



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, 2018

| | <u>Governmental Activities</u> | <u>Business-type Activities</u> | <u>Total</u> |
|---|------------------------------------|-------------------------------------|-----------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 18,925,158 | \$ 28,269,779 | \$ 47,194,937 |
| Investments | 2,390,393 | 6,871,835 | 9,262,228 |
| Receivables | 2,149,413 | 15,960,187 | 18,109,600 |
| Due from other governments | 3,073,139 | 30,007 | 3,103,146 |
| Inventories and supplies | 50,922 | 607,477 | 658,399 |
| Prepays, deposits and other assets | 206,206 | - | 206,206 |
| Unamortized debt issuance - prepaid insurance | - | 9,315 | 9,315 |
| Notes receivable | 14,003,200 | - | 14,003,200 |
| Assets held for resale | 2,362,669 | - | 2,362,669 |
| Restricted cash | 10,402,366 | - | 10,402,366 |
| Capital assets not being depreciated | 13,416,099 | 1,551,966 | 14,968,065 |
| Capital assets being depreciated, net | 49,444,845 | 43,714,790 | 93,159,635 |
| Total assets | <u>116,424,410</u> | <u>97,015,356</u> | <u>213,439,766</u> |
| DEFERRED OUTFLOW OF RESOURCES | | | |
| Loss on debt refunding | - | 15,738 | 15,738 |
| OPEB related items | 472,656 | 72,073 | 544,729 |
| Pension related items | 23,053,370 | 3,090,037 | 26,143,407 |
| Total deferred outflow of resources | <u>23,526,026</u> | <u>3,177,848</u> | <u>26,703,874</u> |
| LIABILITIES | | | |
| Vouchers payable and accrued liabilities | 2,508,859 | 5,285,292 | 7,794,151 |
| Construction contracts payable | 53,538 | 161,914 | 215,452 |
| Accrued payroll and benefits | 886,391 | 106,930 | 993,321 |
| Unearned revenues | 14,355,267 | - | 14,355,267 |
| Deposits | 593,320 | 2,775,050 | 3,368,370 |
| Interest payable | 239,885 | - | 239,885 |
| Noncurrent liabilities: | | | |
| Due within one year | 3,695,948 | 785,815 | 4,481,763 |
| Due in more than one year | 78,443,020 | 11,890,917 | 90,333,937 |
| Total liabilities | <u>100,776,228</u> | <u>21,005,918</u> | <u>121,782,146</u> |
| DEFERRED INFLOW OF RESOURCES | | | |
| OPEB related items | 600,123 | 91,509 | 691,632 |
| Pension related items | 10,367,054 | 1,335,516 | 11,702,570 |
| Total deferred inflows of resources | <u>10,967,177</u> | <u>1,427,025</u> | <u>12,394,202</u> |
| NET POSITION | | | |
| Net investments in capital assets | 62,452,076 | 40,449,030 | 102,901,106 |
| Restricted for: | | | |
| Capital projects | 5,178,310 | - | 5,178,310 |
| Housing and development | 690,153 | - | 690,153 |
| Landfill closure | 281,025 | - | 281,025 |
| Public safety | 354,840 | - | 354,840 |
| Other purposes | 1,938,908 | - | 1,938,908 |
| Unrestricted deficit | (42,688,281) | 37,311,231 | (5,377,050) |
| Total net position | <u>\$ 28,207,031</u> | <u>\$ 77,760,261</u> | <u>\$ 105,967,292</u> |

See notes to basic financials statements.

**CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2018**

| Functions/Programs | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Position | | |
|---------------------------------------|-----------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|------------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total |
| Primary government | | | | | | | |
| Governmental activities: | | | | | | | |
| General government | \$ 26,879,421 | \$ 13,391,131 | \$ 1,062,709 | \$ - | \$ (12,425,581) | \$ - | \$ (12,425,581) |
| Public safety | 30,386,983 | 5,485,203 | 269,014 | - | (24,632,766) | - | (24,632,766) |
| Physical environment | 591,810 | 2,233,747 | - | - | 1,641,937 | - | 1,641,937 |
| Transportation and public works | 7,806,930 | 40,025 | 2,624,657 | - | (5,142,248) | - | (5,142,248) |
| Housing and urban development | 979,480 | - | 1,096,080 | - | 116,600 | - | 116,600 |
| Culture and recreation | 13,023,252 | 3,592,542 | 431,626 | 17,000 | (8,982,084) | - | (8,982,084) |
| Community planning and development | 4,647,836 | 550,107 | 1,208,500 | 300,960 | (2,588,269) | - | (2,588,269) |
| Interest and fiscal charges | 1,166,356 | - | - | - | (1,166,356) | - | (1,166,356) |
| Total governmental activities | 85,482,068 | 25,292,755 | 6,692,586 | 317,960 | (53,178,767) | - | (53,178,767) |
| Business-type activities: | | | | | | | |
| Water and sewer | 32,023,616 | 33,629,399 | - | - | - | 1,605,783 | 1,605,783 |
| Stormwater | 2,707,044 | 2,552,977 | - | - | - | (154,067) | (154,067) |
| Total business-type activities | 34,730,660 | 36,182,376 | - | - | - | 1,451,716 | 1,451,716 |
| Total primary government | \$ 120,212,728 | \$ 61,475,131 | \$ 6,692,586 | \$ 317,960 | \$ (53,178,767) | \$ 1,451,716 | \$ (51,727,051) |
| General revenues | | | | | | | |
| Taxes: | | | | | | | |
| | | | | | \$ 20,975,744 | \$ - | \$ 20,975,744 |
| | | | | | 3,217,405 | - | 3,217,405 |
| | | | | | 817,584 | - | 817,584 |
| | | | | | 1,203,462 | - | 1,203,462 |
| | | | | | 3,992,099 | - | 3,992,099 |
| | | | | | 11,115,933 | - | 11,115,933 |
| | | | | | 576,286 | - | 576,286 |
| | | | | | 235,600 | - | 235,600 |
| | | | | | 2,907,367 | 321,223 | 3,228,590 |
| | | | | | 228,835 | (228,835) | - |
| | | | | | 45,270,315 | 92,388 | 45,362,703 |
| | | | | | (7,908,452) | 1,544,104 | (6,364,348) |
| | | | | | 36,115,483 | 76,216,157 | 112,331,640 |
| | | | | | \$ 28,207,031 | \$ 77,760,261 | \$ 105,967,292 |

See notes to basic financials statements.



Fund Financial Statements



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**CITY OF NORTH MIAMI, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018**

| | General | CRA | C.D.B.G. Entitlement | Landfill Closure | Nonmajor Governmental Funds | Total Governmental Funds |
|--|----------------------|---------------------|-------------------------|---------------------|-----------------------------------|--------------------------------|
| ASSETS | | | | | | |
| Pooled cash and cash equivalents | \$ 1,380,051 | \$ 4,774,192 | \$ - | \$ - | \$ 2,718,363 | \$ 8,872,606 |
| Pooled investments | 664,586 | - | - | - | 416,908 | 1,081,494 |
| Accounts receivables, net of allowance | 2,031,589 | 8,000 | 940 | - | 47,986 | 2,088,515 |
| Due from other governments and entities | 1,616,450 | - | 366,316 | - | 1,073,067 | 3,055,833 |
| Due from other funds | 4,581,792 | - | - | - | - | 4,581,792 |
| Prepays, deposits and other current assets | 87,743 | - | - | - | 60,906 | 148,649 |
| Restricted cash | - | - | - | 9,893,573 | 508,793 | 10,402,366 |
| Notes receivable | 14,003,200 | - | - | - | - | 14,003,200 |
| Total Assets | 24,365,411 | 4,782,192 | 367,256 | 9,893,573 | 4,826,023 | 44,234,455 |
| LIABILITIES | | | | | | |
| Vouchers payable | 1,297,003 | 562,144 | 120,726 | - | 390,838 | 2,370,711 |
| Construction contracts payable | 10,226 | - | - | - | 41,289 | 51,515 |
| Accrued payroll and benefits | 832,692 | - | 7,936 | - | 14,732 | 855,360 |
| Due to other funds | - | - | 143,704 | - | 4,438,088 | 4,581,792 |
| Unearned revenues | 13,642,886 | - | - | - | 712,381 | 14,355,267 |
| Other liabilities and deposits | 592,172 | - | - | - | 1,148 | 593,320 |
| Total Liabilities | 16,374,979 | 562,144 | 272,366 | - | 5,598,476 | 22,807,965 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenues - other | 2,169,674 | - | 340,426 | - | 1,002,343 | 3,512,443 |
| Unavailable revenue from notes receivable | 14,003,200 | - | - | - | - | 14,003,200 |
| Total deferred inflows of resources | 16,172,874 | - | 340,426 | - | 1,002,343 | 17,515,643 |
| FUND BALANCES (DEFICITS) | | | | | | |
| Non-spendable | 87,743 | - | - | - | 60,906 | 148,649 |
| Restricted | 1,190,000 | 4,220,048 | - | 9,893,573 | 2,752,163 | 18,055,784 |
| Assigned | - | - | - | - | 260,605 | 260,605 |
| Unassigned deficit | (9,460,185) | - | (245,536) | - | (4,848,470) | (14,554,191) |
| Total Fund Balances (Deficits) | (8,182,442) | 4,220,048 | (245,536) | 9,893,573 | (1,774,796) | 3,910,847 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS) | \$ 24,365,411 | \$ 4,782,192 | \$ 367,256 | \$ 9,893,573 | \$ 4,826,023 | \$ 44,234,455 |

