Miami Beach Redevelopment Agency

(A Component Unit of the City of Miami Beach, Florida)

Financial Report

For the Fiscal Year Ending September 30, 2025



Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)

Financial Report
Fiscal Year Ended September 30, 2025

PREPARED BY

THE FINANCE DEPARTMENT

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Miami Beach Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 19 to the basic financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, as of October 1, 2024. The implementation of this standard resulted in the restatement of the beginning net position and compensated absence liability balance of the governmental activities opinion unit. Our opinion is not modified with respect to this matter.

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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 Agency's ability to continue as a going concern for 12 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 GAAS 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 GAAS 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 Agency'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 Agency's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of contributions - retirement systems, schedule of the agency's proportionate share of the city's net pension liability - retirement systems, notes to the retirement systems schedules, schedule of other post-employment benefits - agency contributions, schedule of investment returns, schedule of the agency's proportionate share of the city's net OPEB liability, budgetary comparison schedule - general fund, and notes to budgetary comparison schedule 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 Agency's basic financial statements. The budgetary comparison schedule - debt service fund is presented for purposes of additional analysis and is 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 budgetary comparison schedule for the debt service fund is 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 report. The other information comprises of the Other City Reports on Compliance with Local Government reporting Section 163.371, Florida Statutes, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated June 29, 2026, on our consideration of the Agency’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 Agency’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency’s internal control over financial reporting and compliance.

RSM US LLP

Fort Lauderdale, Florida
June 29, 2026

The Management's Discussion and Analysis (the "MD&A") of the Miami Beach Redevelopment Agency (the "Agency") is intended to provide an overview of the Agency's position and results of operations for the fiscal year ended September 30, 2025. The MD&A is an element of the reporting model required by the Governmental Accounting Standards Board (the "GASB") Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments* issued in 1999. The MD&A should be read in conjunction with the Agency's financial statements, including the accompanying notes, to enhance the understanding of the Agency's financial performance.

Financial Highlights

- The Agency's assets and deferred outflows decreased by $13.9 million. The decrease is primarily attributed to a net decrease in current and other assets of $10.5 million, caused by a decrease in year-end cash balances due to increased spending in the current year; as well as a decrease in capital assets of $1.3 million, as well as a decrease in deferred outflows of $2.1 million related to the pension plans and OPEB.

- Governmental activities revenue increased by $3.1 million or 5% primarily due to an increase in property taxes.

- Business-type activities revenue decreased by approximately $400k, or 5.1%, as a result of decreased service charges and expenses decreased by $226,000 or 3%.

- The Agency's total liabilities and deferred inflows increased by $51.9 million or 16.5% during the current year. The increase is primarily attributed to a new $76 million grant agreement entered to by the agency to assist with funding of the Convention Center Hotel construction during the current year; along with an increase in deferred inflows as a result of a $15.2M gain on refunding related the issuance of the 2025 bonds. These increases were offset by a $30.9 million decrease on bonds payable balance attributable to principal retirement and current year refunding, as well as overall decreases in both pension and OPEB liabilities.

- The liabilities and deferred inflows exceeded assets and deferred outflows of the Agency at the close of fiscal year 2025 by $80 million (net position).

- During fiscal 2025, the Agency implemented GASB Statement No. 101, *Compensated Absences.* The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The implementation of GASB Statement No. 101 resulted in a decrease to the beginning net position of $24,718.

- The Agency's net deficit increased by $65.7 million. The governmental net deficit increased by $66.6 million, and the business-type net position increased by $0.8 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements, which have the following components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) required supplementary information. This

report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

The statement of net position presents information on all of the Agency's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference 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 Agency is improving or deteriorating.

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

Both of the government-wide financial statements listed above distinguish functions of the Agency that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their cost through user fees and charges. The governmental activities of the Agency include general government, public safety, physical environment, transportation, and culture and recreation. The business-type activity of the Agency includes the parking and leasing operations of the Anchor, Pennsylvania Avenue and Collins Park Garages and Anchor and Pennsylvania Avenue Shops, respectively.

The government-wide financial statements can be found on pages 14 – 16 of this report.

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of a 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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

Key elements of the reconciliation of these two statements are that the government-wide statements report the issuance of debt as a liability, the purchases of capital assets as assets which are then charged to

expense over their useful lives (depreciated/amortized) and changes in long-term liabilities as adjustments of expenses. Conversely, the governmental funds statements report the issuance of debt as another financing source of funds, the repayment of debt as expenditure, the purchase of capital assets as expenditure, and do not reflect changes in long-term liabilities.

The Agency maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, City Center debt service fund, and City Center capital projects fund which are considered to be major funds. For the current fiscal year, the Agency does not have any non-major governmental funds.

