	Single		
	Discount Rate		
	1% Decrease	Assumption	1% Increase
	6.00%	7.00%	8.00%
Net pension liability	\$ 56,196,873	\$ 37,493,157	\$ 22,106,959

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

For the year ended September 30, 2024, the City recognized pension expense of \$8,366,332. At September 30, 2024, 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	\$ 2,634,343	\$ 803,526
Assumptions changes	2,150,619	835,299
Net difference between projected and actual earnings on pension plan investments	4,723,483	-
	9,508,445	1,638,825
Employer contributions made subsequent to the measurement date	5,077,450	-
Total	\$ 14,585,895	\$ 1,638,825

The deferred outflows of resources related to the Plan, totaling \$5,077,450 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,	Net Deferred Outflow (Inflow) of Resources
2025	2,357,914
2026	1,279,887
2027	4,288,934
2028	(57,115)
Total	\$ 7,869,620

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Clair T. Singerman Retirement System

Plan Description

The City of North Miami (the City or the employer) is the sponsor of a single employer defined benefit pension plan established to provide pension benefits for its employees. The Clair T. Singerman (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. The Plan is considered part of the City's financial reporting entity and is included in the City's financial statements as a pension trust fund. All full-time employees are eligible except for sworn police personnel hired after 1976. The required employer contribution for the fiscal year ended September 30, 2024, is based on the October 1, 2022, actuarial valuation. Benefit and contribution provisions are established by City ordinance and may be amended only by the Board of Trustees, subject to approval of the City Council.

Membership in the CTS Retirement System as of October 1, 2023, follows:

Inactive plan members and beneficiaries currently receiving benefits	222
Inactive plan members entitled but not yet receiving benefits	7
Active plan members	<u>138</u>
Total members	<u>367</u>

Pension Benefits

General employee plan 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Normal retirement benefits are based on 2.5% of average final compensation multiplied by the years of services 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.

Contributions and Funding Policies

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 2024. Employer contributions for the fiscal year ended September 30, 2024, was 13.58% of covered payroll. The total employer contribution on the statement of changes in fiduciary net position is \$1,359,913 for 2024.

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 \$6,726 for the fiscal year ended September 30, 2024, and is reported as other contributions; the balance to be received as of September 30, 2024, was \$57,451. The funds were received by the City of North Miami's Police Share Plan and are held there until this Plan determines what benefit enhancements will be made.

All other insurance premium tax monies are split between the City and the North Miami Police Share Plan.

Net Pension Liability

Components of the net pension liability of the City at September 30, 2024 follows:

	<u>CTS Retirement System</u>
Total pension liability	\$150,712,501
Plan fiduciary net position	(155,181,087)
Net pension liability/(asset)	(\$ 4,468,586)

Plan fiduciary net position as a percentage of total pension liability	102.96%
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CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Actuarial Assumptions

The total pension (asset) liability was determined by an actuarial valuation as of October 1, 2023 and rolled forward to September 30, 2024, using the following actuarial assumptions:

Assumptions Used to Determine Net Pension Liability

Actuarial cost method - Entry age normal

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, 2022.

Long-Term Expected Rate of Return – 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. Best estimates of arithmetic real return for each asset class included in the pension plan’s target allocation as of September 30, 2024, are summarized in the following table:

CTS Retirement System		
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	48.00%	7.50%
International equity	12.00%	8.50%
Domestic bonds	24.00%	2.50%
International bonds	0.00%	3.50%
Real Estate	16.00%	4.50%
Alternative assets	0.00%	6.24%

Discount Rate – A single discount rate of 6.75% was used to measure the total pension (asset) liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.75%. The projection of cash flows used to determine this single discount rate assumed that plan

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

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 Plan's 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 pension plan investments (6.75%) was applied to all periods of projected benefit payments to determine the total pension (asset) liability.

Changes in Net Pension Liability

The following table shows the changes in net pension (asset) liability based on the actuarial information provided to the City at September 30, 2024:

	CTS Retirement System		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at September 30, 2023	<u>\$ 147,273,402</u>	<u>\$ 148,003,450</u>	<u>\$ (730,048)</u>
Changes for the year			
Service cost	1,506,091	-	1,506,091
Interest	9,770,953	-	9,770,953
Benefit changes (changes in assumption)	-	-	-
Difference between actual & expected experience	211,323	-	211,323
Assumption changes	-	-	-
Benefit payments	(8,049,268)	-	(8,049,268)
Refunds	-	-	-
Other	-	-	-
Contributions - employer	-	1,426,719	(1,426,719)
Contributions - employer (from State/Share Plan)	-	-	-
Contributions - non-employer contributing entity	-	-	-
Contributions - employee	-	684,452	(684,452)
Net investment income	-	13,712,630	(13,712,630)
Benefit payments	-	(8,049,268)	8,049,268
Refunds	-	-	-
Administrative expense	-	(596,896)	596,896
Net changes	<u>3,439,099</u>	<u>7,177,637</u>	<u>(3,738,538)</u>
Balance at September 30, 2024	<u>\$ 150,712,501</u>	<u>\$ 155,181,087</u>	<u>\$ (4,468,586)</u>

* Actuarial valuation for net pension liability (NPL) was significantly reduced again in the current year resulting in a net pension asset. Prior year net pension asset was (\$730,048).

Sensitivity of the Net Pension 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 (asset), if it were calculated using a single discount rate of 6.75% as well as what the plan's net pension liability (asset)

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

would be if it were calculated using a single discount rate that is 1-percentage-point lower or higher than the single discount rate:

	CTS Retirement System		
	Single Discount Rate Assumption		
	1% Decrease		1% Increase
	5.75%	6.75%	7.75%
Net pension (asset)	\$ 13,217,877	\$ (4,468,586)	\$ (19,243,601)

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

For the year ended September 30, 2024, the City recognized pension expense of \$200,840. At September 30, 2024, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	CTS Retirement System	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 119,443	\$ 963,822
Net difference between projected and actual earnings on pension plan investments	3,164,483	-
	3,283,926	963,822
Employer contributions made subsequent to the measurement date	1,359,913	-
Total	\$ 4,643,839	\$ 963,822

The deferred outflows of resources related to the CTS Retirement System, totaling \$1,359,913 resulting from City contributions to the CTS Retirement System subsequent to the measurement date will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2025. Other amounts reported as net deferred inflow of resources related to pensions will be recognized in pension expense as follows:

Year ending September 30,	Net Deferred Outflow (Inflow) of Resources
2025	\$ (1,269,360)
2026	52,024
2027	4,316,401
2028	(778,961)
Total	\$ 2,320,104

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

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.

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 \$3,819,914 for the fiscal year ended September 30, 2024.

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

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

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 service, 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.

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

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>%Value</u>
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
Senior Management Service Class	2
Special Risk Regular:	
Service from December 1, 1970 through September 30, 1974	2
Service on and after October 1, 1974	3

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

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 2024 were as follows:

Class ⁽²⁾	Percent of Gross Salary	
	Employee ⁽²⁾	Employer ⁽¹⁾
FRS, Regular	3.00%	13.63%
FRS, Special Risk	3.00%	32.67%
FRS, Elected Council Officers	3.00%	58.68%
FRS, Senior Management Service	3.00%	34.52%
FRS, Regular (retiree - re-employed on or after 07/01/2010)	0.00%	6.84%

(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 \$473,757 for the fiscal year ended September 30, 2024.

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

On September 30, 2024, the City reported a liability of \$16,324,374 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The City's proportionate share of the net pension liability was based on the City's 2024 fiscal year contributions relative to the participating members. At June 30, 2024, the City's proportionate share was 0.0422 % compared to 0.0369% in the prior year. For the fiscal year ended September 30, 2024, the City recognized pension expense of \$3,819,914 related to the Plan.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

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	\$ 2,237,405	\$ -
Net difference between expected and actual experience	1,649,200	-
Net difference between projected and actual investment earnings	-	1,085,003
Net changes in proportion and differences between City FRS contributions and proportionate share of contributions	3,100,416	-
	6,987,021	1,085,003
City FRS contributions subsequent to the measurement date	652,553	-
Total	\$ 7,639,574	\$ 1,085,003

The deferred outflows of resources related to pensions, totaling \$652,553 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
2025	1,180,404
2026	1,180,404
2027	1,180,404
2028	1,180,404
2029	1,180,402
Total	\$ 5,902,018

Actuarial Assumptions

The FRS actuarial valuation was determined using the following actuarial assumptions, as of July 1, 2024, 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.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Mortality - Rates were based on the PUB-2010 Base table, projected generationally with Scale MP-2018. The actuarial assumptions used in July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

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				
<u>Asset Class</u>	<u>Target Allocation ⁽¹⁾</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	3.3%	3.3%	1.1%
Fixed income	29.0%	5.7%	5.6%	3.9%
Global equity	45.0%	8.6%	7.0%	18.2%
Real estate	12.0%	8.1%	6.8%	16.6%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.6%	6.2%	8.7%
	<u>100%</u>			
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.

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CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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 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	<u>\$ 28,713,985</u>	<u>\$ 16,324,374</u>	<u>\$ 5,945,429</u>

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, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 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, 2024, 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 \$304,026 for the fiscal year ended September 30, 2024.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

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

At September 30, 2024, the City reported a net pension liability of \$5,386,878 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, 2024. The City's proportionate share of the net pension liability was based on the City's 2024 fiscal year contributions relative to the 2024 fiscal year contributions of all participating members. At June 30, 2024, the City's proportionate share was 0.0359%.

For the fiscal year ended September 30, 2024, the City recognized pension expense of \$710,722 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	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 52,014	\$ 10,344
Changes of Assumptions	95,335	637,737
Net difference between projected and actual earnings on HIS pension plan investments	-	1,948
Changes in proportion and differences between City HIS contributions and proportionate share of contributions	1,432,023	-
	1,579,372	650,029
City HIS contributions subsequent to the measurement date	84,653	-
Total	\$ 1,664,025	\$ 650,029

The deferred outflows of resources related to pensions, totaling \$84,653 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:

<u>Year ending September 30,</u>	<u>Net Deferred Outflow (Inflow) of Resources</u>
2025	\$ 185,869
2026	185,869
2027	185,869
2028	185,869
2029	185,867
Total	\$ 929,343

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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, 2024, applied to all periods included in the measurement:

Inflation - 2.40%

Salary Increases - 3.50% average, including inflation.

Municipal Bond Rates - Investment Rate of Return - 3.93%

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

The actuarial assumptions used in July 1, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

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
	2.93%	3.93%	4.93%
City's proportionate share of the net pension liability	<u><u>\$ 6,132,254</u></u>	<u><u>\$ 5,386,878</u></u>	<u><u>\$ 4,768,073</u></u>

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

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

The following table summarizes the net pension liability, deferred inflow of resources and deferred outflow of resources for each plan as previously disclosed in Note 10:

Plan	SUMMARY - PENSION RELATED ITEMS				
	Net Pension Liability	Net Pension Asset ⁽¹⁾	Deferred Inflow of Resources	Deferred Outflow of Resources	Pension Expenses
North Miami Police Pension Plan	\$ 37,493,157	\$ -	\$ 1,638,825	\$ 14,585,895	8,366,332
Clair T. Singerman Employee Retirement System	-	(4,468,586)	963,822	4,643,839	200,840
Florida Retirement System	16,324,374	-	1,085,003	7,639,574	3,819,914
Retiree Health Insurance Subsidy Program	5,386,878	-	650,029	1,664,025	710,722
Total	\$ 59,204,409	\$ (4,468,586)	\$ 4,337,679	\$ 28,533,333	13,097,808

(1) Actuarial valuation for net pension liability (NPL) for Clair T. Singerman Employee Retirement System was significantly reduced again in the current year resulting in a net pension asset. Prior year net pension asset was (\$730,048).

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 \$499,433 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. During fiscal year 2024, the City contributed approximately \$114,598 into this Plan, which is administered through a third-party administrator.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 10. DEFINED CONTRIBUTION PLANS (Continued)

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. The City's contribution for the fiscal year ended September 30, 2024 was approximately \$700. This Plan is administered by the City.

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, 2024, 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. The City has reported a landfill closure liability of approximately \$12.4 million at year end related to the site.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

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.

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 is at the conceptual level as of September 30, 2024, and uncertainties remain as to the ultimate cost of the remediation and closure of the landfill site.

During 2024, the site closure costs of \$585,427 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 \$660,469 per year over 30 years, for a projected total cost of approximately \$19.8 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, 2024:

Restricted assets:	
Cash in bank (money market fund)	<u>\$ 5,617,101</u>
Beginning balance - October 1, 2023	\$ 6,055,057
Interest	147,471
Disbursements	<u>(585,427)</u>
Ending balance - September 30, 2024	<u>\$ 5,617,101</u>

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

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.

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, 2024, 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, 2024, disbursements of \$585,427 were made from the account. There were no additional deposits, other than interest received of \$147,471.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Commitments

Construction commitments. The City has active construction projects for watermain upgrades, street parking lots, traffic circles and parks renovations and upgrades. At year end, commitments with contractors were as follows:

Projects	Spent-to-date	Remaining Commitment
Water plants upgrade - sanitary sewer and stormwater	\$ 6,281,121	\$ 9,313,397
Traffic circles, street parking and pedestrian bridge replacement	1,072,926	121,451
Parks and recreation upgrades	2,262,964	1,307,261
Total	<u>\$ 9,617,011</u>	<u>\$ 10,742,109</u>

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. At year end, the amount of encumbrances expected to be honored upon performance by vendors were as follows:

General fund	\$ 1,945,294
Capital projects fund	415,135
Nonmajor governmental funds	568,413
Water and sewer and stormwater funds	9,470,891
Internal services funds	244,357
Total	<u>\$ 12,644,090</u>

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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.

Lawsuits.

- The City is a defendant in several other lawsuits as of September 30, 2024, 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 lands 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, 2024, the City recognized \$452,164 of lease revenue (including \$15,780 interest) related to the lease agreements. At September 30, 2024, the City recorded lease receivable of \$4,318,583.