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, 2018

| | | |
|---|--------------|-------------------|
| Fund balances - total governmental funds | \$ | 3,910,847 |
| <p>Amounts reported for governmental activities in the statement of net position (page 25) are different because:</p> | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | 61,028,622 |
| Inventory (land) held for resale are not financial resources and therefore, are not reported in the governmental funds. | | 2,362,669 |
| Certain revenues are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds. | | |
| Other unavailable revenues | 3,512,443 | |
| Unavailable revenues relating to loans receivable | 14,003,200 | |
| | | 17,515,643 |
| <p>Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:</p> | | |
| Unamortized bond discount | 571,787 | |
| Bonds and loans payable | (13,235,000) | |
| Capital leases payable | (118,961) | |
| Compensated absences liability | (7,265,359) | |
| Landfill closure liability | (9,036,262) | |
| Purchase installment liability | (280,800) | |
| Claims payable | (435,864) | |
| Net pension liability | (34,260,758) | |
| Other post-employment benefit (OPEB) liability | (12,558,997) | |
| | | (76,620,214) |
| Accrued interest payable | | (239,885) |
| Net deferred outflows (inflows) - pensions and OPEB which are not recognized under the modified accrual basis of accounting | | 11,998,723 |
| Assets and liabilities of internal service funds are included in governmental activities statement of net position. | | 8,250,626 |
| Net position of governmental activities | \$ | 28,207,031 |

See notes to basic financials statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