The governmental funds financial statements can be found on pages 17 - 20 of this report.

Proprietary Funds

The Agency maintains two different types of proprietary funds or enterprise funds. The Agency uses enterprise funds to account for the parking and leasing operations of the Anchor, Pennsylvania Avenue and Collins Park Garages and Anchor and Pennsylvania Avenue Shops, respectively.

The proprietary fund financial statements provide separate information for parking and leasing of the Anchor and Pennsylvania Avenue Garage/Shops which are considered to be major funds of the Agency. For the current fiscal year, the Agency does not have any non-major proprietary funds.

The basic proprietary fund financial statements can be found on pages 21 - 23 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential for a full understanding of the information provided in the government-wide and fund financial statements. For note details, refer to the table of contents. The Agency is considered a component unit of the City of Miami Beach, Florida and as such, the financial information of the Agency is included in the City's Annual Comprehensive Financial Report for the current fiscal year.

Government-Wide Financial Analysis

The table below summarizes the statement of net position (deficit):

	2025	2024	2025	2024	2025	2024
Current and other assets	$ 92,624	$ 103,812	$ 35,899	$ 35,198	$ 128,523	$ 139,010
Capital assets	112,135	112,327	42,657	43,737	154,792	156,064
Deferred Outflows	3,185	5,322	-	-	3,185	5,322
Total assets and deferred outflows	207,944	221,461	78,556	78,935	286,500	300,396
Long-term liabilities	322,035	294,996	235	-	322,270	294,996
Other liabilities	22,641	12,822	810	1,577	23,451	14,399
Unearned revenue	-	-	103	103	103	103
Deferred Inflows	17,804	1,577	2,881	3,574	20,685	5,151
Total liabilities and deferred inflows	362,480	309,395	4,029	5,254	366,509	314,649
Net position (deficit):						
Net investment in capital assets	112,019	112,210	42,632	43,641	154,651	155,851
Restricted for debt service	6,290	19,014	-	-	6,290	19,014
Restricted for capital improvement	38,825	49,440	-	-	38,825	49,440
Unrestricted (deficit)	(311,670)	(268,598)	31,895	30,040	(279,775)	(238,558)
Total net position (deficit)	$ (154,536)	$ (87,934)	$ 74,527	$ 73,681	$ (80,009)	$ (14,253)

Net position (deficit) may serve over time as a useful indicator of a government's financial position. In the case of the Agency, liabilities and deferred inflows exceeded assets and deferred outflows by $80 million at September 30, 2025, a net increase of $65.7 million or 461.3% from September 30, 2024.

The Agency's restricted net position represents resources that are subject to external restrictions on how they may be used.

There are also various normal impacts on revenue and expense that can affect the change in net position from year to year. The economic condition, which can reflect a declining, stable or growing economic environment, can have a substantial impact on tax revenue, as well as the public's spending habits on fees and charges for services. An increase/decrease in Commission-approved rates can have a substantial impact on parking revenue if there is a current year increase/decrease in an approved rate. Also, current market conditions may cause investment income to fluctuate from year to year. Impacts on expense from year to year could result from new programs, an increase or decrease in personnel, salary increases and of course inflation.

The table below summarizes the change in net position (deficit):

Summary of Changes in Net Position
(in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ -	$ -	$ 5,956	$ 6,860	$ 5,956	$ 6,860
General revenues:						
Taxes:						
Property taxes	60,370	55,373	-	-	60,370	55,373
Investment earnings	4,954	6,817	1,345	834	6,299	7,651
Total revenues	65,324	62,190	7,301	7,694	72,625	69,884
Expenses:						
General government	1,252	1,217	-	-	1,252	1,217
Public safety	5,627	5,471	-	-	5,627	5,471
Physical environment	7,196	6,995	-	-	7,196	6,995
Transportation	1,637	1,876	-	-	1,637	1,876
Economic environment	18,598	6,896	-	-	18,598	6,896
Culture and recreation	79,144	3,268	-	-	79,144	3,268
Parking - Anchor & Penn. Garage	-	-	5,925	6,179	5,925	6,179
Leases - Anchor & Penn. Shops	-	-	530	502	530	502
Interest on long-term debt	14,447	11,658	-	-	14,447	11,658
Total expenses	127,901	37,381	6,455	6,681	134,356	44,062
(Decrease) (increase) in net position before transfers	(62,577)	24,809	846	1,013	(61,731)	25,822
(Loss) on disposal of capital assets	-	-	-	(99)	-	(99)
SBITA liabilities issued	-	8	-	-	-	8
Transfers	(4,000)	(4,000)	-	-	(4,000)	(4,000)
Increase (decrease) in net position	(66,577)	20,817	846	914	(65,731)	21,731
Net position, beginning	(87,934)	(108,751)	73,681	72,767	(14,253)	(35,984)
Restatement for GASB 101	(25)	-	-	-	(25)	-
Net position, beginning, as restated	(87,959)	(108,751)	73,681	72,767	(14,278)	(35,984)
Net position (deficit), ending	$ (154,536)	$ (87,934)	$ 74,527	$ 73,681	$ (80,009)	$ (14,253)