The following is a summary of changes in leases receivable for governmental activities for the year ended September 30, 2024:

	Beginning Balance 10/01/2023	Additions/ (Adjustments)	Reductions	Ending Balance 9/30/2024
Governmental Activities				
Lease agreements - lands	\$ 3,603,937	\$ -	\$ (328,590)	\$ 3,275,347
Lease agreements - cellular tower antenna sites	1,166,808	-	(123,572)	1,043,236
Total	<u>\$ 4,770,745</u>	<u>\$ -</u>	<u>\$ (452,162)</u>	<u>\$ 4,318,583</u>

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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	Total
2025	\$ 350,681	\$ 129,215	\$ 479,896
2026	367,568	79,883	447,451
2027	381,751	83,852	465,603
2028	396,501	88,020	484,521
2029	411,840	92,396	504,236
Thereafter	1,507,114	608,665	2,115,779
Total payment	3,415,455	1,082,031	4,497,486
Less amount representing interest	(140,108)	(38,795)	(178,903)
Principal payment	<u>\$ 3,275,347</u>	<u>\$ 1,043,236</u>	<u>\$ 4,318,583</u>

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 2024, the City reported basic rents, additional rents and bifurcated lease payments of \$1,293,594.

NOTE 14. FUND DEFICITS

The following special revenue funds had fund balance deficits as September 30, 2024:

<u>Fund</u>	<u>Fund Deficits</u>
Special Revenue Funds:	
FEMA Disaster Recovery	\$ 237,004
Justice Assistance Grants	197,915
North Miami Cagni Park Project	1,064,170
Total	<u><u>\$ 1,499,089</u></u>

The deficits related to outstanding claims for reimbursement which are expected to be reconciled and cleared by next fiscal year ending September 30, 2025.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 15. CHANGES WITHIN THE FINANCIAL REPORTING ENTITY

MOCA was previously reported as a blended component unit included in non-major governmental funds, based primarily on the “financial burden” criteria. However, further assessments were made during the current year where it was determined that MOCA no longer met the requirements for presentation as a blended component unit and is therefore discretely presented for the fiscal year ended September 30, 2024.

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

	Reporting Unit Affected By Adjustment To, And Reinstatement Of Beginning Balances		
	Governmental Funds	Government-Wide	Component Unit MOCA
Fund Balance/Net Position, September 20, 2023, as previously reported	48,041,851	63,536,667	2,866,662
Prior year adjustment -from blended to discrete presentation	(2,866,662)	(2,866,662)	-
Fund Balance/Net Position, September 30, 2023, as restated	<u>\$ 45,175,189</u>	<u>\$ 60,670,005</u>	<u>\$ 2,866,662</u>

NOTE 16. SUBSEQUENT EVENTS

In December 2024, Miami-Dade County informed the City of planned implementation of commission structure for Ad-Valorem tax collection as follows:

“As a result of the Florida Constitution Amendment 10 passing in 2018, the Miami-Dade County Office of the Tax Collector will become an independent constitutionally elected office on January 7th, 2025. For the remainder of Fiscal Year (FY) 2024-25, the Office of the Tax Collector will continue to operate under the budget approved by the Miami-Dade Board of County Commissioners”.

The City is in the process of determining the financial impact of the reduced tax for the next fiscal year.



**Required Supplementary Information
(Unaudited)**



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Budgetary Comparison Schedule



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CITY OF NORTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
UNAUDITED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Ad valorem taxes	\$ 24,554,163	\$ 26,416,142	\$ 28,901,089	\$ 2,484,947
Utility and communication taxes	3,873,710	5,707,553	5,753,697	46,144
Charges for services	7,058,143	7,265,593	8,851,807	1,586,214
Return on investment - utility	-	-	-	-
Franchise fees	5,106,435	5,106,435	5,950,820	844,385
Fines and forfeitures	437,050	437,050	601,450	164,400
Intergovernmental	11,031,970	11,070,880	10,533,127	(537,753)
Licenses and permits	1,242,000	1,242,000	1,116,241	(125,759)
Interest	354,246	354,246	1,066,296	712,050
Other earnings	2,701,342	3,149,437	6,258,594	3,109,157
Rents and royalties	1,783,288	1,783,288	1,864,231	80,943
Total revenues	58,142,347	62,532,624	70,897,352	8,364,728
EXPENDITURES				
General Government:				
Mayor and city council	2,461,680	2,523,433	2,560,340	(36,907)
City manager	2,761,893	2,893,168	2,759,687	133,481
City clerk	792,988	794,788	748,204	46,584
Financial Services	3,479,406	3,512,906	3,290,631	222,275
Legal	1,407,986	1,407,986	1,257,464	150,522
Human resources	862,114	902,214	817,856	84,358
Information technology	2,625,227	3,317,655	2,965,103	352,552
Management and budget	491,985	435,732	411,436	24,296
Procurement and purchasing	577,929	577,929	454,245	123,684
Non-departmental	7,059,955	8,798,354	1,521,420	7,276,934
Total general government	22,521,163	25,164,165	16,786,386	8,377,779
Public Safety:				
Police	33,004,286	32,903,173	32,880,368	22,805
Neighborhood services (formerly Code enforcement)	6,148,843	6,148,843	5,776,054	372,789
Citizen investigative board	426,171	431,736	278,882	152,854
Total public safety	39,579,300	39,483,752	38,935,304	548,449
Physical Environment				
Public works	1,461,291	1,456,267	1,394,110	62,157
Transportation	2,635,170	2,640,194	2,729,589	(89,395)
Total physical environment	4,096,461	4,096,461	4,123,699	(27,238)
Economic Environment:				
Development services (formerly CP&D)	3,080,263	3,055,994	1,994,948	1,061,046
Housing and social services	1,663,620	1,797,727	1,401,062	396,665
Total economic environment	4,743,883	4,853,721	3,396,010	1,457,711
Culture and Recreation:				
Parks and recreation	7,126,585	7,269,155	6,768,807	500,348
Library	1,275,546	1,399,783	1,289,413	110,370
MOCA	1,431,094	1,566,446	1,494,274	72,172
Total culture and recreation	9,833,225	10,235,384	9,552,494	682,890
Debt service	1,359,616	1,769,457	1,725,638	43,819
Capital outlay	1,833,023	4,976,361	12,974,146	(7,997,786)
Total expenditures	83,966,671	90,579,302	87,493,677	3,085,624
Excess (deficiency) of revenues over (under) expenditures	(25,824,324)	(28,046,678)	(16,596,325)	11,450,353
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	1,770,000	1,770,000	-
Contribution	5,000,000	5,000,000	5,000,000	-
Transfers in	22,266,708	22,719,061	14,867,254	(7,851,807)
Transfers out	(1,442,384)	(1,442,383)	(1,460,540)	(18,157)
Total other financing sources (uses)	25,824,324	28,046,678	20,176,714	(7,869,964)
Net change in fund balance	\$ -	-	3,580,389	\$ 3,580,389
Fund balance, beginning			17,419,881	
Fund balance, ending			\$ 21,000,270	

See notes to the required supplementary information.

CITY OF NORTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CRA
UNAUDITED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Ad valorem taxes	\$ 19,781,649	\$ 19,781,649	\$ 14,404,682	\$ (5,376,967)
Interest and other earnings	176,099	176,099	375,157	199,058
Carry over surplus	6,495,918	6,566,820	-	(6,566,820)
Total revenues	<u>26,453,666</u>	<u>26,524,568</u>	<u>14,779,839</u>	<u>(11,744,729)</u>
EXPENDITURES				
General government	8,447,364	8,301,687	7,351,270	950,417
Community planning and development	18,006,302	64,455,506	4,026,159	60,429,347
Debt service	-	997,544	997,544	-
Capital outlay	-	6,600	6,600	-
Total expenditures	<u>26,453,666</u>	<u>73,761,337</u>	<u>12,381,573</u>	<u>61,379,764</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(47,236,769)</u>	<u>2,398,266</u>	<u>49,635,035</u>
OTHER FINANCING SOURCES (USES)				
Debt issued	-	50,000,000	50,000,000	-
Premium on debt issued	-	2,236,769	2,236,769	-
Contribution	-	(5,000,000)	(5,000,000)	-
Total other financing sources (uses)	<u>-</u>	<u>47,236,769</u>	<u>47,236,769</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	49,635,035	<u>\$ 49,635,035</u>
Fund balance, beginning			<u>5,715,944</u>	
Fund balance, ending			<u>\$ 55,350,979</u>	

See notes to the required supplementary information.

CITY OF NORTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE
C.D.B.G. ENTITLEMENT
UNAUDITED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Intergovernmental	\$ 789,366	\$ 1,730,110	\$ 844,579	\$ (885,531)
Total revenues	789,366	1,730,110	844,579	(885,531)
EXPENDITURES				
Housing and economic development	744,146	1,598,795	732,320	866,475
Debt service	5,220	4,282	4,282	-
Capital outlay	40,000	127,033	109,762	17,271
Total expenditures	789,366	1,730,110	846,364	883,746
Excess (deficiency) of revenues over (under) expenditure:	-	-	(1,785)	(1,785)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	18,161	18,161
Total other financing source	-	-	18,161	18,161
Net change in fund balances	\$ -	\$ -	16,376	\$ 16,376
Fund balance, beginning			84,805	
Fund balance, ending			\$ 101,181	

See notes to the required supplementary information.

CITY OF NORTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LANDFILL CLOSURE
UNAUDITED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Interest and other earnings	\$ 5,897,292	\$ 5,897,292	\$ 147,471	\$ (5,749,821)
Total revenues	<u>5,897,292</u>	<u>5,897,292</u>	<u>147,471</u>	<u>(5,749,821)</u>
EXPENDITURES				
Physical environment	<u>5,897,292</u>	<u>5,897,292</u>	<u>585,427</u>	<u>5,311,865</u>
Total expenditures	<u>5,897,292</u>	<u>5,897,292</u>	<u>585,427</u>	<u>5,311,865</u>
Excess (deficiency) of revenues over (under) expenditures			<u>(437,956)</u>	<u>(437,956)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(437,956)</u>	<u>\$ (437,956)</u>
Fund balance, beginning			<u>6,055,057</u>	
Fund balance, ending			<u>\$ 5,617,101</u>	

See notes to the required supplementary information.

CITY OF NORTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE
AMERICAN RESCUE PLAN (ARPA)
UNAUDITED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,785,316	\$ 2,541,782	-	\$ (2,541,782)
Interest and other earnings	-	-	126,058	126,058
Total revenues	<u>1,785,316</u>	<u>2,541,782</u>	<u>126,058</u>	<u>(2,415,724)</u>
EXPENDITURES				
General government	1,785,316	2,406,722	298,123	2,108,599
Capital outlay	-	135,061	124,088	10,973
Total expenditures	<u>1,785,316</u>	<u>2,541,782</u>	<u>422,211</u>	<u>2,119,571</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(296,153)	(296,153)
Net change in fund balances				
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(5,053,515)	(5,053,515)
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>(5,053,515)</u>	<u>(5,053,515)</u>
Net change in fund balances/(deficits)	<u>\$ -</u>	<u>\$ -</u>	(5,349,668)	<u>\$ (5,349,668)</u>
Fund balance, beginning			5,916,145	
Fund balance, ending			<u>\$ 566,477</u>	

See notes to the required supplementary information.

CITY OF NORTH MIAMI, FLORIDA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Unaudited

September 30, 2024

NOTE 1. BUDGETS AND BUDGETARY BASIS OF ACCOUNTING

Annual budgets are legally adopted for all governmental funds, including Capital Projects funds, which—rather than adopting a single, project-length budget—adopt budgets on an annual basis as funding becomes available. All governmental fund budgets are maintained on the modified-accrual basis of accounting, in accordance with U.S. generally accepted accounting principles (GAAP).

Between September 3 and September 18, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget is restricted to proposed expenditures and the means of financing them through appropriated revenues, other financing sources and appropriations of fund balances. Budgetary control over expenditures, including capital outlay and operating transfers in the General Fund, is legally maintained at the departmental level. Below is brief explanation for departments with significant variances:

1. General government:

The following departments under general government had positive variances due primarily to the following factors:

- City manager - positive variance of \$133,484 for unfilled public information officer staff positions which were planned to be transferred to the new communications department.
- Financial services - positive variance of \$222,275 for unfilled staff positions.
- Legal - positive variance of \$150,522 for due primarily less use of outside counsel.
- Human resources – positive variance of \$84,358 for unfilled staff positions for part of the fiscal year.
- Information technology – positive variance of \$352,552 for maintenance of operating equipment that did not materialize.
- Procurement and purchasing – positive variance of \$123,684 for staff position that was unfilled for part of the current fiscal year.
- Non-departmental – positive variance of \$7,276,934 due primarily to budgeted fund reserves that were not utilized which will be reappropriated to the next fiscal year.

2. Public safety:

Neighborhood services (formerly code enforcement) – positive variance of \$372,789 due primarily to the re-organization of the department.

Citizen investigative board – positive variance of \$152,854 due primarily to the closing of the department during the current fiscal year.

CITY OF NORTH MIAMI, FLORIDA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Unaudited

September 30, 2024

3. *Economic environment* - overall positive variance of \$1,061,046 due primarily to contractual costs for the P-3 project and other projects that did not materialize and the re-organization of the department which was changed to from Community Planning and Development to Development Services.
4. *Culture and recreation* - overall positive variance of \$682,890 due primarily to staff positions that were not filled until later in the current year and contractual services that did not materialize.
5. *Capital outlay* - negative variance of (\$7,997,786) due primarily to the purchase of the Scott Galvin Center which was not budgeted in this line item.
6. *Transfers in* - had a negative variance of (\$7,851,807) due primarily to amount of \$1,770,000 which should have been budgeted under line for proceeds from sale of capital assets and \$5,000,000 for capital outlay for the contribution from the CRA, instead of under transfers-in.

Two public hearings are conducted to obtain taxpayers' comments as required by Truth in Millage (TRIM) legislation. Prior to September 28 (unless preempted by TRIM) as stated in the City's Charter, the budget is legally enacted through passage of an ordinance.