| | General | CRA | C.D.B.G. Entitlement | Landfill Closure | Nonmajor Governmental Funds | Total Governmental Funds |
|--|------------------------------|----------------------------|----------------------------|----------------------------|-----------------------------------|--------------------------------|
| REVENUES | | | | | | |
| Ad valorem taxes | \$ 17,712,040 | \$ 3,263,704 | \$ - | \$ - | \$ - | \$ 20,975,744 |
| Utility and communication taxes | 4,420,867 | - | - | - | - | 4,420,867 |
| Charges for services | 10,077,538 | - | - | - | 350,904 | 10,428,442 |
| Sanitation fees | - | - | - | - | - | - |
| Other | - | - | - | - | - | - |
| Return on investment - utility | 2,479,828 | - | - | - | - | 2,479,828 |
| Franchise fees | 3,992,099 | - | - | - | - | 3,992,099 |
| Fines and forfeitures | 899,657 | - | - | - | - | 899,657 |
| Intergovernmental | 8,754,852 | - | 478,319 | - | 5,913,060 | 15,146,231 |
| Licenses and permits | 3,749,809 | - | - | - | - | 3,749,809 |
| Interest and other earnings | 2,899,201 | 38,911 | - | 32,341 | 144,486 | 3,114,939 |
| Rents and royalties | 2,746,174 | - | - | - | - | 2,746,174 |
| Total revenues | <u>57,732,065</u> | <u>3,302,615</u> | <u>478,319</u> | <u>32,341</u> | <u>6,408,450</u> | <u>67,953,790</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | 15,044,776 | 1,196,574 | - | - | 3,662,414 | 19,903,764 |
| Public safety | 28,034,017 | - | - | - | 399,215 | 28,433,232 |
| Physical environment | 3,985,087 | - | - | 508,126 | - | 4,493,213 |
| Transportation and public works | 2,737,563 | - | - | - | 1,895,189 | 4,632,752 |
| Housing and economic development | - | - | 496,319 | - | 399,022 | 895,341 |
| Culture and recreation | 8,879,215 | - | - | - | 3,142,272 | 12,021,487 |
| Community planning and development | 1,832,756 | 1,183,805 | - | - | 17,858 | 3,034,419 |
| Debt service: | | | | | | |
| Principal retirement | - | - | - | - | 1,022,527 | 1,022,527 |
| Interest and fiscal charges | - | - | - | - | 761,523 | 761,523 |
| Capital outlay | 503,454 | - | 12,431 | - | 2,234,836 | 2,750,721 |
| Total expenditures | <u>61,016,868</u> | <u>2,380,379</u> | <u>508,750</u> | <u>508,126</u> | <u>13,534,856</u> | <u>77,948,979</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(3,284,803)</u> | <u>922,236</u> | <u>(30,431)</u> | <u>(475,785)</u> | <u>(7,126,406)</u> | <u>(9,995,189)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 1,190,000 | - | - | - | 1,530,102 | 2,720,102 |
| Transfers out | (1,245,564) | (1,190,000) | - | - | - | (2,435,564) |
| Total other financing sources (uses) | <u>(55,564)</u> | <u>(1,190,000)</u> | <u>-</u> | <u>-</u> | <u>1,530,102</u> | <u>284,538</u> |
| Net change in fund balances (deficits) | (3,340,367) | (267,764) | (30,431) | (475,785) | (5,596,304) | (9,710,651) |
| Fund balances (deficits), beginning | (4,842,075) | 4,487,812 | (215,105) | 10,369,358 | 3,821,508 | 13,621,498 |
| Fund balances (deficits), ending | <u>\$ (8,182,442)</u> | <u>\$ 4,220,048</u> | <u>\$ (245,536)</u> | <u>\$ 9,893,573</u> | <u>\$ (1,774,796)</u> | <u>\$ 3,910,847</u> |

See notes to basic financials statements.

CITY OF NORTH MIAMI, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES (DEFICIT) OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2018

Net change in fund balances (deficit) - total governmental funds **\$ (9,710,651)**

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 assets | 2,750,721 | |
| Net effect of various transactions involving capital assets | (591) | |
| Less current year depreciation | <u>(2,671,195)</u> | 78,935 |

The net effect of various transactions involving land inventory is to increase net position:

| | | |
|--|--|---------|
| Net adjustments for assets held for resale | | 133,445 |
|--|--|---------|

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:

| | | |
|----------------|--------------------|-----------|
| Grant revenues | 910,044 | |
| Other revenues | <u>(1,750,400)</u> | (840,356) |

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 in the Statement of Net Position, 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 | (92,609) | |
| Principal paid on bonds, loans and capital leases | 1,267,388 | |
| Installment purchase | <u>128,600</u> | 1,303,379 |

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

| | | |
|------------------------------------|---------------|-----------|
| Compensated absences | (940,979) | |
| Landfill and closure cost | 576,286 | |
| Total OPEB liability | 2,575,638 | |
| Net pension expense | (834,434) | |
| Accrued interest on long term debt | <u>13,955</u> | 1,390,466 |

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.

(263,670)