Governmental activities decreased the Agency's net position by $66.6 million. Key elements of the net decrease are as follows:

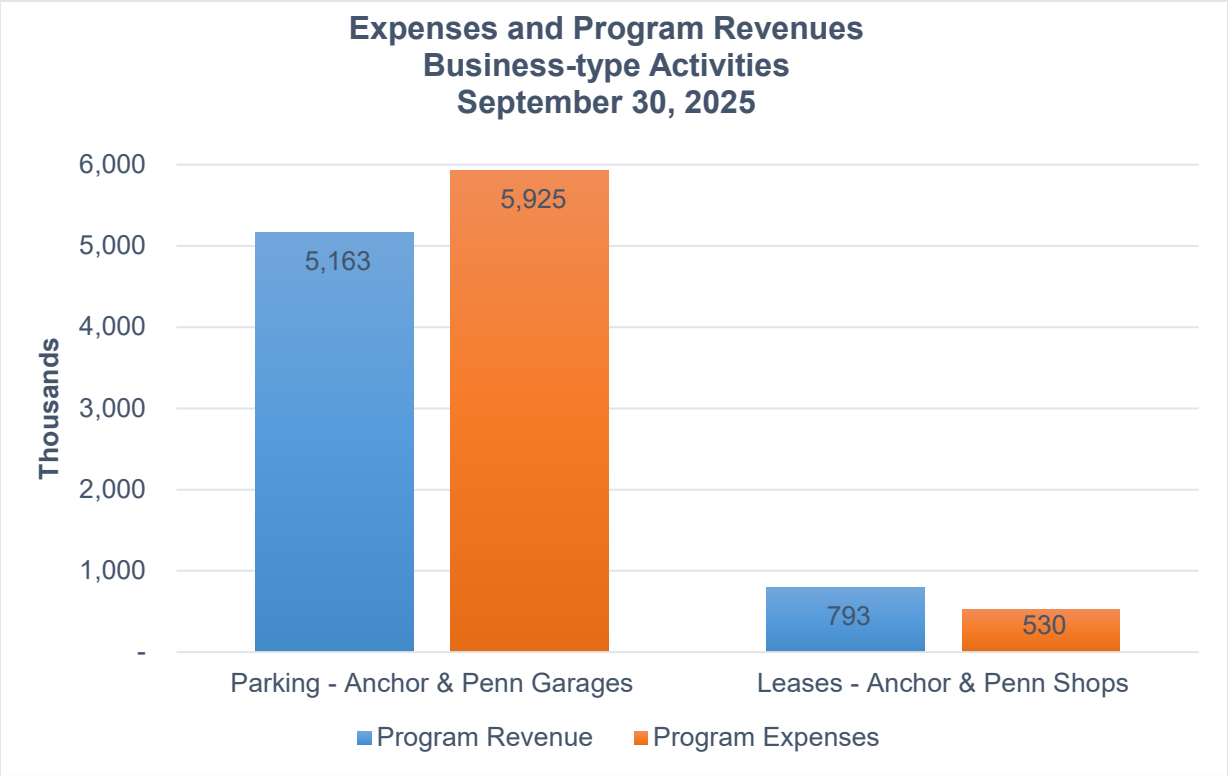
- Revenues from governmental activities in fiscal year 2025 totaled $65.3 million, an increase of $3.1 million from 2024. This is mainly attributed to an increase in property tax revenues of approximately $5 million over the prior year, offset by a corresponding $1.9 million decrease in investment earnings.

- Expenditures for governmental activities had a net increase from the prior year from $37.4 million to $127.9 million in 2025, mainly attributed to increases in Culture and recreation due to the new $76 million grant agreement, as well as an increase in interest on long term debt as a result of the current year bond refunding.

Business-Type Activities

Business-type activities increased the Agency's net position by approximately $0.8 million.

The following chart shows a comparison of expenses to program revenues for business-type activities for fiscal year 2025:



Governmental Funds

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

Total fund balance for the Governmental Funds totaled $90.3 million at September 30, 2025. This is a decrease of $11.0 million compared to the prior year.