The City Manager may at any time transfer any unencumbered appropriated balance or portion thereof between general classifications of expenditures within an office, department, or agency. The Council may by resolution transfer any unencumbered appropriated balance or portion thereof, from one office, department, or agency to another.

Budget amendments, according to the Budget Resolution, allow for administrative approval. During fiscal year 2024, budget amendments to general fund revenues and expenditures totaled \$5,633,777. \$4,228 million was from fiscal 2024 purchase order roll-overs; \$1,404 million in re-appropriations for various parks and recreation, housing and social services and police department capital projects.

Unencumbered appropriations lapse at year-end. All encumbrances outstanding at the end of the current fiscal year will be appropriated as part of the subsequent year's budget.

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	\$ 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	\$ 2,474,226
Interest	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	5,987,806
Difference between actual & expected experience	(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	(6,494,396)	(6,149,803)	(6,225,983)	(5,351,111)	(4,686,763)	(4,550,105)	(4,280,161)	(2,859,026)	(2,992,356)	(3,537,499)
Refunds	-	(27,341)	(58,715)	-	(71,573)	(18,657)	(32,663)	(160,092)	-	(72,946)
Net change in total pension liability	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	4,851,587
Total pension liability - beginning	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	71,473,243
Total pension liability - ending (a)	\$ 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
Plan fiduciary net position										
Contributions - employer	\$ 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	\$ 3,194,000
Contributions - employer (from State/Share Plan)	82,682	82,682	186,255	197,038	184,085	82,682	82,682	82,682	82,682	82,682
Contributions - non-employer contributing entity	-	-	-	-	-	-	-	494,141	-	-
Contributions - member	930,523	962,068	845,591	875,237	907,850	932,232	1,153,440	1,014,411	846,576	791,906
Net investment income	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	4,798,319
Benefit payments	(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)	(3,537,499)
Refunds	-	(27,341)	(58,717)	-	(71,573)	(18,657)	(32,663)	(160,092)	-	(72,946)
Administrative expense	(434,757)	(382,499)	(280,229)	(270,751)	(253,291)	(227,839)	(159,823)	(136,260)	(126,435)	(132,094)
Net change in plan fiduciary net position	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	5,124,368
Plan fiduciary net position - beginning	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	47,422,133
Plan fiduciary net position - ending (b)	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
Net pension liability - ending (a) - (b)	\$ 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	\$ 23,778,329
Plan fiduciary net position as a percentage of total pension liability	72.84%	71.07%	84.19%	72.23%	71.87%	73.90%	74.23%	72.39%	68.78%	68.85%
Covered payroll	\$ 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	\$ 8,327,087
Net pension liability as a percentage of covered payroll	471.02%	468.28%	221.95%	362.45%	326.36%	281.43%	270.51%	262.20%	282.38%	285.55%
Measurement Date	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	10/1/2014

Note to Schedule:

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability										
Service cost	\$ 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	\$ 2,250,457
Interest	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	8,638,765
Benefit changes	-	-	-	(2,353,306)	1,601,838	1,522,923	4,504,616	(6,839,780)	-	-
Difference between actual & expected experience	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	(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)	(6,939,695)
Refunds	-	(187,849)	(100,969)	(22,347)	(26,378)	(136,942)	(98,051)	(190,942)	(265,792)	(185,090)
Other	-	2,579	2,579	2,368	2,595	1,901	1,657	1,423	1,253	1,253
Net change in total pension liability	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	3,765,690
Total pension liability - beginning	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	116,523,413
Total pension liability - ending (a)	\$ 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
Plan fiduciary net position										
Contributions - employer	\$ 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	\$ 4,024,959
Contributions - employer (from State/Share Plan)	-	2,579	2,579	2,368	2,595	1,901	1,657	1,423	1,253	1,253
Contributions - non-employer contributing entity	-	-	5,951	108,396	194,266	195,277	103,860	92,782	145,792	171,222
Contributions - member	684,452	698,719	800,962	833,994	824,981	813,650	788,484	920,667	853,456	789,599
Net investment income	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	9,493,224
Benefit payments	(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)	(6,939,695)
Refunds	-	(187,849)	(100,969)	(22,347)	(26,378)	(136,942)	(98,051)	(190,942)	(265,792)	(185,090)
Administrative expense	(596,896)	(432,650)	(436,987)	(362,800)	(344,954)	(333,039)	(262,418)	(250,675)	(235,209)	(284,291)
Net change in plan fiduciary net position	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)	7,071,181
Plan fiduciary net position - beginning	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	91,112,152
Plan fiduciary net position - ending (b)	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
Net pension liability - ending (a) - (b)	\$ (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	\$ 22,105,770
Plan fiduciary net position as a percentage of total pension liability	102.96%	100.50%	112.91%	96.95%	93.98%	96.03%	92.08%	91.27%	80.00%	81.62%
Covered payroll	\$ 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	\$ 11,173,564
Net pension liability as a percentage of covered payroll	-45.62%	-6.73%	-155.89%	36.07%	71.42%	44.69%	86.18%	89.15%	200.56%	197.84%
Measurement Date	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	10/1/2014

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
2015	5,598,011	5,598,011	-	12,192,229	45.91%
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%

The following actuarial methods and assumptions were used to determine contribution rates for fiscal year 2021, as reported in the schedule of contributions above:

Valuation Date : October 1, 2022

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 market 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.

**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
2015	3,441,341	3,441,341	-	8,901,956	38.66%
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%

The following
schedule of contributions above:

Valuation Date : October 1, 2022

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	25 years
Asset Valuation Method	Recognition of 20% of difference between market 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 Safety Below Median 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.

**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 NINE 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	0.0011%	\$ 287,371	\$ 208,324	137.94%	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%

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	355,375	-	3,170,437	11.21%
2018	405,469	405,469	-	5,110,969	7.93%
2019	589,729	589,729	-	6,654,954	8.86%
2020	880,143	880,143	-	8,336,804	10.56%
2021	1,124,875	1,124,875	-	8,784,640	12.81%
2022	1,428,745	1,428,745	-	10,376,113	13.77%
2023	1,775,160	1,775,160	-	13,031,943	13.62%
2024	2,389,548	2,389,548	-	18,830,062	12.69%

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 NINE 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	\$ 208,324	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%

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%

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
SCHEDULE OF INVESTMENT RETURNS - PENSION PLANS
LAST TEN YEARS
UNAUDITED**

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

<u>September 30,</u>	<u>CTS</u>	<u>NMPP</u>
2015	0.78%	2.82%
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%

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, 2024
LAST SIX YEARS
UNAUDITED

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Balance at September 30,	\$ 11,621,166	\$ 15,767,594	\$ 14,666,373	\$ 15,328,265	\$ 12,722,294	\$ 14,965,694
Changes for the year:						
Service cost	382,512	744,420	677,099	767,179	568,651	712,084
Interest on total OPEB liability	516,538	356,144	364,610	435,487	499,472	539,189
Changes of benefit terms	24,526	-	-	-	-	-
Difference between expected and actual experience	-	(654,430)	-	(754,813)	-	(964,046)
Changes in assumptions and other inputs	(316,893)	(4,093,077)	488,387	(590,616)	2,037,665	(1,985,898)
Benefits payments	<u>(528,360)</u>	<u>(499,485)</u>	<u>(428,875)</u>	<u>(519,129)</u>	<u>(499,817)</u>	<u>(544,729)</u>
Net changes	<u>78,323</u>	<u>(4,146,428)</u>	<u>1,101,221</u>	<u>(661,892)</u>	<u>2,605,971</u>	<u>(2,243,400)</u>
Balance at September 30,	<u>\$ 11,699,489</u>	<u>\$ 11,621,166</u>	<u>\$ 15,767,594</u>	<u>\$ 14,666,373</u>	<u>\$ 15,328,265</u>	<u>\$ 12,722,294</u>
 Covered-Employee Payroll	 \$ 28,304,805	 \$ 27,216,159	 \$ 35,734,888	 \$ 27,945,304	 \$ 24,908,751	 \$ 23,950,722
 Total OPEB Liability as a Percentage of Covered-Employee Payroll	 41.33%	 42.70%	 44.12%	 56.42%	 61.54%	 53.12%

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.



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Combining Fund Statements and Schedules



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NONMAJOR GOVERNMENTAL 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 to accumulate 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.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS – (Continued)

- **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.
- **Building** – This fund is used to account for building permits and other building and zoning activities.
- **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.
- **MOCA** – The Museum of Contemporary Art (MOCA) fund reflects the museum activities relating to cultural programs benefiting the City. This fund is now be discretely presented and will therefore be removed next fiscal year.

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.

- **North Miami Cagni Park Project** – This fund is used to account for revenues and expenditures related to the North Miami Cagni Park upgrade project. Construction is to be funded through the joint effort of the School Board of Miami-Dade County and the City of North Miami.

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS - (Continued)

- **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, 2024**

	Special Revenue					
	HOME Investment Partnership	Neighborhood Stabilization Program	Local Housing (SHIP)	FEMA Disaster Recovery	Police Training	Law Enforcement Trust
ASSETS						
Pooled cash and cash equivalents	\$ 71,341	\$ 1,524,421	\$ 456,787	\$ -	\$ 18,569	\$ 209,382
Pooled investments	-	-	-	-	-	-
Accounts receivables, net of allowance	-	315	-	-	-	-
Due from other governments and entities	39,666	-	-	104,778	477	-
Due from other funds	-	-	-	-	-	-
Prepays, deposits and other current assets	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-
Total assets	111,007	1,524,736	456,787	104,778	19,046	209,382
LIABILITIES						
Vouchers payable	4,282	8,787	160	-	-	14,854
Construction contracts payable	-	-	-	-	-	-
Accrued payroll and benefits	2,073	-	-	-	-	-
Due to other funds	-	-	-	237,004	-	-
Unearned revenues	48,712	1,097,173	456,627	-	-	-
Other liabilities and deposits	-	15,053	-	-	-	-
Total liabilities	55,067	1,121,013	456,787	237,004	-	14,854
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues - from other sources	-	-	-	104,778	-	-
Total deferred inflows of resources	-	-	-	104,778	-	-
FUND BALANCES (DEFICITS)						
Non-spendable	-	-	-	-	-	-
Committed for:	-	-	-	-	-	-
Restricted for:						
Impact fees - culture and recreation	-	-	-	-	-	-
Impact fees - public safety	-	-	-	-	-	-
Impact fees - transportation	-	-	-	-	-	-
Impact fees - general government	-	-	-	-	-	-
Other	55,940	403,723	-	-	19,046	194,528
Assigned	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	(237,004)	-	-
Total Fund Balances (deficits)	55,940	403,723	-	(237,004)	19,046	194,528
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 111,007	\$ 1,524,736	\$ 456,787	\$ 104,778	\$ 19,046	\$ 209,382

(Continued)

**CITY OF NORTH MIAMI, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	Special Revenue						
	Federal Forfeiture	Justice Assistance Grants	Half-Cent Transportation Surtax	Developer Impact Fees	Building Fund	Miscellaneous & Other Grants	Total Special Revenue Funds
ASSETS							
Pooled cash and cash equivalents	\$ 40,558	\$ -	\$ 4,449,068	\$ 1,280,509	\$ 10,563,916	\$ 154,938	\$ 18,769,489
Pooled investments	-	-	1,501,140	1,210,319	1,435,466	-	4,146,925
Accounts receivables, net of allowance	-	-	3,588	-	-	-	3,903
Due from other governments and entities	-	173,495	879,713	-	-	381,372	1,579,501
Due from other funds	-	-	-	-	-	-	-
Prepays, deposits and other current assets	-	-	175	-	155,719	-	155,894
Restricted cash	-	-	-	1,550,011	-	-	1,550,011
Notes receivable	-	-	-	-	-	-	-
Total assets	40,558	173,495	6,833,684	4,040,839	12,155,101	536,310	26,205,723
LIABILITIES							
Vouchers payable	-	24,960	299,842	-	505,887	-	858,772
Construction contracts payable	-	-	31,561	-	-	-	31,561
Accrued payroll and benefits	-	-	16,322	-	70,769	-	89,164
Due to other funds	-	183,293	-	-	-	-	420,297
Unearned revenues	-	163,157	1,436,954	-	-	48,996	3,251,619
Other liabilities and deposits	-	-	-	-	608,940	-	623,993
Total liabilities	-	371,410	1,784,679	-	1,185,596	48,996	5,275,406
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues - from other sources	-	-	-	-	-	350,258	455,036
Total deferred inflows of resources	-	-	-	-	-	350,258	455,036
FUND BALANCES (DEFICITS)							
Non-spendable	-	-	-	-	-	-	-
Committed for:	-	-	-	-	-	-	-
Restricted for:							
Impact fees - culture and recreation	-	-	-	2,142,560	-	-	2,142,560
Impact fees - public safety	-	-	-	501,622	-	-	501,622
Impact fees - transportation	-	-	-	91,770	-	-	91,770
Impact fees - general government	-	-	-	635,227	-	-	635,227
Other	40,558	-	5,049,005	669,660	10,969,505	137,056	17,539,021
Assigned	-	-	-	-	-	-	-
Unassigned (deficit)	-	(197,915)	-	-	-	-	(434,919)
Total Fund Balances (deficits)	40,558	(197,915)	5,049,005	4,040,839	10,969,505	137,056	20,475,281
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 40,558	\$ 173,495	\$ 6,833,684	\$ 4,040,839	\$ 12,155,101	\$ 536,310	\$ 26,205,723

(Continued)