Change in net position of governmental activities **\$ (7,908,452)**

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2018

| | Business-type Activities - Enterprise Funds | | | Governmental Activities |
|---|--|---------------------|-------------------------|------------------------------------|
| | Water and Sewer | Stormwater | Total | Internal Service Funds |
| | | | Enterprise Funds | |
| ASSETS | | | | |
| Current assets: | | | | |
| Pooled cash and cash equivalents | \$ 26,327,424 | \$ 1,942,355 | \$ 28,269,779 | \$ 10,052,552 |
| Pooled investments | 6,871,835 | - | 6,871,835 | 1,308,899 |
| Accounts receivables, net of allowance | 14,892,636 | 1,067,551 | 15,960,187 | 60,898 |
| Grants receivables from other governments | 30,007 | - | 30,007 | 17,306 |
| Inventories and supplies | 607,477 | - | 607,477 | 50,922 |
| Prepays and deposits | - | - | - | 57,557 |
| Unamortized debt issuance - prepaid insurance | - | 9,315 | 9,315 | - |
| Total current assets | <u>48,729,379</u> | <u>3,019,221</u> | <u>51,748,600</u> | <u>11,548,134</u> |
| Non-current assets: | | | | |
| Capital assets, net | 37,453,697 | 7,813,059 | 45,266,756 | 1,832,322 |
| Total non-current assets | <u>37,453,697</u> | <u>7,813,059</u> | <u>45,266,756</u> | <u>1,832,322</u> |
| Total assets | <u>86,183,076</u> | <u>10,832,280</u> | <u>97,015,356</u> | <u>13,380,456</u> |
| DEFERRED OUTFLOW OF RESOURCES | | | | |
| Deferred loss on debt refunding | - | 15,738 | 15,738 | - |
| OPEB related items | 63,054 | 9,019 | 72,073 | 2,669 |
| Pension related items | 2,673,672 | 416,365 | 3,090,037 | 901,228 |
| Total deferred outflow of resources | <u>2,736,726</u> | <u>441,122</u> | <u>3,177,848</u> | <u>903,897</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Vouchers payable | 5,076,588 | 208,704 | 5,285,292 | 138,149 |
| Constructions contracts payable | 161,914 | - | 161,914 | 2,023 |
| Accrued payroll and benefits | 84,251 | 22,679 | 106,930 | 31,031 |
| Deposits and performance bonds | 2,775,050 | - | 2,775,050 | - |
| Compensated absences | 205,059 | 67,335 | 272,394 | 83,720 |
| Bonds, notes, leases payable | 370,000 | 143,421 | 513,421 | - |
| Total current liabilities | <u>8,672,862</u> | <u>442,139</u> | <u>9,115,001</u> | <u>254,923</u> |
| Non-current liabilities: | | | | |
| Bonds, notes and lease payable | 2,673,825 | 1,493,619 | 4,167,444 | 236,369 |
| Compensated absences | 728,640 | 116,196 | 844,836 | 378,664 |
| Claims payable | - | - | - | 3,116,518 |
| Net pension liability | 4,072,536 | 772,282 | 4,844,818 | 1,330,604 |
| Total OPEB liability | 1,745,852 | 287,967 | 2,033,819 | 372,878 |
| Total non-current liabilities | <u>9,220,853</u> | <u>2,670,064</u> | <u>11,890,917</u> | <u>5,435,033</u> |
| Total liabilities | <u>17,893,715</u> | <u>3,112,203</u> | <u>21,005,918</u> | <u>5,689,956</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| OPEB related items | 80,058 | 11,451 | 91,509 | 3,389 |
| Pension related items | 1,128,402 | 207,114 | 1,335,516 | 340,382 |
| Total deferred inflows of resources | <u>1,208,460</u> | <u>218,565</u> | <u>1,427,025</u> | <u>343,771</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 34,247,958 | 6,201,072 | 40,449,030 | 1,593,930 |
| Unrestricted | 35,569,669 | 1,741,562 | 37,311,231 | 6,656,696 |
| Total net position | <u>\$ 69,817,627</u> | <u>\$ 7,942,634</u> | <u>\$ 77,760,261</u> | <u>\$ 8,250,626</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, 2018

| | Business-type Activities - Enterprise Funds | | | Governmental Activities |
|--|--|---------------------|-------------------------------|--------------------------------|
| | Water and Sewer | Stormwater | Total Enterprise Funds | Internal Service Funds |
| OPERATING REVENUES | | | | |
| Charges for water | \$ 16,278,132 | \$ - | \$ 16,278,132 | \$ - |
| Sanitary sewer fees | 16,200,530 | - | 16,200,530 | - |
| Stormwater charges | - | 2,552,977 | 2,552,977 | - |
| Premiums and charges for services provided to other funds | - | - | - | 3,831,734 |
| Other revenues | 1,150,737 | - | 1,150,737 | 255,485 |
| Total operating revenues | 33,629,399 | 2,552,977 | 36,182,376 | 4,087,219 |
| OPERATING EXPENSES | | | | |
| Personnel services | 4,063,044 | 548,615 | 4,611,659 | 1,183,795 |
| Wholesale water cost and sewage disposal | 16,656,029 | - | 16,656,029 | - |
| Materials, supplies, services and other operating expenses | 9,252,829 | 1,713,827 | 10,966,656 | 2,182,041 |
| Claims cost | - | - | - | 585,863 |
| Depreciation | 2,026,548 | 370,124 | 2,396,672 | 351,154 |
| Total operating expenses | 31,998,450 | 2,632,566 | 34,631,016 | 4,302,853 |
| Operating income (loss) | 1,630,949 | (79,589) | 1,551,360 | (215,634) |
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| Interest income | 186,505 | - | 186,505 | 24,496 |
| Other non-operating revenues | - | 134,718 | 134,718 | - |
| Interest expense | (25,166) | (74,478) | (99,644) | (16,829) |
| Total non-operating revenues | 161,339 | 60,240 | 221,579 | 7,667 |
| Income (loss) before transfers | 1,792,288 | (19,349) | 1,772,939 | (207,967) |
| TRANSFERS | | | | |
| Transfers out | (202,263) | (26,572) | (228,835) | (55,703) |
| Total transfers out | (202,263) | (26,572) | (228,835) | (55,703) |
| Change in net position | 1,590,025 | (45,921) | 1,544,104 | (263,670) |
| Net position, beginning, as restated (Note 15) | 68,227,602 | 7,988,555 | 76,216,157 | 8,514,296 |
| Net position - ending | \$ 69,817,627 | \$ 7,942,634 | \$ 77,760,261 | \$ 8,250,626 |