The general fund is the chief operating fund of the Agency. The fund balance of the Agency's general fund had a net decrease in fund balance of $10.1 million during the current fiscal year. The general fund's interest income had a significant decrease from the prior year of $2.1 million. This was offset by a corresponding increase in Tax increment revenues increased of $5 million. Tax increment revenues are computed by applying the operating tax rate for the City and Miami-Dade County, Florida, (the County) multiplied by the increased value of property in the district over the base property value minus 5%. Fluctuations in tax increment revenue is based on real estate property values City-wide.

The Agency's General Fund is required to adopt an annual budget prepared on a basis consistent with generally accepted accounting principles. The agency's debt service fund had a $12,163 change in net position. Principal and interest payments on the tax increment revenue bonds were $35.9 million. Net transfers from the general fund to pay debt service expenditures were $36.6 million, along with a $4 million transfer to the Convention Center fund.

The agency's Capital Projects Fund had a net decrease in fund balance of $960,000. The Agency's Capital Projects Fund accounts for the financing of the Agency's capital program. The primary resources are obtained from the receipt of tax increment funds from Miami-Dade County and from the issuance of Agency debt.

Financial Analysis of the Governmental Funds

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The table below summarizes the changes in the fund balances of the Agency's governmental funds (in thousands):

	General	Debt Service City Center	Capital Projects City Center	Total Governmental Funds
Fund balance, September 30, 2024	$ 51,885	$ -	$ 49,440	$ 101,325
Revenues	63,278	-	2,046	65,324
Expenditures	32,765	35,981	3,006	71,752
Other financing sources (uses)	(40,582)	35,993	-	(4,589)
Fund balance, September 30, 2025	$ 41,816	$ 12	$ 48,480	$ 90,308

Proprietary Funds

The Agency's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail.

The net position for both proprietary funds increased by approximately $0.8 million (See discussion of the Agency's business-type activities for more information on the proprietary funds.)

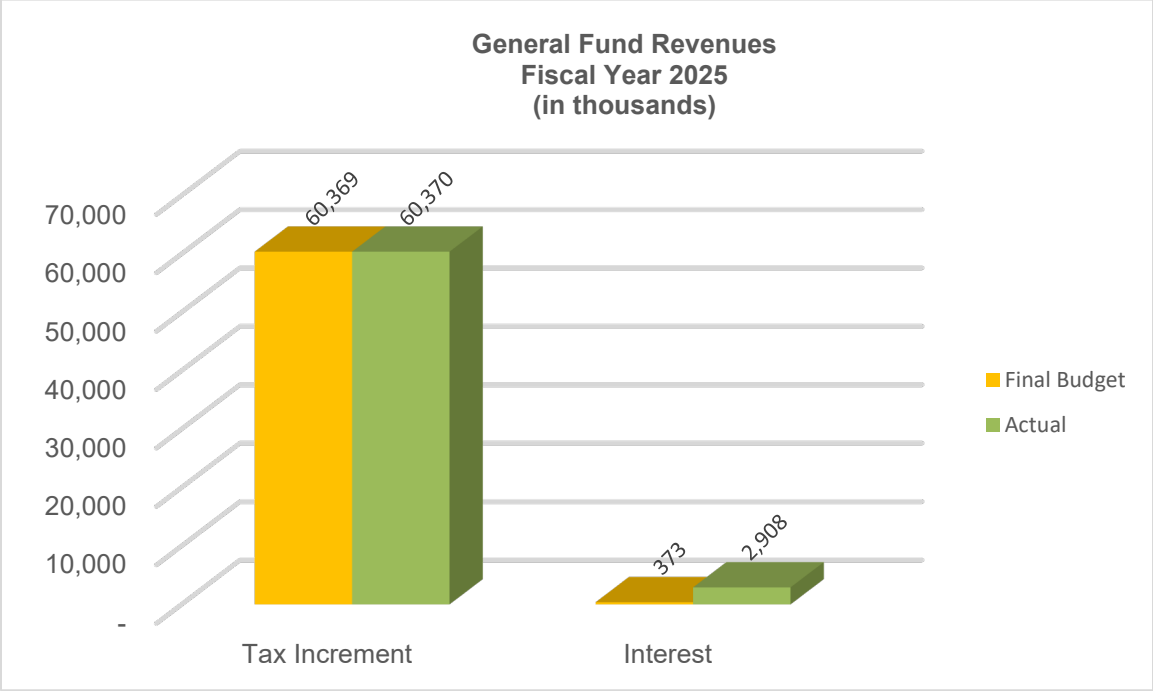
Budgetary Highlights

The following information is presented to assist the reader in comparing the original/final budget (Adopted Budget) and the actual results for the Agency's General Fund.