**CITY OF NORTH MIAMI, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	<u>Debt Service</u>	<u>Capital Projects</u>			
	<u>Pension Obligation Bonds</u>	<u>North Miami Cagni Park Project</u>	<u>Transportation Gas Tax</u>	<u>Total Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS					
Pooled cash and cash equivalents	\$ 160,167	\$ -	\$ 86,343	\$ 86,343	\$ 19,015,999
Pooled investments	-	-	-	-	4,146,925
Accounts receivables, net of allowance	-	-	-	-	3,903
Due from other governments and entities	-	1,920	45,278	47,198	1,626,699
Due from other funds	-	-	-	-	-
Prepays, deposits and other current assets	-	-	-	-	155,894
Restricted cash	-	-	-	-	1,550,011
Notes receivable	-	-	-	-	-
Total assets	<u>160,167</u>	<u>1,920</u>	<u>131,621</u>	<u>133,541</u>	<u>26,499,431</u>
LIABILITIES					
Vouchers payable	-	6,121	26,205	32,326	891,098
Construction contracts payable	-	-	-	-	31,561
Accrued payroll and benefits	-	-	-	-	89,164
Due to other funds	-	1,059,969	-	1,059,969	1,480,266
Unearned revenues	-	-	-	-	3,251,619
Other liabilities and deposits	-	-	-	-	623,993
Total liabilities	<u>-</u>	<u>1,066,090</u>	<u>26,205</u>	<u>1,092,295</u>	<u>6,367,701</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - from other sources	-	-	-	-	455,036
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>455,036</u>
FUND BALANCES (DEFICITS)					
Non-spendable	-	-	-	-	-
Committed for:	-	-	-	-	-
Restricted for:					
Impact fees - culture and recreation	-	-	-	-	2,142,560
Impact fees - public safety	-	-	-	-	501,622
Impact fees - transportation	-	-	-	-	91,770
Impact fees - general government	-	-	-	-	635,227
Other	160,167	-	105,416	105,416	17,804,604
Assigned	-	-	-	-	-
Unassigned (deficit)	-	(1,064,170)	-	(1,064,170)	(1,499,089)
Total Fund Balances (deficits)	<u>160,167</u>	<u>(1,064,170)</u>	<u>105,416</u>	<u>(958,754)</u>	<u>19,676,694</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u><u>\$ 160,167</u></u>	<u><u>\$ 1,920</u></u>	<u><u>\$ 131,621</u></u>	<u><u>\$ 133,541</u></u>	<u><u>\$ 26,499,431</u></u>

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, 2024

	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	-	-	-	-	-	-
Interfund charges	-	-	-	-	-	-
Other	-	-	-	-	-	-
Franchise fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Intergovernmental	960,985	243,938	203,625	-	5,463	30,865
Licenses and permits	-	-	-	-	-	-
Interest and other earnings	-	-	-	-	-	-
Rents and royalties	-	-	-	-	-	-
Total revenues	960,985	243,938	203,625	-	5,463	30,865
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety and neighborhood services	-	-	-	-	-	164,933
Physical environment: transportation	-	-	-	-	-	-
Housing and social services	893,177	87,308	203,625	-	-	-
Culture and recreation	-	-	-	-	-	-
Development services (formerly CP&D)	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Capital outlay	-	158,282	-	-	-	24,999
Total expenditures	893,177	245,590	203,625	-	-	189,932
Excess (deficiency) of revenues over (under) expenditures	67,808	(1,652)	-	-	5,463	(159,067)
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances/(deficits)	67,808	(1,652)	-	-	5,463	(159,067)
Fund balances (deficits), beginning	(11,868)	405,375	-	(237,004)	13,583	353,595
Fund balances (deficits), ending	\$ 55,940	\$ 403,723	\$ -	\$ (237,004)	\$ 19,046	\$ 194,528
						(Continued)

(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, 2024

	Special Revenue						
	Federal Forfeiture	Justice Assistance Grants	Half-Cent Transportation Surtax	Developer Impact Fees	Building Fund	Miscellaneous & Other Grants	Total Special Revenue Funds
REVENUES							
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility and communication taxes	-	-	-	-	-	-	-
Charges for services:							
Sanitation fees	-	-	-	-	-	-	-
Interfund charges	-	-	-	-	-	-	-
Other	-	-	8,404	1,851,607	-	-	1,860,011
Franchise fees	-	-	23,218	-	-	-	23,218
Fines and forfeitures	-	-	-	-	-	-	-
Intergovernmental	-	44,109	3,708,753	-	-	192,231	5,389,969
Licenses and permits	-	-	-	-	11,871,287	-	11,871,287
Interest and other earnings	-	-	84,231	117,564	80,546	-	282,341
Rents and royalties	-	-	-	-	-	-	-
Total revenues	-	44,109	3,824,606	1,969,171	11,951,833	192,231	19,426,826
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public safety and neighborhood services	-	84,784	-	-	2,980,803	135,806	3,366,326
Physical environment: transportation	-	-	1,982,494	-	-	-	1,982,494
Housing and social services	-	-	-	-	-	-	1,184,110
Culture and recreation	-	-	-	-	-	15,362	15,362
Development services (formerly CP&D)	-	-	-	-	-	(636)	(636)
Debt service:							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Capital outlay	-	64,889	1,271,387	80,716	184,395	19,330	1,803,998
Total other expenditures	-	149,673	3,253,881	80,716	3,165,198	169,862	8,351,654
Excess (deficiency) of revenues over (under) expenditures	-	(105,564)	570,725	1,888,455	8,786,635	22,369	11,075,172
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	902,428	-	-	-	902,428
Transfers out	-	-	-	(118,553)	(1,887,474)	-	(2,006,027)
Total other financing sources (uses)	-	-	902,428	(118,553)	(1,887,474)	-	(1,103,599)
Net change in fund balances/(deficits)	-	(105,564)	1,473,153	1,769,902	6,899,161	22,369	9,971,573
Fund balances (deficits), beginning	40,558	(92,351)	3,575,852	2,270,937	4,070,344	114,687	10,503,708
Fund balances (deficits), ending	\$ 40,558	\$ (197,915)	\$ 5,049,005	\$ 4,040,839	\$ 10,969,505	\$ 137,056	\$ 20,475,281

(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, 2024

	<u>Debt Service</u>	<u>Capital Projects</u>			
	<u>Pension Obligation Bonds</u>	<u>North Miami Cagni Park Project</u>	<u>Transportation Gas Tax</u>	<u>Capital Projects Funds</u>	<u>Nonmajor Governmental Funds</u>
REVENUES					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Utility and communication taxes	-	-	-	-	-
Charges for services:					
Sanitation fees	-	-	-	-	-
Interfund charges	-	-	-	-	-
Other	-	-	-	-	1,860,011
Franchise fees	-	-	-	-	23,218
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	-	271,725	271,725	5,661,694
Licenses and permits	-	-	-	-	11,871,287
Interest and other earnings	-	-	-	-	282,341
Rents and royalties	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>271,725</u>	<u>271,725</u>	<u>19,698,551</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety and neighborhood services	-	-	-	-	3,366,326
Physical environment: transportation	-	-	-	-	1,982,494
Housing and social services	-	-	-	-	1,184,110
Culture and recreation	-	-	-	-	15,362
Development services (formerly CP&D)	-	-	-	-	(636)
Debt service:					
Principal retirement	1,175,000	-	-	-	1,175,000
Interest and fiscal charges	612,987	-	-	-	612,987
Capital outlay	-	71,343	478,006	549,349	2,353,347
Total expenditures	<u>1,787,987</u>	<u>71,343</u>	<u>478,006</u>	<u>549,349</u>	<u>10,688,990</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,787,987)</u>	<u>(71,343)</u>	<u>(206,281)</u>	<u>(277,624)</u>	<u>9,009,561</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	-	-	-	-	-
Transfers in	1,787,375	-	-	-	2,689,803
Transfers out	-	-	-	-	(2,006,027)
Total other financing sources (uses)	<u>1,787,375</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>683,776</u>
Net change in fund balances/(deficits)	(612)	(71,343)	(206,281)	(277,624)	9,693,337
Fund balances (deficits), beginning	160,779	(992,827)	311,697	(681,130)	9,983,357
Fund balances (deficits), ending	<u>\$ 160,167</u>	<u>\$ (1,064,170)</u>	<u>\$ 105,416</u>	<u>\$ (958,754)</u>	<u>\$ 19,676,694</u>

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENTS OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2024

	<u>Risk Management</u>	<u>Fleet Management</u>	<u>Totals</u>
ASSETS			
Current assets:			
Pooled cash and cash equivalents	\$ 1,938,055	\$ 1,613,983	\$ 3,552,038
Pooled investments	4,716,028	1,188,296	5,904,324
Accounts receivables, net of allowance	-	18,216	18,216
Grants receivable from other governments	-	11,904	11,904
Inventories and supplies	-	71,627	71,627
Prepays and deposits	100,350	125	100,475
Total current assets	<u>6,754,433</u>	<u>2,904,151</u>	<u>9,658,584</u>
Non-current assets:			
Net pension asset	17,427	43,792	61,219
Capital assets, net	-	3,869,193	3,869,193
Total non-current assets	<u>17,427</u>	<u>3,912,985</u>	<u>3,930,412</u>
Total assets	<u>6,771,860</u>	<u>6,817,136</u>	<u>13,588,996</u>
DEFERRED OUTFLOW OF RESOURCES			
OPEB related items	4,067	11,641	15,708
Pension related items	<u>1,014,935</u>	<u>557,476</u>	<u>1,572,411</u>
Total deferred outflow of resources	<u>1,019,002</u>	<u>569,117</u>	<u>1,588,119</u>
LIABILITIES			
Current liabilities:			
Vouchers payable	124,192	229,504	353,696
Constructions contracts payable	-	2,023	2,023
Accrued payroll and benefits	24,778	19,042	43,820
Due to other funds	-	-	-
Deposits and performance bonds	-	-	-
Compensated absences	41,701	75,849	117,550
Loans and leases payable	-	1,154,140	1,154,140
Total OPEB liability	<u>3,699</u>	<u>7,925</u>	<u>11,624</u>
Total current liabilities	<u>194,370</u>	<u>1,488,483</u>	<u>1,682,853</u>
Non-current liabilities:			
Loans and leases payable	-	248,717	248,717
Compensated absences	52,080	499,306	551,386
Claims payable	4,762,566	-	4,762,566
Net pension liability	1,375,935	1,096,981	2,472,916
Total OPEB liability	<u>80,303</u>	<u>173,119</u>	<u>253,422</u>
Total non-current liabilities	<u>6,270,884</u>	<u>2,018,123</u>	<u>8,289,007</u>
Total liabilities	<u>6,465,254</u>	<u>3,506,606</u>	<u>9,971,860</u>
DEFERRED INFLOWS OF RESOURCES			
Other	6,898	-	6,898
OPEB related items	37,330	71,896	109,226
Pension related items	<u>93,197</u>	<u>322,485</u>	<u>415,682</u>
Total deferred inflows of resources	<u>137,425</u>	<u>394,381</u>	<u>531,806</u>
NET POSITION			
Net investment in capital assets	-	2,464,313	2,464,313
Restricted for:			
Net pension benefits	17,427	43,792	61,219
Unrestricted	<u>1,170,756</u>	<u>977,161</u>	<u>2,147,917</u>
Total net position	<u>\$ 1,188,183</u>	<u>\$ 3,485,266</u>	<u>\$ 4,673,449</u>

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Risk Management	Fleet Management	Totals
OPERATING REVENUES			
Premiums and charges for services provided to other funds	\$ 2,561,910	\$ 3,638,141	\$ 6,200,051
Other revenues	321,469	240,592	562,061
Total operating revenues	<u>2,883,379</u>	<u>3,878,733</u>	<u>6,762,112</u>
OPERATING EXPENSES			
Personnel services	596,203	846,849	1,443,052
Materials, supplies, services and other operating expenses	1,227,808	1,848,217	3,076,025
Insurance claims	2,286,068	-	2,286,068
Depreciation	-	1,480,937	1,480,937
Total operating expenses	<u>4,110,079</u>	<u>4,176,003</u>	<u>8,286,082</u>
Operating income (loss)	<u>(1,226,700)</u>	<u>(297,270)</u>	<u>(1,523,970)</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest income	260,677	66,677	327,354
Gain from sale of capital assets	-	-	-
Other non-operating revenues	-	-	-
Proceeds from leases	-	-	-
Interest expense	-	(31,648)	(31,648)
Total non-operating revenues (expenses)	<u>260,677</u>	<u>35,029</u>	<u>295,706</u>
Income /(loss) before transfers	<u>(966,023)</u>	<u>(262,241)</u>	<u>(1,228,264)</u>
TRANSFERS			
Transfers in	-	238,644	238,644
Transfers out	(18,745)	(85,044)	(103,789)
Total net transfers	<u>(18,745)</u>	<u>153,600</u>	<u>134,855</u>
Change in net position	(984,768)	(108,641)	(1,093,409)
Net position, beginning	2,172,951	3,593,907	5,766,858
Net position, ending	<u>\$ 1,188,183</u>	<u>\$ 3,485,266</u>	<u>\$ 4,673,449</u>