See notes to basic financials statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

| | 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 | \$ 32,478,662 | \$ 2,552,977 | \$ 35,031,639 | \$ - |
| Cash receipts from other funds for premiums and charges for services | - | - | - | 3,831,734 |
| Other cash receipts | 1,150,737 | - | 1,150,737 | 255,485 |
| Payments to employees | (4,063,044) | (548,615) | (4,611,659) | (1,183,795) |
| Payments for wholesale water & sewer | (16,656,029) | - | (16,656,029) | - |
| Payments to suppliers | (6,592,354) | (1,593,262) | (8,185,616) | (2,223,315) |
| Payments for claims | - | - | - | (585,863) |
| Payments for interfund services | (4,058,860) | (6,215) | (4,065,075) | - |
| Net cash provided by operating activities | <u>2,259,112</u> | <u>404,885</u> | <u>2,663,997</u> | <u>94,246</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Grants and other revenues | - | 134,718 | 134,718 | - |
| Transfers out | (202,263) | (26,572) | (228,835) | (55,703) |
| Net cash provided by (used in) noncapital financing activities | <u>(202,263)</u> | <u>108,146</u> | <u>(94,117)</u> | <u>(55,703)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Proceeds from loan | 319,087 | - | 319,087 | - |
| Principal paid on bonds, notes and capital leases | (142,588) | (360,000) | (502,588) | (332,332) |
| Interest paid on bonds, notes and capital leases | (25,166) | (74,478) | (99,644) | (16,829) |
| Acquisition and construction of capital assets | (3,251,810) | (36,907) | (3,288,717) | (944,610) |
| Net cash used in capital and related financing activities | <u>(3,100,477)</u> | <u>(471,385)</u> | <u>(3,571,862)</u> | <u>(1,293,771)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchase of investments | (95,978) | - | (95,978) | (24,495) |
| Interest earnings | 186,505 | - | 186,505 | 24,640 |
| Net cash provided by investing activities | <u>90,527</u> | <u>-</u> | <u>90,527</u> | <u>145</u> |
| Net increase (decreased) in pooled cash and cash equivalents | (953,101) | 41,646 | (911,455) | (1,255,083) |
| Pooled cash and cash equivalents, beginning | 27,280,525 | 1,900,709 | 29,181,234 | 11,307,635 |
| Pooled cash and cash equivalents, ending | <u>\$ 26,327,424</u> | <u>\$ 1,942,355</u> | <u>\$ 28,269,779</u> | <u>\$ 10,052,552</u> |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | \$ 1,630,949 | \$ (79,589) | \$ 1,551,360 | \$ (215,634) |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | | | |
| Depreciation expense | 2,026,548 | 370,124 | 2,396,672 | 351,154 |
| Changes in assets and liabilities, deferred inflows and outflows of resources: | | | | |
| (Increase) decrease in accounts receivable | (1,079,318) | (119,630) | (1,198,948) | (85,385) |
| (Increase) decrease in grants receivable from other governments | 111,078 | - | 111,078 | - |
| (Increase) decrease in inventories and supplies | (32,044) | - | (32,044) | 5,491 |
| (Increase) decrease in prepaids and deposits | - | 2,329 | 2,329 | (16,927) |
| (Increase) decrease in deferred outflows of resources | (501,200) | (193,391) | (694,591) | (149,563) |
| Increase (decrease) in vouchers payable | (190,391) | 208,159 | 17,768 | (128,515) |
| Increase (decrease) in constructions contracts payable | (16,910) | - | (16,910) | - |
| Increase (decrease) in accrued payroll and benefits | 19,555 | (5,717) | 13,838 | 9,418 |
| Increase (decrease) in deposits and performance bonds | 46,015 | - | 46,015 | - |
| Increase (decrease) in compensated absences | (676,830) | 7,602 | (669,228) | 81,610 |
| Increase (decrease) in claims payable | - | - | - | 139,205 |
| Increase (decrease) in other post-employment benefits obligation | 704,058 | 100,706 | 804,764 | 26,415 |
| Increase (decrease) in net pension liability | 94,490 | 12,012 | 106,502 | 19,777 |
| Increase (decrease) in deferred inflows of resources | 123,112 | 102,280 | 225,392 | 57,200 |
| Net cash provided by operating activities | <u>\$ 2,259,112</u> | <u>\$ 404,885</u> | <u>\$ 2,663,997</u> | <u>\$ 94,246</u> |
| Non-cash investing, capital and financing activities: | | | | |
| Amortization of deferred amounts | - | (20,510) | (20,510) | - |
| Total non-cash investing, capital and financing activities: | <u>\$ -</u> | <u>\$ (20,510)</u> | <u>\$ (20,510)</u> | <u>\$ -</u> |