Actual expenditures were $894,000 or 2.8% more than budgeted. The difference with budgeted amounts was mainly attributable to an increase in the Capital Outlay category, where actual expenses were approximately $914,000 more than budgeted for the current year.

General Fund Revenues

The following charts and tables summarize actual revenues by category for fiscal year 2025 and compares actual revenues with the Adopted/Final Budget:

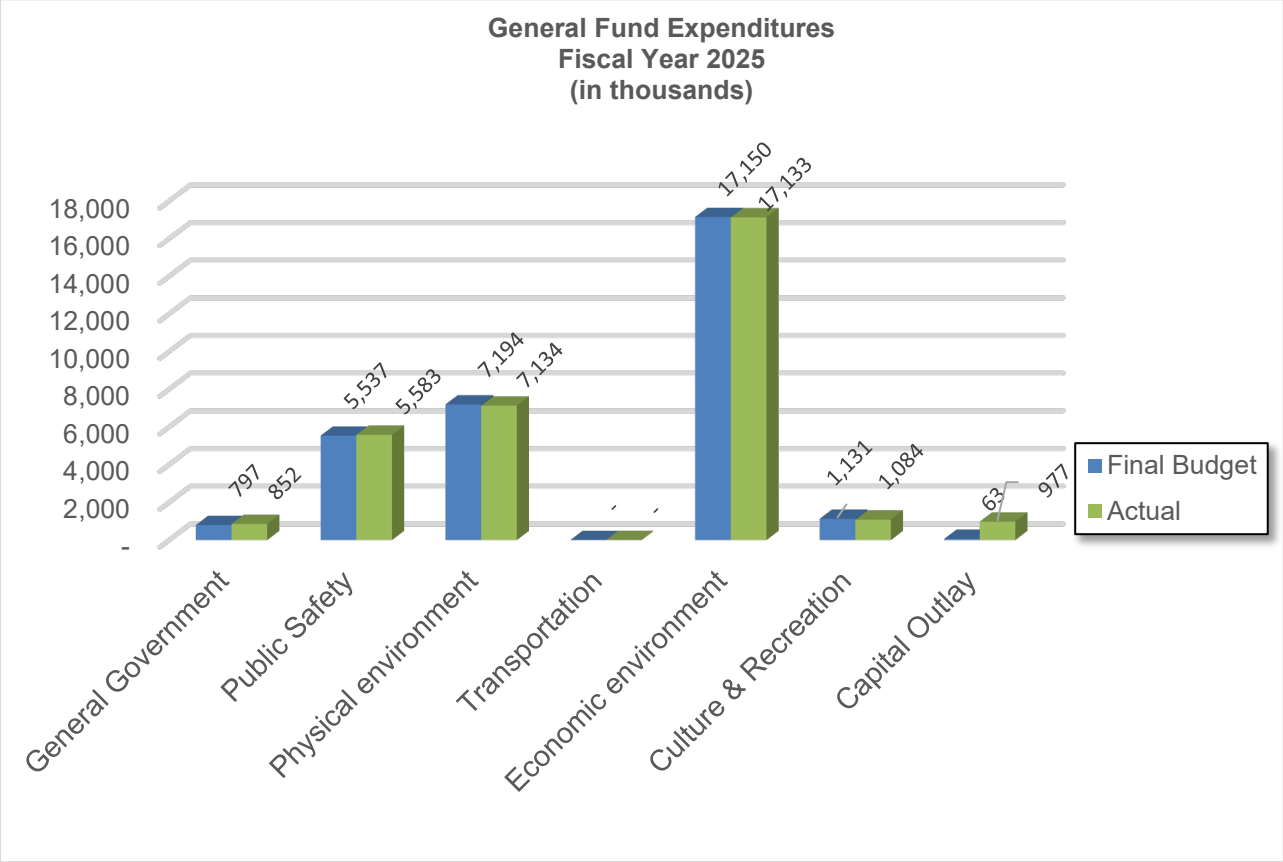


General Fund Revenues
Fiscal Year 2025
(in thousands)

	Final Adopted Budget	Actual Amounts	Variance
Revenues:			
Tax increment (property taxes)	$ 60,369	$ 60,370	$ (1)
Rents and leases	-	-	-
Interest income	373	2,908	(2,535)
Total revenues	$ 60,742	$ 63,278	$ (2,536)

General Fund Expenditures

The following chart and table summarize actual expenditures by function/program for fiscal year 2025, and compares the actual expenditures with the Final Budget:



General Fund Expenditures
Fiscal Year 2025
(in thousands)

	Final Adopted Budget	Actual Amounts
Expenditures:		
General government	$ 797	$ 852
Public safety	5,537	5,583
Physical environment	7,193	7,134
Economic environment	17,150	17,133
Culture and recreation	1,131	1,084
Capital outlay	63	977
SBITA payment	-	2
Total expenditures	$ 31,871	$ 32,765