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Risk Management	Fleet Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from other funds for premiums and charges for services	\$ 2,561,910	\$ 3,638,141	\$ 6,200,051
Other cash receipts	321,469	240,592	562,061
Payments to employees	(596,203)	(846,849)	(1,443,052)
Payments to suppliers	(997,135)	(1,697,275)	(2,694,410)
Payments for claims	(1,236,048)	-	(1,236,048)
Net cash provided by operating activities	<u>53,993</u>	<u>1,334,609</u>	<u>1,388,602</u>
CASH FLOWS FROM NON-FINANCING ACTIVITIES			
Transfers in	-	238,644	238,644
Transfers out - pension debt service	(18,745)	(85,044)	(103,789)
Net cash used for non-financing activities	<u>(18,745)</u>	<u>153,600</u>	<u>134,855</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal paid on leases	-	(1,112,618)	(1,112,618)
Interest paid on leases	-	(31,648)	(31,648)
Acquisition and construction of capital assets	-	(470,796)	(470,796)
Net cash used for lease and related financing activities	<u>-</u>	<u>(1,615,062)</u>	<u>(1,615,062)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	(260,677)	(66,677)	(327,354)
Interest earnings	260,677	66,677	327,354
Net cash used in investing activities	<u>-</u>	<u>-</u>	<u>-</u>
Net decrease in pooled cash and cash equivalents	35,248	(126,853)	(91,605)
Pooled cash and cash equivalents at beginning of year	1,902,807	1,740,836	3,643,643
Pooled cash and cash equivalents a end of the year	<u>\$ 1,938,055</u>	<u>\$ 1,613,983</u>	<u>\$ 3,552,038</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:			
Operating income (loss)	\$ (1,226,700)	\$ (297,270)	\$ (1,523,970)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	-	1,480,937	1,480,937
Changes in assets, liabilities, deferred inflows and outflows of resources:			
(Increase) in accounts receivable	-	(18,216)	(18,216)
(Increase) in grants receivable from other governments	-	(859)	(859)
Decrease in inventories and supplies	-	24,767	24,767
(Increase) in prepaids and deposits	(350)	11,069	10,719
(Increase) decrease in net pension asset	5,424	(37,952)	(32,528)
Decrease in deferred outflows of resources	248,161	179,917	428,078
Increase (decrease) in vouchers payable	19,188	69,810	88,998
(Decrease) in accrued payroll and benefits	5,297	(658)	4,639
Increase (decrease) in compensated absences	23,833	56,133	79,966
Increase in claims payable	1,001,673	-	1,001,673
(Decrease) in other post-employment benefits obligation	834	1,634	2,468
(Decrease) in net pension liability	(1,039)	79,874	78,835
Increase in deferred inflows of resources	(22,328)	(214,577)	(236,905)
Net cash provided by operating activities	<u>\$ 53,993</u>	<u>\$ 1,334,609</u>	<u>\$ 1,388,602</u>
Non-cash investing, lease and financing activities:			
Construction contracts payable	\$ -	\$ 2,023	\$ 2,023
Total non-cash investing, lease and financing activities	<u>\$ -</u>	<u>\$ 2,023</u>	<u>\$ 2,023</u>

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENTS OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

	<u>691 CTS Plan</u>	<u>748 Police Plan</u>	<u>Totals</u>
ASSETS			
Cash	\$ 114,591	\$ 121,184	\$ 235,775
Investments:			
Short term investments (money market funds)	3,955,047	2,049,775	6,004,822
U.S. Treasuries	7,735,232	6,576,539	14,311,771
U.S. Agency obligations	10,460,714	9,508,407	19,969,121
Corporate bonds	1,691,874	1,640,267	3,332,141
Common stock	43,221,818	29,411,851	72,633,669
Equity mutual funds	21,097,934	15,518,257	36,616,191
Real estate funds	23,347,426	16,746,998	40,094,424
Bond Index Funds	20,033,438	7,501,956	27,535,394
Equity securities index funds	44,738,175	28,777,347	73,515,522
Total investments	<u>176,281,658</u>	<u>117,731,397</u>	<u>294,013,055</u>
Receivables:			
Due from brokers	157,632	103,553	261,185
Due from participants	13,589	-	13,589
Plan members' contributions	-	16,519	16,519
Share Plan	57,451	-	57,451
Accrued interest	119,075	96,701	215,776
Accrued dividends	38,117	25,201	63,318
Other	4,316	8,805	13,121
Total receivables	<u>390,180</u>	<u>250,779</u>	<u>640,959</u>
Total assets	<u>176,786,429</u>	<u>118,103,360</u>	<u>294,889,789</u>
LIABILITIES AND NET POSITION RESTRICTED FOR PENSION BENEFITS			
Liabilities:			
Accounts payable and accrued liabilities	53,654	26,669	80,323
Due to brokers	190,579	124,138	314,717
Benefits payable	6,753	-	6,753
Total liabilities	<u>250,986</u>	<u>150,807</u>	<u>401,793</u>
Net position restricted for pension benefits	<u>\$ 176,535,443</u>	<u>\$ 117,952,553</u>	<u>\$ 294,487,996</u>

CITY OF NORTH MIAMI, FLORIDA
COMBINING STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	691 CTS Plan	748 Police Plan	Totals
ADDITIONS			
Contributions:			
Employer	\$ 1,359,913	\$ 4,994,768	\$ 6,354,681
Plan members	668,626	904,866	1,573,492
State	6,726	82,682	89,408
Total contributions	<u>2,035,265</u>	<u>5,982,316</u>	<u>8,017,581</u>
Investment income:			
Net increase (decrease) in fair value of investments	25,772,582	16,072,901	41,845,483
Interest	1,323,315	901,085	2,224,400
Dividends	<u>2,649,592</u>	<u>1,917,695</u>	<u>4,567,287</u>
Gross investment income	29,745,489	18,891,681	48,637,170
Less investment expenses	<u>(577,385)</u>	<u>(321,729)</u>	<u>(899,114)</u>
Net investment income	<u>29,168,104</u>	<u>18,569,952</u>	<u>47,738,056</u>
Total additions	<u>31,203,369</u>	<u>24,552,268</u>	<u>55,755,637</u>
DEDUCTIONS			
Benefits paid to plan members:			
Normal retirement (pension benefits)	8,048,387	6,631,544	14,679,931
Lump sum retirement	<u>1,197,918</u>	<u>-</u>	<u>1,197,918</u>
	9,246,305	6,631,544	15,877,849
Administrative expenses	<u>607,882</u>	<u>530,108</u>	<u>1,137,990</u>
Total deductions	<u>9,854,187</u>	<u>7,161,652</u>	<u>17,015,839</u>
Increase in net position	21,349,182	17,390,616	38,739,798
Net position restricted for pension benefits, beginning	<u>155,186,261</u>	<u>100,561,937</u>	<u>255,748,198</u>
Net position restricted for pension benefits, ending	<u>\$ 176,535,443</u>	<u>\$ 117,952,553</u>	<u>\$ 294,487,996</u>

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL (UNAUDITED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds							
	Home Investment Partnership				Neighborhood Stabilization Program			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)
	Original	Final			Original	Final		
REVENUES								
Intergovernmental	\$ 352,458	\$ 1,916,290	\$ 960,985	\$ (955,305)	\$ 199,890	\$ 369,371	\$ 243,938	\$ (125,433)
Total revenues	<u>352,458</u>	<u>1,916,290</u>	<u>960,985</u>	<u>(955,305)</u>	<u>199,890</u>	<u>369,371</u>	<u>243,938</u>	<u>(125,433)</u>
EXPENDITURES								
Housing and social services	352,458	1,916,290	893,177	1,023,113	49,890	94,483	87,308	7,175
Capital outlay	-	-	-	-	150,000	274,888	158,282	116,606
Total expenditures	<u>352,458</u>	<u>1,916,290</u>	<u>893,177</u>	<u>1,023,113</u>	<u>199,890</u>	<u>369,371</u>	<u>245,590</u>	<u>123,781</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>67,808</u>	<u>67,808</u>	<u>-</u>	<u>-</u>	<u>(1,652)</u>	<u>(1,652)</u>
Net change in fund balances/(deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>67,808</u>	<u>67,808</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,652)</u>	<u>(1,652)</u>
Fund (deficit) balance, beginning			<u>(11,868)</u>				<u>405,375</u>	
Fund (deficit) balance, ending			<u><u>55,940</u></u>				<u><u>403,723</u></u>	

Continued

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL (UNAUDITED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds							
	Local Housing (SHIP)				FEMA Disaster Recovery			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)
	Original	Final			Original	Final		
REVENUES								
Intergovernmental	\$ 442,834	\$ 701,974	\$ 203,625	\$ (498,349)	\$ -	\$ 5,237.00	\$ -	\$ (5,237)
Interest and other earnings	-	-	-	-	-	-	-	-
Total revenues	442,834	701,974	203,625	(498,349)	-	5,237	-	(5,237)
EXPENDITURES								
General government	-	-	-	-	-	5,237	-	5,237
Housing and social services	442,834	701,974	203,625	498,349	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	442,834	701,974	203,625	498,349	-	5,237	-	5,237
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-	-
Net change in fund balances/(deficits)	\$ -	\$ -	-	\$ -	\$ -	\$ -	-	\$ -
Fund (deficits), beginning			-				(237,004)	
Fund balances (deficits), ending			<u>\$ -</u>				<u>\$ (237,004)</u>	

Continued

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL (UNAUDITED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds							
	Police Training				Law Enforcement Trust			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)
	Original	Final			Original	Final		
REVENUES								
Intergovernmental	\$ -	\$ -	\$ 5,463	\$ 5,463	\$ -	\$ 238,178	\$ 30,865	\$ (207,313)
Interest and other earnings	-	-	-	-	-	-	-	-
Total revenues	-	-	5,463	5,463	-	238,178	30,865	(207,313)
EXPENDITURES								
Public safety and neighborhood services	-	-	-	-	-	213,178	164,933	48,245
Capital outlay	-	-	-	-	-	25,000	24,999	1
Total expenditures	-	-	-	-	-	238,178	189,932	48,246
Excess (deficiency) of revenues over (under) expenditures	-	-	5,463	5,463	-	-	(159,067)	(159,067)
Net change in fund balances	\$ -	\$ -	5,463	\$ 5,463	\$ -	\$ -	(159,067)	\$ (159,067)
Fund balances, beginning			13,583				353,595	
Fund balances, ending			<u>\$ 19,046</u>				<u>\$ 194,528</u>	

Continued

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL (UNAUDITED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds							
	Federal Forfeiture				Justice Assistance Grant			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)
	Original	Final			Original	Final		
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	267,996	44,109	(223,887)
Total revenues	-	-	-	-	-	267,996	44,109	(223,887)
EXPENDITURES								
Public safety	-	-	-	-	-	184,703	84,784	99,919
Capital outlay	-	-	-	-	-	83,293	64,889	-
Total expenditures	-	-	-	-	-	267,996	149,673	99,919
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	(105,564)	(123,968)
Net change in fund balances	\$ -	\$ -	-	\$ -	\$ -	\$ -	(105,564)	\$ (105,564)
Fund balance (deficit), beginning			40,558				(92,351)	
Fund balance (deficit), ending			\$ 40,558				\$ (197,915)	

Continued

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL (UNAUDITED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds							
	1/2 Cent Transportation				Developer Impact Fees			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)
	Original	Final			Original	Final		
REVENUES								
Charges for services - other	\$ -	\$ -	\$ 8,404	\$ 8,404	\$ -	\$ 80,716	\$ 1,851,607	\$ 1,770,891
Franchise fees	-	-	23,218	23,218	-	-	-	-
Intergovernmental	5,311,671	6,611,536	3,708,753	(2,902,783)	-	-	-	-
Interest and other earnings	-	-	84,231	84,231	-	-	117,564	117,564
Total revenues	5,311,671	6,611,536	3,824,606	(2,786,930)	-	80,716	1,969,171	1,888,455
EXPENDITURES								
Physical environment: transportation	2,460,799	2,543,499	1,982,494	561,005	-	-	-	-
Capital outlay	2,850,872	4,068,037	1,271,387	2,796,650	-	80,716	80,716	-
Total expenditures	5,311,671	6,611,536	3,253,881	3,357,655	-	80,716	80,716	-
Excess (deficiency) of revenues over (under) expenditures	-	-	570,725	570,725	-	-	1,888,455	1,888,455
OTHER FINANCING SOURCES (USES)								
Appropriated reserves	-	-	-	-	-	-	-	-
Transfers in	-	-	902,428	902,428	-	-	-	-
Transfers out	-	-	-	-	-	-	(118,553)	(118,553)
Total other financing source (uses)	-	-	902,428	902,428	-	-	(118,553)	(118,553)
Net change in fund balances	\$ -	\$ -	1,473,153	1,473,153	\$ -	\$ -	1,769,902	1,769,902
Fund balances, beginning			3,575,852				2,270,937	
Fund balances, ending			<u>\$ 5,049,005</u>				<u>\$ 4,040,839</u>	

Continued

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL (UNAUDITED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds							
	Building Fund				Miscellaneous & Other Grants			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)
	Original	Final			Original	Final		
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 16,211	\$ 27,462	\$ 192,231	\$ 164,769
Licenses and permits	5,624,459	6,098,474	11,871,287	5,772,813	-	-	-	-
Interest and other earnings	-	-	80,546	80,546	-	-	-	-
Total revenues	<u>5,624,459</u>	<u>6,098,474</u>	<u>11,951,833</u>	<u>5,853,359</u>	<u>16,211</u>	<u>27,462</u>	<u>192,231</u>	<u>-</u>
EXPENDITURES								
Public safety and neighborhood services	3,658,985	3,998,985	2,980,803	1,018,182	-	-	135,806	(135,806)
Culture and recreation	-	-	-	-	16,211	27,481	15,362	12,119
Community planning and development	-	-	-	-	-	-	(636)	636
Capital outlay	78,000	212,015	184,395	27,620	-	(19)	19,330	(19,349)
Total expenditures	<u>3,736,985</u>	<u>4,211,000</u>	<u>3,165,198</u>	<u>1,045,802</u>	<u>16,211</u>	<u>27,462</u>	<u>169,862</u>	<u>(142,400)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,887,474</u>	<u>1,887,474</u>	<u>8,786,635</u>	<u>6,899,161</u>	<u>-</u>	<u>-</u>	<u>22,369</u>	<u>(142,400)</u>
OTHER FINANCING SOURCES (USES)								
Transfers out	<u>(1,887,474)</u>	<u>(1,887,474)</u>	<u>(1,887,474)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing source (uses)	<u>(1,887,474)</u>	<u>(1,887,474)</u>	<u>(1,887,474)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>6,899,161</u>	<u>\$ 6,899,161</u>	<u>\$ -</u>	<u>\$ -</u>	<u>22,369</u>	<u>\$ (142,400)</u>
Fund balances (deficits), beginning			<u>4,070,344</u>				<u>114,687</u>	
Fund balances, ending			<u><u>\$ 10,969,505</u></u>				<u><u>\$ 137,056</u></u>	

Continued

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL
(UNAUDITED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Debt Service Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				(Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Debt service	1,787,375	1,787,375	1,787,987	(612)
Total expenditures	1,787,375	1,787,375	1,787,987	(612)
Excess (deficiency) of revenues over (under) expenditures	(1,787,375)	(1,787,375)	(1,787,987)	(612)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,787,375	1,787,375	1,787,375	-
Total other financing source (uses)	1,787,375	1,787,375	1,787,375	-
Net change in fund balance	\$ -	\$ -	(612)	\$ (612)
Fund balance, beginning			160,779	
Fund balance, ending			\$ 160,167	