See notes to basic financials statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2018

| | <u>Pension Trust Funds</u> |
|---|--------------------------------|
| ASSETS | |
| Cash and short-term investments | \$ 1,234,428 |
| Investments: | |
| Short term investments | 1,930,179 |
| U.S. Treasuries | 13,422,094 |
| U.S. Agency obligations | 5,465,105 |
| Corporate bonds | 8,476,684 |
| Equity mutual funds | 14,572,722 |
| Common stock and mutual funds | 60,287,572 |
| Real estate funds | 29,989,807 |
| Bond index fund | 19,954,456 |
| Index funds (collective investment trust funds) | 53,620,962 |
| Total investments | <u>207,719,581</u> |
| Receivables: | |
| Plan members' contributions | 2,855 |
| CNM Share Plan | 118,112 |
| Receivable from broker on investments sold | 142,852 |
| Accrued interest | 136,958 |
| Accrued dividends | 30,724 |
| Total receivables | <u>431,501</u> |
| Total assets | <u>209,385,510</u> |
| LIABILITIES | |
| Accounts payable | 42,478 |
| Payable to broker for investments purchased | 73,191 |
| Benefits payable | 248,877 |
| Total liabilities | <u>364,546</u> |
| NET POSITION | |
| Net position restricted for pension benefits | <u>\$ 209,020,964</u> |

See notes to basic financials statements.

CITY OF NORTH MIAMI, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FISCAL YEAR ENDED SEPTEMBER 30, 2018

| | <u>Pension Trust Funds</u> |
|---|---------------------------------------|
| ADDITIONS | |
| Contributions: | |
| Employer | \$ 9,020,660 |
| Plan members | 1,745,882 |
| County | 195,277 |
| Other | 84,583 |
| Total contributions | <u>11,046,402</u> |
| Investment income: | |
| Net appreciation in fair value of investments | 20,474,328 |
| Interest | 680,298 |
| Dividends | 1,121,895 |
| Gross investment income | <u>22,276,521</u> |
| Less investment expenses | <u>(779,585)</u> |
| Net investment income | <u>21,496,936</u> |
| Total additions | <u>32,543,338</u> |
| DEDUCTIONS | |
| Benefits paid directly to Plan members: | |
| Normal retirement | 10,381,623 |
| Disability retirement | 281,899 |
| Death benefit | 34,549 |
| Lump sum retirement | 1,339,607 |
| Refunds of contributions | 155,599 |
| Total benefits paid | <u>12,193,277</u> |
| Administrative expenses | 560,879 |
| Total deductions | <u>12,754,156</u> |
| Increase in net position | 19,789,182 |
| Net position restricted for pension benefits, beginning | <u>189,231,782</u> |
| Net position restricted for pension benefits, ending | <u><u>\$ 209,020,964</u></u> |

See notes to basic financials statements.