Capital Assets and Debt Administration

Capital Assets

The Agency's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounts to $155 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and structures, vehicles, machinery and equipment, streetscape improvements, restorations and renovations, right to use assets, and construction work-in-progress, which are detailed as follows (net of accumulated depreciation):

Capital Assets
(in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land and land improvements	$ 10,818	$ $ 10,818	$ 3,003	$ 3,003	$ 13,821	$ 13,821
Buildings and structures	23,681	24,022	38,543	38,700	62,224	62,722
Machinery, vehicles and equipment	394	528	206	1,224	600	1,752
Furniture and fixtures	17	21	262	393	279	414
Streetscape improvements	17,577	19,670	-	-	17,577	19,670
Parks	7,975	7,741	-	-	7,975	7,741
Restorations and renovations	16,288	16,532	-	-	16,288	16,532
Construction in progress	35,378	32,985	643	417	36,021	33,402
Right to use assets, SBITAs	7	9	-	-	7	9
Totals	$ 112,135	$ 112,326	$ 42,657	$ 43,737	$ 154,792	$ 156,063

During fiscal year 2025, the Agency had various additions to assets consisting primarily of Construction in Progress in Governmental Activities and Buildings and Structures in Business-type activities. Overall net decrease in capital assets is mainly due to current year depreciation expense being greater than current year capital asset additions. Additional details about the Agency's capital assets can be found in Note 3 to the financial statements.

Details about the capital improvement program can be found in the *Other City Reports* - Achievements and Goals.

Outstanding Debt

At the end of the current fiscal year 2025, the Agency had a total debt outstanding in the governmental activities of $256 million. The debt balance decreased by $25.1 million during the year due to the refunding of the Tax Increment Bonds (see additional information at Note 7).

Miami Beach Redevelopment Agency's
Outstanding Debt
Fiscal Year 2025
(in thousands)

	Governmental Activities	
	2025	2024
Tax increment revenue bonds	$ 255,896	$ 281,001

Additional details about the Agency's outstanding debt can be found in Note 8 to the financial statements.

Economic Factors and Future Developments

The Redevelopment Agency has continued to focus its efforts on a number of initiatives aimed at upgrading the area's infrastructure, streets and parks, alleviating traffic and parking congestion and encouraging the continued increase in tourism. Details about the Agency's achievements and goals can be found in the *Other City Reports* – Achievements and Goals.

Requests for Information

This financial report is designed to provide a general overview of the Miami Beach Redevelopment Agency's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to The Miami Beach Redevelopment Agency, Finance Department, 1700 Convention Center Drive, Miami Beach, Florida 33139.

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)

Statement of Net Position
September 30, 2025

	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash and investments	$ 80,347,074	$ 31,179,590	$ 111,526,664
Receivables (net):			
Leases receivable		401,343	401,343
Accounts receivables	5,631	-	5,631
Accrued Interest	79,815	30,522	110,337
Due from primary government	2,536,611	163,030	2,699,641
Prepaid expenses	-	184,620	184,620
Total current assets	82,969,131	31,959,105	114,928,236
Noncurrent assets:			
Restricted cash and investments	9,654,902	329,634	9,984,536
Leases receivable	-	3,610,087	3,610,087
Capital assets not being depreciated:			
Land	10,817,763	3,003,282	13,821,045
Construction in progress	35,377,824	642,863	36,020,687
Capital assets net of accumulated depreciation/amortization:			
Buildings and structures	23,680,692	38,542,971	62,223,663
Streetscape improvements	17,577,496	-	17,577,496
Restorations and renovations	16,287,674	-	16,287,674
Parks	7,974,635	-	7,974,635
Vehicles	63,340	-	63,340
Machinery and equipment	331,489	205,707	537,196
Furniture and fixtures	16,998	261,953	278,951
Right to use assets - SBITAs	7,171	-	7,171
Total noncurrent assets	121,789,984	46,596,497	168,386,481
Total assets	204,759,115	78,555,602	283,314,717
Deferred outflows of resources:			
Miami Beach Employee Retirement Plan (MBERP)	329,438	-	329,438
Miami Beach Pension Fund for Firefighters and Police (MBF&P)	2,093,073	-	2,093,073
Other postemployment benefits plan (OPEB)	762,933	-	762,933
Total deferred outflows of resources	3,185,444	-	3,185,444
Total assets and deferred outflows of resources	$ 207,944,559	$ 78,555,602	$ 286,500,161

(Continued)

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)