Continued

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL (UNAUDITED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Capital Projects Funds							
	North Miami Cagni Park Project				Transportation Gas Tax			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Negative)
	Original	Final			Original	Final		
REVENUES								
Intergovernmental	\$ -	\$ 450,121	\$ -	\$ (450,121)	\$ 271,611	\$ 471,214	\$ 271,725	\$ (199,489)
Total revenues	-	450,121	-	(450,121)	271,611	471,214	271,725	(199,489)
EXPENDITURES								
Capital outlay	-	450,121	71,343	378,778	271,611	471,214	478,006	(6,792)
Total expenditures	-	450,121	71,343	378,778	271,611	471,214	478,006	(6,792)
Excess (deficiency) of revenues over (under) expenditures	-	-	(71,343)	(71,343)	-	-	(206,281)	(206,281)
Net change in fund balances	\$ -	\$ -	(71,343)	\$ (71,343)	\$ -	\$ -	(206,281)	\$ (206,281)
Fund (deficit) balance, beginning			(992,827)				311,697	
Fund (deficit) balance, ending			<u>\$ (1,064,170)</u>				<u>\$ 105,416</u>	



III. Statistical Section (Unaudited)

- Financial Trends
- Revenue Capacity
- Debt Capacity
- Demographic and Economic Information
- Operating Information



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STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	149-154
Revenue Capacity	
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	155-160
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	161-168
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	169-171
Operating Information	
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	172-173
<i>Sources: Unless otherwise noted the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.</i>	



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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)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Governmental activities:	*Restated		* *Restated							
Net investment in capital assets	\$ 55,314,367	\$ 61,274,246	\$ 61,365,386	\$ 62,452,076	\$ 63,668,765	\$ 71,535,115	\$ 72,855,470	\$ 89,647,376	\$ 62,549,727	\$ 76,649,635
Restricted	17,238,381	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
Unrestricted	(35,615,832)	(32,812,317)	(32,309,472)	(42,688,281)	(49,355,131)	(52,633,002)	(51,595,112)	(54,476,477)	(47,187,648)	(98,994,345)
Total governmental activities net position	<u>\$ 36,936,916</u>	<u>\$ 37,106,671</u>	<u>\$ 38,468,620</u>	<u>\$ 28,207,031</u>	<u>\$ 21,742,188</u>	<u>\$ 34,296,230</u>	<u>\$ 43,363,297</u>	<u>\$ 61,404,873</u>	<u>\$ 63,536,667</u>	<u>\$ 76,085,779</u>
Business-type activities:										
Net investment in capital assets	\$ 39,868,520	\$ 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
Restricted	13,060,381	-	-	-	-	-	-	-	329,020	218,514
Unrestricted	20,113,189	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
Total business-type activities net position	<u>\$ 73,042,090</u>	<u>\$ 75,447,169</u>	<u>\$ 76,574,973</u>	<u>\$ 77,760,261</u>	<u>\$ 78,041,681</u>	<u>\$ 78,972,535</u>	<u>\$ 76,307,012</u>	<u>\$ 76,446,531</u>	<u>\$ 77,071,159</u>	<u>\$ 78,545,441</u>
Net position:										
Net investment in capital assets	\$ 95,182,887	\$ 99,724,041	\$ 100,676,272	\$ 102,901,106	\$ 107,665,920	\$ 115,881,198	\$ 116,826,954	\$ 134,630,615	\$ 113,619,931	\$ 129,003,010
Restricted	30,298,762	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
Unrestricted	(15,502,643)	4,185,057	4,954,615	(5,377,050)	(15,310,605)	(18,006,550)	(19,259,584)	(23,013,185)	(21,515,713)	(73,020,793)
Total net position	<u>\$ 109,979,006</u>	<u>\$ 112,553,840</u>	<u>\$ 115,043,593</u>	<u>\$ 105,967,292</u>	<u>\$ 99,783,869</u>	<u>\$ 113,268,765</u>	<u>\$ 119,670,309</u>	<u>\$ 137,851,404</u>	<u>\$ 140,607,826</u>	<u>\$ 154,631,220</u>

* Beginning net position was restated with the implementation of GASB 72, as of October 1, 2015, and recognition of long tem lease agreement unearned revenues.

** Beginning net position was restated with the implementation of GASB 75, as of October 1, 2017.

TABLE 2

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
EXPENSES										
Governmental activities:										
General government	\$ 18,721,535	\$ 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
Public safety	26,983,295	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
Physical environment	1,665,406	1,526,731	388,242	591,810	338,808	3,879,546	10	175	545,514	585,428
Transportation and public works	5,605,540	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
Economic environment (Housing & Social Services)	1,069,839	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
Parks and community services (Culture & recreation)	10,905,337	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
Community planning and development	1,931,045	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
Interest and fiscal charges (6)	<u>1,256,720</u>	<u>1,225,739</u>	<u>1,265,498</u>	<u>1,166,356</u>	<u>1,667,794</u>	<u>1,264,361</u>	<u>1,196,756</u>	<u>1,044,825</u>	<u>747,588</u>	<u>2,073,111</u>
Total governmental activities expenses	<u>68,138,717</u>	<u>67,579,508</u>	<u>74,109,565</u>	<u>85,482,068</u>	<u>89,125,953</u>	<u>94,814,444</u>	<u>89,389,149</u>	<u>88,953,237</u>	<u>102,717,547</u>	<u>112,824,899</u>
Business-type activities:										
Water and sewer	26,685,028	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
Stormwater	<u>2,123,669</u>	<u>1,848,527</u>	<u>2,513,502</u>	<u>2,707,044</u>	<u>2,490,524</u>	<u>2,807,175</u>	<u>2,984,224</u>	<u>2,285,700</u>	<u>2,158,326</u>	<u>1,677,250</u>
Total business-type activities expenses	<u>28,808,697</u>	<u>30,387,395</u>	<u>32,947,890</u>	<u>34,730,660</u>	<u>34,559,394</u>	<u>33,599,821</u>	<u>37,184,018</u>	<u>36,658,543</u>	<u>39,302,799</u>	<u>35,591,741</u>
Total expenses	<u>\$ 96,947,414</u>	<u>\$ 97,966,903</u>	<u>\$ 107,057,455</u>	<u>\$ 120,212,728</u>	<u>\$ 123,685,347</u>	<u>\$ 128,414,265</u>	<u>\$ 126,573,167</u>	<u>\$ 125,611,780</u>	<u>\$ 142,020,346</u>	<u>\$ 148,416,640</u>

(Continued)

TABLE 2

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
PROGRAM REVENUES										
Governmental activities:										
Charges for services:										
General government	\$ 7,034,086	\$ 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
Public safety	6,646,252	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
Physical environment	1,915,022	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
Transportation and public works	835,931	88,368	47,346	40,025	2,959,562	19,730	38,391	45,975	37,047	71,351
Economic environment (Housing & Social Services)	1,394,763	-	-	-	-	-	-	-	-	-
Parks and community services (Culture & recreation)	2,785,645	2,993,270	3,278,530	3,592,542	977,624	455,915	425,689	479,776	1,497,358	1,549,498
Community planning and development	134,132	777,851	584,838	550,107	268,313	352,937	352,660	924,621	825,597	1,220,630
Operating grants and contributions	3,603,994	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
Capital grants and contributions	<u>6,677,318</u>	<u>544,232</u>	<u>670,841</u>	<u>317,960</u>	<u>301,146</u>	<u>264,018</u>	<u>271,837</u>	<u>287,942</u>	<u>290,769</u>	<u>291,055</u>
Total governmental activities program revenues	<u>31,027,143</u>	<u>30,951,181</u>	<u>32,314,124</u>	<u>32,303,301</u>	<u>31,812,416</u>	<u>32,918,635</u>	<u>43,270,191</u>	<u>46,399,036</u>	<u>39,185,614</u>	<u>44,194,841</u>
Business-type activities:										
Charges for services:										
Water and sewer	34,849,639	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
Stormwater	<u>2,287,685</u>	<u>2,598,048</u>	<u>2,610,940</u>	<u>2,552,977</u>	<u>2,639,510</u>	<u>2,404,654</u>	<u>2,429,775</u>	<u>2,411,117</u>	<u>2,920,624</u>	<u>2,938,813</u>
Total business-type activities program revenues	<u>37,137,324</u>	<u>34,793,261</u>	<u>34,211,546</u>	<u>36,182,376</u>	<u>34,028,507</u>	<u>33,578,377</u>	<u>34,594,455</u>	<u>36,894,173</u>	<u>39,666,033</u>	<u>45,245,820</u>
Total program revenues	<u>\$ 68,164,467</u>	<u>\$ 65,744,442</u>	<u>\$ 66,525,670</u>	<u>\$ 68,485,677</u>	<u>\$ 65,840,923</u>	<u>\$ 66,497,012</u>	<u>\$ 77,864,646</u>	<u>\$ 83,293,209</u>	<u>\$ 78,851,647</u>	<u>\$ 89,440,661</u>
NET (EXPENSE) REVENUE										
Governmental activities	\$ (37,111,574)	\$ (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)
Business-type activities	<u>8,328,627</u>	<u>4,405,866</u>	<u>1,263,656</u>	<u>1,451,716</u>	<u>(530,887)</u>	<u>(21,444)</u>	<u>(2,589,563)</u>	<u>235,630</u>	<u>363,234</u>	<u>9,654,079</u>
Total (expense) revenue	<u>\$ (28,782,947)</u>	<u>\$ (32,222,461)</u>	<u>\$ (40,531,785)</u>	<u>\$ (51,727,051)</u>	<u>\$ (57,844,424)</u>	<u>\$ (61,917,253)</u>	<u>\$ (48,708,521)</u>	<u>\$ (42,318,571)</u>	<u>\$ (63,168,699)</u>	<u>\$ (58,975,979)</u>

(Continued)

TABLE 2

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Governmental activities:										
Taxes:										
Property taxes	\$ 17,138,805	\$ 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
Utility service tax	4,210,073	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
Communication service tax	1,415,105	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
Franchise taxes	3,539,715	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
Unrestricted investment earnings	86,549	259,140	98,716	235,600	259,593	195,619	332,420	(126,423)	12,660,993	9,603,125
Miscellaneous	12,290,361	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
Transfers	<u>187,739</u>	<u>205,115</u>	<u>241,808</u>	<u>228,835</u>	<u>241,265</u>	<u>223,493</u>	<u>239,642</u>	<u>233,520</u>	<u>254,768</u>	<u>9,189,991</u>
Total governmental activities	<u>38,868,347</u>	<u>52,074,391</u>	<u>43,157,390</u>	<u>45,270,315</u>	<u>50,848,694</u>	<u>66,293,433</u>	<u>55,186,025</u>	<u>60,595,777</u>	<u>65,663,727</u>	<u>84,045,832</u>
Business-type activities:										
Miscellaneous	55,368	299,700	105,956	321,223	1,053,572	1,175,791	163,682	137,409	516,162	1,010,194
Transfers	<u>(187,739)</u>	<u>(205,115)</u>	<u>(241,808)</u>	<u>(228,835)</u>	<u>(241,265)</u>	<u>(223,493)</u>	<u>(239,642)</u>	<u>(233,520)</u>	<u>(254,768)</u>	<u>(9,189,991)</u>
Total business-type activities	<u>(132,371)</u>	<u>94,585</u>	<u>(135,852)</u>	<u>92,388</u>	<u>812,307</u>	<u>952,298</u>	<u>(75,960)</u>	<u>(96,111)</u>	<u>261,394</u>	<u>(8,179,797)</u>
Total	<u>38,735,976</u>	<u>52,168,976</u>	<u>43,021,538</u>	<u>45,362,703</u>	<u>51,661,001</u>	<u>67,245,731</u>	<u>55,110,065</u>	<u>60,499,666</u>	<u>65,925,121</u>	<u>75,866,035</u>
CHANGE IN NET POSITION										
Governmental activities	1,756,773	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
Business-type activities	<u>8,196,256</u>	<u>4,500,451</u>	<u>1,127,804</u>	<u>1,544,104</u>	<u>281,420</u>	<u>930,854</u>	<u>(2,665,523)</u>	<u>139,519</u>	<u>624,628</u>	<u>1,474,282</u>
Total	<u>\$ 9,953,029</u>	<u>\$ 19,946,515</u>	<u>\$ 2,489,753</u>	<u>\$ (6,364,348)</u>	<u>\$ (6,183,423)</u>	<u>\$ 5,328,478</u>	<u>\$ 6,401,544</u>	<u>\$ 18,181,095</u>	<u>\$ 2,756,422</u>	<u>\$ 16,890,056</u>

TABLE 3

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General fund:	* Restated									
Non-spendable	\$ 141,595	\$ 49,197	\$ 79,227	\$ 87,743	\$ 127,422	\$ 199,956	\$ 213,923	\$ 353,152	\$ 545,114	\$ 234,448
Restricted	-	-	-	1,190,000	7,549,440	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Assigned	4,544,241	-	-	-	-	-	-	-	-	-
Unassigned	9,114,161	(396,516)	(4,921,302)	(9,460,185)	(21,357,402)	(12,218,700)	(3,316,048)	3,083,814	9,785,269	13,765,822
Total general fund	<u>\$ 13,799,997</u>	<u>\$ (347,319)</u>	<u>\$ (4,842,075)</u>	<u>\$ (8,182,442)</u>	<u>\$ (13,680,540)</u>	<u>\$ (5,018,744)</u>	<u>\$ 3,897,875</u>	<u>\$ 10,436,966</u>	<u>\$ 17,330,383</u>	<u>\$ 21,000,270</u>
All other governmental funds:										
Non-spendable	\$ 913,562	\$ -	\$ 30,524	\$ 60,906	\$ 85,029	\$ 61,849	\$ 90,422	\$ 99,208	\$ 68,549	\$ 16,623
Restricted	16,928,309	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
Assigned	2,800,546	535,690	374,794	260,605	785,729	258,445	591,002	567,853	567,853	-
Unassigned	(965,261)	(544,321)	(960,234)	(5,094,005)	(5,842,303)	(1,527,688)	(1,122,361)	(958,080)	(693,817)	(1,499,089)
Total all other governmental funds	<u>\$ 19,677,156</u>	<u>\$ 18,726,057</u>	<u>\$ 18,463,573</u>	<u>\$ 12,093,290</u>	<u>\$ 11,834,718</u>	<u>\$ 13,072,975</u>	<u>\$ 19,176,546</u>	<u>\$ 26,472,668</u>	<u>\$ 12,939,517</u>	<u>\$ 81,312,432</u>

* Beginning fund balance was restated with the implementation of GASB 72, as of October 1, 2015

TABLE 4

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024⁽⁴⁾</u>
REVENUES										
Taxes	\$ 25,497,860	\$ 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
Charges for services	8,025,835	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 *
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	2,829,842	1,249,133	1,061,091	899,657	682,350	527,272	532,329	496,286	312,999	601,450
Intergovernmental	15,063,947	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
Licenses and permits	2,428,695	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
Other (including interest)	<u>4,357,063</u>	<u>8,144,393</u>	<u>6,869,743</u>	<u>5,861,113</u>	<u>7,146,703</u>	<u>7,636,307</u>	<u>7,114,426</u>	<u>7,531,853</u>	<u>8,335,863</u>	<u>10,120,148</u>
Total revenues	<u>58,203,242</u>	<u>61,367,029</u>	<u>65,192,498</u>	<u>67,953,790</u>	<u>75,305,525</u>	<u>76,179,559</u>	<u>91,326,988</u>	<u>97,180,896</u>	<u>101,816,354</u>	<u>106,493,850</u>
EXPENDITURES										
General government	10,244,783	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
Public safety	26,374,717	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
Physical environment (Transportation & Public Works) ⁽²⁾	4,977,118	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
Transportation	4,548,595	4,911,156	4,883,548	4,632,752	2,801,521	-	-	-	-	-
Economic environment (Housing and Social Services) ⁽³⁾	1,026,725	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
Parks and community services (Culture & recreation)	7,610,932	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
Community planning & development	4,412,735	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
Debt service:										
Principal retirement	625,000	779,197	877,292	1,022,527	542,144	1,042,068	1,094,348	2,062,106	2,321,456	2,442,340
Interest and fiscal charges	1,150,357	1,123,491	789,728	761,523	1,321,680	899,363	839,338	809,446	798,216	2,073,111
Capital outlay	<u>3,773,231</u>	<u>1,912,530</u>	<u>2,841,065</u>	<u>2,750,721</u>	<u>2,309,530</u>	<u>2,368,393</u>	<u>2,143,473</u>	<u>20,248,883</u>	<u>3,099,610</u>	<u>15,567,943</u>
Total expenditures	<u>64,744,193</u>	<u>65,695,067</u>	<u>70,879,003</u>	<u>77,948,979</u>	<u>81,360,868</u>	<u>84,063,870</u>	<u>77,565,757</u>	<u>104,075,868</u>	<u>92,764,575</u>	<u>112,418,242</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,540,951)</u>	<u>(4,328,038)</u>	<u>(5,686,505)</u>	<u>(9,995,189)</u>	<u>(6,055,343)</u>	<u>(7,884,311)</u>	<u>13,761,231</u>	<u>(6,894,972)</u>	<u>9,051,779</u>	<u>(5,924,392)</u>
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 liabilities issued	-	-	629,483	-	-	253,543	-	-	215,918	-
Proceeds from debt	-	-	-	-	-	-	-	17,692,744	-	52,236,769
Transfers in	2,765,531	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 *
Contributions	3,101,299	-	-	-	-	-	-	-	-	-
Transfers out	<u>(2,524,588)</u>	<u>(1,829,936)</u>	<u>(1,671,752)</u>	<u>(2,435,564)</u>	<u>(2,111,489)</u>	<u>(1,511,952)</u>	<u>(6,492,482)</u>	<u>(6,968,024)</u>	<u>(2,777,878)</u>	<u>(8,520,082)</u>
Total other financing sources (uses)	<u>3,342,242</u>	<u>4,639,680</u>	<u>929,265</u>	<u>284,538</u>	<u>298,674</u>	<u>18,775,960</u>	<u>1,258,959</u>	<u>20,880,731</u>	<u>2,080,438</u>	<u>63,061,905</u>
Net change in fund balances (deficits)	<u>\$ (3,198,709)</u>	<u>\$ 311,642</u>	<u>\$ (4,757,240)</u>	<u>\$ (9,710,651)</u>	<u>\$ (5,756,669)</u>	<u>\$ 10,891,649</u>	<u>\$ 15,020,190</u>	<u>\$ 13,985,759</u>	<u>\$ 11,132,217</u>	<u>\$ 57,137,513</u>
Debt service (excluding issuance costs)										
as a percentage of noncapital expenditures	2.9%	3.0%	2.5%	2.4%	2.4%	2.4%	2.6%	3.4%	3.5%	4.7%

(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 <u>Year</u>	Property <u>Tax</u>	Franchise <u>Tax</u>	Sales and <u>Use Tax</u>	Utility Service <u>Tax</u>	Communication Services <u>Tax</u>	<u>Total</u>
2015	17,138,805	3,539,715	805,838	3,404,235	1,415,105	26,303,698
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	761,198	5,263,670	1,098,082	46,227,467
2024	43,305,771	5,950,820	761,627	5,427,631	1,087,693	56,533,542
Change 2015-2024	96.19%	54.80%	-5.54%	54.62%	-22.40%	75.75%

TABLE 6

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

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal</u>	(1) <u>Centrally Assessed Property</u>	<u>Taxable Gross Total</u>	<u>Real Estate Adjustments</u>	<u>Net Assessed Property Value</u>	(2) <u>Total Direct Tax Rate</u>
2015	2,288,960,375	102,767,681	1,448,606	2,393,176,662	5,791,134	2,387,385,528	7.934
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

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

Fiscal Year	City of North Miami			Miami-Dade County			School District	So. Fl. Water Mgt.	Total Millage
	Operating Millage ⁽¹⁾	Debt Service Millage	Total	Operating Millage	Debt Service Millage	Total			
2015	7.934	0.000	7.934	4.667	0.450	5.117	7.413	0.1459	20.609
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

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**

<u>Taxpayer</u>	2024			2015		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of total City Taxable Assessed Value</u>
City of North Miami	\$ 111,900,120	1	1.92%	\$ -	-	-
OPLH IV LLC	108,911,125	2	1.87%	-	-	-
Florida Power & Light	107,639,229	3	1.84%	-	-	-
BRE Portofino MF Property Owner	106,015,436	4	1.82%	-	-	-
Countyline Auto Center Inc	62,000,000	5	1.06%	-	-	-
1490 North 123rd LLC	46,654,900	6	0.80%	-	-	-
SM Parcel B LLC	45,196,308	7	0.77%	-	-	-
SM Parcel A LLC	41,835,181	8	0.72%	-	-	-
Public Super Markets Inc.	31,979,457	7	0.55%	-	-	-
Causeway Square LLC	23,871,326	8	0.41%	-	-	-
G1R Florida LLC	21,866,934	9	0.37%	-	-	-
				-	-	-
Stellar Biscayne LP	-	-	-	\$ 56,427,662	1	18.71%
Florida Power & Light	-	-	-	55,359,242	2	18.26%
Countyline Auto Center Inc	-	-	-	50,326,584	3	16.68%
WRPV XI Watermarke Miami LLC	-	-	-	33,831,889	4	11.21%
City of North Miami	-	-	-	29,416,791	5	9.75%
Causeway Square LLC	-	-	-	19,500,000	6	6.46%
JVR Investments Green Acres Inc.	-	-	-	15,405,000	7	5.11%
Public Super Markets Inc.	-	-	-	15,336,211	8	5.08%
Yale Stream Center Court LLC	-	-	-	14,500,000	9	4.81%
RK Causeway Plaza LLC	-	-	-	11,858,000	10	3.93%
Totals	\$ 707,870,016		12.12%	\$ 301,961,379		100%

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
2015	18,159,696	16,838,805	92.73%	300,000	17,138,805	94.38%
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%

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

Fiscal Year							Sewer Treatment Charge					Sanitation	Recycling	Stormwater
	Water			Sewer				Capital Improvement Fees						(5)
	(1)	(2)	(2)	As a percentage of				(3)	(4)					
	Base Rate per 5,000 Gallons	Rate per 1,000 gallons Over Minimum		Water rates		2014	1,000 Gallons	Water		Sewer	Annual Charge	Monthly Charge	Monthly Charge Per ERU	
		Residential	Commercial	Residential	Commercial			Residential	Commercial	Residential	Commercial			
2015	12.51	1.81	1.72	N/A	N/A	N/A	4.41	N/A	N/A	N/A	N/A	254.40	N/A	6.19
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

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) In 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

Fiscal Year	Governmental Activities		Business-type Activities			Total Primary Government	Population (1)	Per Capita	(Restated) Percentage of Personal Income (1)
	Notes Payable	Leases (3)	Leases (3)	Loan Payable (2)	SRF Loan Payable				
2015	14,530,987	278,317	100,765	2,292,681	2,043,548	19,246,298	58,786	327	1.78%
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	3,654,325	1,861	-	4,176,769	14,946,471	59,008	253	1.15%

(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

<u>Fiscal Year</u>	<u>(1) Population*</u>	<u>(2) Assessed Value*</u>	<u>(3) Gross Bonded Debt*</u>	<u>Net Bonded Debt*</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
2015	59	\$ 2,387,386	15,395	14,530	61%	247
2016	59	\$ 2,598,243	14,725	13,963	54%	238
2017	59	\$ 2,829,716	14,005	13,340	47%	227
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

*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, 2024

<u>Jurisdiction</u>	<u>Taxable Property Value</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable To North Miami</u>	<u>Amount Applicable To North Miami</u>
Direct:				
City of North Miami (1)	\$ 5,639,249	\$ 7,113,516	-	\$ -
Overlapping:				
Miami-Dade County (2)	538,647,190	2,310,220	1.05% (4)	24,186
Miami-Dade County Schools (3)	562,602,281	1,108,558	1.00% (4)	11,112
Total overlapping debt		3,418,778		35,298
Total direct and overlapping debt		<u>\$ 10,532,294</u>		<u>\$ 35,298</u>

(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)

<u>Fiscal</u> <u>Year</u>	<u>Principal</u>	<u>Interest ⁽²⁾</u>	<u>Total</u> <u>Debt</u> <u>Service</u>	<u>Total</u> <u>General</u> <u>Governmental</u> <u>Expenditures ⁽³⁾</u>	<u>Ratio of</u> <u>Debt Service</u> <u>to General</u> <u>Governmental</u> <u>Expenditures</u>
2015	625	1,150	1,775	58,146	3.0%
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%

(1) Includes debt service for general obligation and special obligation debt.

(2) Includes debt issuance and other costs.

(3) General Fund - 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

<u>Fiscal Year</u>	<u>Operating Revenue ⁽¹⁾</u>	<u>Operating Expenses ⁽²⁾</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements</u>		<u>Total</u>	<u>Coverage</u>
				<u>Principal</u>	<u>Interest ⁽³⁾</u>		
2015	37,192	26,775	10,417	315	137	452	23.05
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

(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

TABLE 16

CITY OF NORTH MIAMI, FLORIDA
FISCAL YEAR BUDGETED AND HISTORIC NON-AD VALOREM FUNDS (Unaudited)
FISCAL YEAR ENDED SEPTEMBER 30, 2023

<u>Sources of Funds</u>	(6) 2025 (Budgeted)	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General government funds ⁽¹⁾ :								
Franchise fees	\$ 5,674,369	\$ 5,106,435	\$ 4,423,028	\$ 4,294,905	\$ 4,369,008	\$ 4,376,529	\$ 4,323,846	\$ 4,132,730
Utility taxes	4,633,903	3,873,710	3,764,093	3,915,623	3,763,707	3,663,407	3,517,469	3,681,003
Communication services tax	1,131,024	1,120,285	1,047,087	1,036,291	1,000,000	1,200,000	1,165,811	1,297,205
Licenses and permits	1,156,180	1,242,000	958,056	942,257	907,257	7,326,202	4,901,352	4,029,604
Intergovernmental revenues ⁽²⁾	10,529,743	10,316,412	8,627,766	8,151,004	7,634,489	8,559,325	7,702,962	7,549,406
Charges for services ⁽³⁾	8,298,928	7,142,243	7,491,090	5,579,832	6,923,914	6,006,557	4,937,245	5,498,383
Fines and forfeitures	538,590	437,050	408,053	442,120	646,600	718,300	1,054,633	786,836
Other ⁽⁵⁾	6,611,466	5,627,499	5,749,123	5,453,310	6,710,843	8,436,766	6,598,372	9,572,444
Total general government non-ad valorem funds	<u>38,574,203</u>	<u>34,865,634</u>	<u>32,468,296</u>	<u>29,815,342</u>	<u>31,955,818</u>	<u>40,287,086</u>	<u>34,201,690</u>	<u>36,547,611</u>
Enterprise funds ⁽⁴⁾ :								
Water and sewer utility	58,495,772	60,170,529	46,231,967	46,437,852	49,973,082	59,532,531	49,372,814	51,109,343
Stormwater utility	<u>3,361,908</u>	<u>4,458,924</u>	<u>3,034,424</u>	<u>3,655,000</u>	<u>4,305,197</u>	<u>4,138,138</u>	<u>4,389,308</u>	<u>4,356,721</u>
Total enterprise funds non-ad valorem funds	<u>61,857,680</u>	<u>64,629,453</u>	<u>49,266,391</u>	<u>50,092,852</u>	<u>54,278,279</u>	<u>63,670,669</u>	<u>53,762,122</u>	<u>55,466,064</u>
Total non-ad valorem funds	<u>\$ 100,431,883</u>	<u>\$ 99,495,087</u>	<u>\$ 81,734,687</u>	<u>\$ 79,908,194</u>	<u>\$ 86,234,097</u>	<u>\$ 103,957,755</u>	<u>\$ 87,963,812</u>	<u>\$ 92,013,675</u>

(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.