Statement of Net Position (Continued)
September 30, 2025

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current liabilities:			
Accounts payable	$ 1,612,338	$ 557,812	$ 2,170,150
Retainage payable	109,004	24,594	133,598
Accrued expenses	2,549,285	62,808	2,612,093
Due to primary government	451,581	96,460	548,041
Due to other governments	-	26,433	26,433
Unearned revenue	-	102,821	102,821
Portion due or payable within one year:			
Deposits	-	1,830	1,830
SBITA payable	1,664	-	1,664
Environmental remediation	-	40,000	40,000
Accrued compensated absences	179,086	-	179,086
Bonds payable, net	5,828,489	-	5,828,489
Grant Payable - Convention Center Hotel	11,910,000		11,910,000
Total current liabilities	22,641,447	912,758	23,554,205
Long-term liabilities:			
Deposits	-	224,983	224,983
SBITA payable	5,996	-	5,996
Environmental remediation	-	10,000	10,000
Net pension liability - MBERP	1,077,218	-	1,077,218
Net pension liability - MBF&P	8,082,686	-	8,082,686
Net OPEB liability	9,145,186	-	9,145,186
Portion due or payable after one year:			
Accrued compensated absences	567,107	-	567,107
Bonds payable, net	250,067,110	-	250,067,110
Grant payable - Convention Center Hotel	53,090,000	-	53,090,000
Total long-term liabilities	322,035,303	234,983	322,270,286
Total liabilities	344,676,750	1,147,741	345,824,491
Deferred inflows of resources:			
Leases	-	2,880,742	2,880,742
Unamortized gain on refunding	15,243,822	-	15,243,822
MBERP	133,318	-	133,318
MBF&P	820,061	-	820,061
OPEB	1,606,875	-	1,606,875
Total deferred inflows of resources	17,804,076	2,880,742	20,684,818
Net position:			
Net investment in capital assets	112,018,418	42,632,182	154,650,600
Restricted for:			
Debt service	6,290,409	-	6,290,409
Capital improvement	38,825,004	-	38,825,004
Unrestricted	(311,670,098)	31,894,937	(279,775,161)
Total net (deficit) position	$ (154,536,267)	$ 74,527,119	$ (80,009,148)

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)

Statement of Activities
Year Ended September 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Capital Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Activities:							
Governmental:							
General government	$ 1,252,176	$ -	$ -	$ -	$ (1,252,176)	$ -	$ (1,252,176)
Public safety	5,626,970	-	-	-	(5,626,970)	-	(5,626,970)
Physical environment	7,195,490	-	-	-	(7,195,490)	-	(7,195,490)
Transportation	1,637,139	-	-	-	(1,637,139)	-	(1,637,139)
Economic environment	18,598,448	-	-	-	(18,598,448)	-	(18,598,448)
Culture and recreation	79,144,022	-	-	-	(79,144,022)	-	(79,144,022)
Interest on long-term debt	14,446,833	-	-	-	(14,446,833)	-	(14,446,833)
Total governmental activities	127,901,077	-	-	-	(127,901,077)	-	(127,901,077)
Business-type:							
Parking – Anchor & Penn. Garages	5,925,484	5,163,441	-	-	-	(762,043)	(762,043)
Leasing – Anchor & Penn. Shops	529,530	792,550	-	-	-	263,020	263,020
Total business-type activities	6,455,014	5,955,991	-	-	-	(499,023)	(499,023)
Total primary government	$ 134,356,091	$ 5,955,991	$ -	$ -	$ (127,901,077)	$ (499,023)	$ (128,400,100)
General revenues:							
Taxes:							
Tax increments for redevelopment districts					60,369,733	-	60,369,733
Investment income					4,954,122	1,345,232	6,299,354
Miscellaneous					158	-	158
Transfers to primary government					(4,000,000)	-	(4,000,000)
Total general revenues					61,324,013	1,345,232	62,669,245
Changes in net position					(66,577,064)	846,209	(65,730,855)
Beginning Net Position, 10/1/24					(87,934,485)	73,680,910	(14,253,575)
GASB 101 Restatement					(24,718)	-	(24,718)
Beginning Net Position, 10/1/24, as restated					(87,959,203)	73,680,910	(14,278,293)
Net (deficit) position - ending					$ (154,536,267)	$ 74,527,119	$ (80,009,148)

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)