(4) Only operating revenues are shown.

(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)			Non-Ad Valorem Funds (2)	Coverage Ratio Percentage
		Principal	Interest	Total		
2025	1,787,800	1,260,000	527,800	1,787,800	99,495,087	55.65
2026	1,786,450	1,350,000	436,450	1,786,450	99,495,087	55.69
2027	1,788,575	1,450,000	338,575	1,788,575	99,495,087	55.63
2028	1,788,449	1,555,000	233,449	1,788,449	99,495,087	55.63
2029	1,785,713	1,665,000	120,713	1,785,713	99,495,087	55.72
	\$ 8,936,987	\$ 7,280,000	\$ 1,656,987	\$ 8,936,987	\$ 497,475,435	

(1) This assumes that total debt service for this debt is paid from Non-Ad Valorem Funds (see Table 18).

This reflects the budgeted funds available for the fiscal year ended September 30 from General Government Non-Ad

(2) Valorem Funds and Enterprise Funds (see Table 16).

Reflects new debt issuance. The Taxable Special Obligation Refunding Bonds-Series 2002 (Pension) were refunded in

(3) 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)

<u>Year</u>	<u>2010 Taxable Promissory Note (Pension)</u>
2025	1,787,800
2026	1,786,450
2027	1,788,575
2028	1,788,449
2029	1,785,713
Total	<u>\$ 8,936,987</u>

Source: City of North Miami, Florida Finance Department



Demographic/Economic



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TABLE 19

CITY OF NORTH MIAMI, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS (Unaudited)
LAST TEN FISCAL YEARS

Fiscal Year	(1) <u>Population</u>	Personal Income (in thousands)	(2) Per Capita Personal Income	(3) Median Age	(4) School Enrollment	(5) Unemployment Rate Percentage
2015	58,786	\$ 1,131,869	\$ 18,428	34	349,822	9.8
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

(1) U.S. Census Bureau

(2) Data 2023 based on U.S. Census of Population 2022. Per Capita Income in past 12 months (in 2022 dollars), 2018-2022

(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**

<u>Employer</u>	<u>2024</u>			<u>2015</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Miami-Dade Public Schools	1,181	1	3.66	-	-	-
City of North Miami (Including Police Dept.)	556	2	1.72	369	4	1.21
Villa Marie Nursing Home	400	3	1.24	400	3	1.31
Whole Food Market	300	4	0.93	-	-	-
Publix Super Markets	260	5	0.81	250	5	0.82
Lexus Of North Miami	250	6	0.77	184	7	0.60
Warren Henry Auto Group	250	7	0.77	-	-	-
Home Depot	201	8	0.62	-	-	-
Techno Aerospace	200	9	0.62	-	-	-
Fountain Manor Nursing & Rehab	184	10	0.57	-	-	-
Total	<u>3,782</u>		<u>11.72</u>	<u>1,203</u>		<u>3.95</u>
Estimated Labor Force	32,280			30,429		

Source: Economic Development Division

TABLE 21

CITY OF NORTH MIAMI, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION (Unaudited)
LAST TEN FISCAL YEARS

<u>Function</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Governmental activities:										
General government	58	58	80	86	88	76	108	126	105	112
Public safety	159	159	149	151	155	144	149	143	153	149
Transportation	42	42	55	51	50	46	40	6	40	35
Personnel services	6	6	6	6	6	4	4	5	5	4
Culture and recreation	54	54	56	54	57	49	25	36	31	26
Economic environment	10	10	10	8	7	11	15	15	23	
Business-type activities:										
Water & sewer utility	42	42	49	51	49	46	42	48	51	41
Stormwater	<u>9</u>	<u>9</u>	<u>7</u>	<u>15</u>	<u>12</u>	<u>14</u>	<u>8</u>	<u>5</u>	<u>6</u>	<u>6</u>
Total	<u>380</u>	<u>380</u>	<u>412</u>	<u>422</u>	<u>424</u>	<u>390</u>	<u>391</u>	<u>384</u>	<u>414</u>	<u>390</u>

Source: City Personnel Department



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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

<u>Function</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Public safety:										
Police: (1)										
Physical arrests	3,218	1,563	1,448	1,442	1,218	1,013	968	772	909	895
Traffic citations	23,728	16,332	11,718	13,023	8,923	5,758	7,991	5,365	6,403	6,806
Parking citations	2,229	2,644	2,018	2,566	2,953	1,861	1,606	1,704	1,319	1,560
Number of calls for service	50,177	46,664	46,610	53,529	48,065	63,769	75,404	68,122	64,639	72,170
Fire: (2)										
Number of calls answered	9838	10,163	9,070	11,842	9,208	9,412	12,928	8,059	9,941	17,985
Culture and recreation: (3)										
Athletic field permits issued (rentals):										
Soccer	310	325	295	125	95	1	1	2	26	8
Football	78	64	45	-	-	4	3	2	3	12
Baseball	27	45	57	51	50	-	2	3	7	14
Basketball	25	48	148	178	120	6	-	7	5	28
Other(Rugby, Kickball, Field Hockey)	35	56	28	15	16	6	1	6	2	1
Membership (yearly):										
Tennis	8	4	4	1	25	37	21	24	17	22
Swim	2	-	-	-	1	-	-	-	-	-
Adult center	119	132	90	166	162	58	-	33	147	285
Afterschool	31	21	26	58	32	7	-	24	-	57
Camp program participants	1,152	1,737	1,119	1,226	1,199	16	-	135	30	768
Youth athletic participants (all sports)	448	655	583	841	632	50	-	35	174	188
Adult participants (all sports)	-	125	748	150	195	-	-	-	395	25
Water: (4)										
Daily average treatment in gallons (plant)	7,558,849	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
Average daily consumption in gallons	13,300,054	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
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
Stormwater:										
Equivalent and commercial residential units (ERU's)	35,495	35,394	35,237	35,188	36,334	36,704	36,778	36,484	37,037	37,592

(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 waste services outsourced.

N/A - Not available

TABLE 23

CITY OF NORTH MIAMI, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION (Unaudited)
LAST TEN FISCAL YEARS

<u>Function</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Public safety:										
Police:										
Stations (including off-site locations)	2	2	2	2	1	1	1	1	1	1
Patrol units	64	64	68	68	93	71	88	89	89	89
Transportation:										
Streets (miles)	136	136	113	113	109	109	109	132	132	132
Street lights (FPL and City owned) ⁽¹⁾	4,447	4,447	2,623	2,623	2,623	2,623	2,752	2,752	2,752	2,752
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	16	17	16	17	18	19	19	19	19	19
Park acreage	549	549	549	549	549	549	549	550	550	550
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	25	25	25	25	25	25	25	27	27	27
Community centers	7	7	7	7	7	7	8	9	8	8
Water:										
Water mains (miles)	311	311	311	311	311	312	316	320	324	327
Maximum daily capacity in gallons	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000
Fire hydrants	927	927	935	941	941	959	969	971	981	981
Sewage system:										
Miles of storm sewers	38	38	38	39	39	39	39	39	39	39
Miles of sanitary sewers	175	175	175	175	175	175	175	178	178	182

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.



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, 2024

**CITY OF NORTH MIAMI, FLORIDA
COMPLIANCE SECTION
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

**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, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 30, 2025. Our report included an emphasis of matter paragraph for the change in financial reporting entity as discussed in GASB Statement No. 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*. This change resulted in the restatement of the financial statements as of October 1, 2023. 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. However, material weaknesses or significant deficiencies may exist that were not identified.

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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
May 30, 2025



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of North Miami, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the fiscal year ended September 30, 2024. The City's major federal programs 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 for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance and Chapter 10.550 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.

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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 as a whole.

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

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

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

Report on Internal Control over Compliance

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

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

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

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

A handwritten signature in black ink, appearing to read "Y.A.", with a stylized flourish to the left.

North Miami, Florida
May 30, 2025

CITY OF NORTH MIAMI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

<u>Federal Agency/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Grant or Identifying Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Expenditures</u>
<i>U.S. Department of Housing and Urban Development</i>				
CDBG- Entitlement Grants Cluster:				
Community Development Block Grants/ Entitlement Grants	14.218	B-18-MC-12-0039	Not applicable	\$ 38,440
Community Development Block Grants/ Entitlement Grants	14.218	B-20-MC-12-0039	Not applicable	124
Community Development Block Grants/ Entitlement Grants – COVID 19	14.218	B-20-MW-12-0039	Not applicable	14,382
Community Development Block Grants/ Entitlement Grants	14.218	B-21-MC-12-0039	Not applicable	278,972
Community Development Block Grants/ Entitlement Grants	14.218	B-22-MC-12-0039	Not applicable	166,725
Community Development Block Grants/ Entitlement Grants	14.218	B-23-MC-12-0039	Not applicable	<u>345,937</u>
Total CDBG – Entitlement Grants Cluster				<u>844,580</u>
Home Investment Partnerships Program	14.239	M-19-MC-12-0231	Not applicable	894
Home Investment Partnerships Program	14.239	M-20-MC-12-0231	Not applicable	136,987
Home Investment Partnerships Program	14.239	M-21-MP-12-0231	Not applicable	427,479
Home Investment Partnerships Program	14.239	M-21-MC-12-0231	Not applicable	140,677
Home Investment Partnerships Program	14.239	M-22-MC-12-0231	Not applicable	153,127
Home Investment Partnerships Program	14.239	M-22-MC-12-0231	Not applicable	<u>34,175</u>
				<u>893,339</u>
Neighborhood Stabilization Program 1	14.264	B-08-MN-12-0019	Not applicable	66,336
Neighborhood Stabilization Program 3	14.264	B-11-MN-12-0019	Not applicable	<u>177,602</u>
				<u>243,938</u>
<i>Total U.S. Department of Housing and Urban Development</i>				<u>1,981,857</u>

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, 2024**

<u>Federal Agency/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Grant or Identifying Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Expenditures</u>
<i>U.S. Department of Justice</i>				
<i>Pass Through Florida Department of Law Enforcement (FDLE)</i>				
Missing Alzheimer's Disease Patient Assistance Program	16.015	15PBJA-21-GG- 02957-MAPX		<u>19,848</u>
<i>Pass Through the State of Florida Office of the Attorney General</i>				
Crime Victim Assistance	16.575	VOCA-C-2023		<u>86,562</u>
<i>Pass Through Miami-Dade County</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG- 01328-JAGX		41,135
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG- 02379-JAGX		40,678
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG- 03280-JAGX		<u>47,846</u>
				<u>129,659</u>
<i>Pass Through Pals of South Florida</i>				
Students, Teachers, and Officers Preventing (STOP) School Violence	16.839			<u>30,789</u>
<i>Total U.S. Department of Justice</i>				<u>266,858</u>
<i>U.S. Department of Treasury</i>				
Covid-19 – Coronavirus State and Local Fiscal Recovery Funds	21.027	None	Not applicable	<u>6,010,071</u>
<i>Total United States Department of Treasury</i>				<u>1,951,035</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 8,258,786</u>

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, 2024**

<u>State Grantor/Pass-Through Grantor/Project or Cluster Title</u>	<u>CSFA Number</u>	<u>Contract Number</u>	<u>State Expenditures</u>
<i>Florida Department of Environmental Protection</i>			
Florida Recreation Development Assistance Program	37.017	FRDAP A24067	\$ 35,125
<i>Florida Housing Finance Corporation</i>			
State Housing Initiatives Partnership Program (SHIP)	40.901	N/A	203,610
<i>Department of State and Secretary of State</i>			
State Aid to Libraries	45.03	22-ST-34	<u>14,727</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u><u>\$ 253,462</u></u>

See Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance.

CITY OF NORTH MIAMI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

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 of the City of North Miami, Florida (the City) for the year ended September 30, 2024.

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). 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 presented in the Schedules, 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.

**CITY OF NORTH MIAMI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

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? ___ Yes X 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

14.218	Community Development Block Grant
21.027	Covid-19 – Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

Federal \$750,000

Auditee qualified as a low-risk auditee?

X Yes ___ No

**CITY OF NORTH MIAMI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Section II - Financial Statement - Current Year Findings and Questioned Costs

There were no findings and questioned costs noted during the current year.

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.

CITY OF NORTH MIAMI
SCHEDULE OF RECOMMENDATIONS TO IMPROVE FINANCIAL MANAGEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Appendix A - Current Year's Recommendations to Improve Financial Management

2024-001 – 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, 2024, 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, 2024, 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.

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.

CITY OF NORTH MIAMI
SCHEDULE OF RECOMMENDATIONS TO IMPROVE FINANCIAL MANAGEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Appendix A - Current Year's Recommendations to Improve Financial Management (cont'd)

2024-002 – 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.

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.

**CITY OF NORTH MIAMI
SCHEDULE OF RECOMMENDATIONS TO IMPROVE FINANCIAL MANAGEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Appendix A - Current Year's Recommendations to Improve Financial Management (cont'd)

2024-004 – Accounts Receivable and Allowance for Uncollectible Accounts (cont'd)

Recommendation (cont'd)

- 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.



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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, 2024, and have issued our report thereon dated May 30, 2025, which was prepared to comply with the State of Florida reporting requirements. Our report included an emphasis of matter paragraph for the change in financial reporting entity as discussed in GASB Statement No. 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*. This change resulted in the restatement of the financial statements as of October 1, 2023. 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 23 percent, 5 percent and 12 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. Corrective actions have been taken to address the findings and 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. 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, 2024.

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 12, 2025.

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.

A handwritten signature in black ink, appearing to read "Ally Egan Y.A.", is written above the typed address.

North Miami Florida
May 30, 2025



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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, 2024. 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, 2023, to September 30, 2024, 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.



North Miami, Florida
May 30, 2025





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