Balance Sheet
Governmental Funds
September 30, 2025

	General Fund	Debt Service	Capital Projects	Total Governmental Funds
Assets				
Cash and investments	$ 39,705,877	$ 12,163	$ 50,283,936	$ 90,001,976
Receivables:				
Accounts receivable	4,876		755	5,631
Accrued interest	50,378	-	29,437	79,815
Due from primary government	2,536,611	-	-	2,536,611
Total assets	$ 42,297,742	$ 12,163	$ 50,314,128	$ 92,624,033
Liabilities and fund balances				
Liabilities:				
Accounts payable	$ 338,701	$ -	$ 1,273,637	$ 1,612,338
Retainage payable	-	-	109,004	109,004
Accrued expenses	142,746	-	-	142,746
Due to primary government	-	-	451,581	451,581
Total liabilities	481,447	-	1,834,222	2,315,669
Fund balances:				
Restricted	8,684,785	12,163	48,479,906	57,176,854
Assigned	15,395,674	-	-	15,395,674
Unassigned	17,735,836	-	-	17,735,836
Total fund balances	41,816,295	12,163	48,479,906	90,308,364
Total liabilities and fund balances	$ 42,297,742	$ 12,163	$ 50,314,128	$ 92,624,033

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position
September 30, 2025

Total fund balance – governmental funds		$ 90,308,364
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore, are not reported in the governmental funds. Those assets consist of:		
Land	$ 10,817,763	
Construction in progress	35,377,824	
Buildings and structures, net	23,680,692	
Streetscape improvements, net	17,577,496	
Parks	7,974,635	
Restorations and renovations, net	16,287,674	
Vehicles, net	63,340	
Machinery and equipment, net	331,489	
Furniture and fixtures, net	16,998	
Right to use assets - SBITAs	7,171	
Total capital assets, net		112,135,082
Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position.		
Accrued interest on bonds	(2,406,539)	
Bonds payable	(240,915,000)	
SBITA payable	(7,660)	
Grant payable - Convention Center Hotel	(65,000,000)	
Net Premium/Discount on bonds payable	(14,980,599)	
Accrued compensated absences	(746,193)	
Net Pension liability - MBERP	(1,077,218)	
Net pension liability - MBF&P	(8,082,686)	
Net OPEB liability	(9,145,186)	
Total long-term liabilities		(342,361,081)
In governmental funds, deferred outflows and inflows of resources relating to long term debt, pensions and OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions and OPEB are reported.		
Deferred outflows of resources relating to MBERP	329,438	
Deferred outflows of resources relating to MBF&P	2,093,073	
Deferred outflows of resources relating to OPEB	762,933	
Deferred inflows of gain on refunding	(15,243,822)	
Deferred inflows of resources relating to MBERP	(133,318)	
Deferred inflows of resources relating to MBF&P	(820,061)	
Deferred inflows of resources relating to OPEB	(1,606,875)	
Total deferred resources		(14,618,632)
Net position (deficit) of governmental activities		$ (154,536,267)

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year Ended September 30, 2025

	General Fund	Debt Service	Capital Projects	Total Governmental Funds
Revenues:				
Tax increment	$ 60,369,733	$ -	$ -	$ 60,369,733
Interest	2,908,391	-	2,045,731	4,954,122
Other	158	-	-	158
Total revenues	63,278,282	-	2,045,731	65,324,013
Expenditures:				
Current:				
General government	851,894	-	-	851,894
Public safety	5,582,669	-	-	5,582,669
Physical environment	7,133,956	-	-	7,133,956
Economic environment	17,132,889	-	-	17,132,889
Transportation	-	-	-	-
Culture and recreation	1,084,304	-	-	1,084,304
Capital outlay	976,707	-	3,006,007	3,982,714
Debt service:				
Principal retirement	-	18,885,000	-	18,885,000
Cost of debt issuance	-	2,852,603		2,852,603
SBITA payment	1,980	-	-	1,980
Interest and fiscal charges	182	14,243,194	-	14,243,376
Other	-	-	-	-
Total expenditures	32,764,581	35,980,797	3,006,007	71,751,385
Excess of revenues over (under) expenditures	30,513,701	(35,980,797)	(960,276)	(6,427,372)
Bond issuance premium	-	14,980,599	-	14,980,599
Bond proceeds	-	240,910,000	-	240,910,000
Payment to escrow agent	-	(256,480,000)	-	(256,480,000)
Transfers in	-	36,582,361	-	36,582,361
Transfers out	(40,582,361)	-	-	(40,582,361)
Total other financing sources (uses)	(40,582,361)	35,992,960	-	(4,589,401)
Net change in fund balances	(10,068,660)	12,163	(960,276)	(11,016,773)
Fund balances, beginning	51,884,955	-	49,440,182	101,325,137
Fund balances, ending	$ 41,816,295	$ 12,163	$ 48,479,906	$ 90,308,364

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended September 30, 2025

Net change in fund balances - governmental funds		$ (11,016,773)
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period,these amounts are:		
Capital outlay	3,982,714	
Amortization of right to use asset - SBITA	(2,090)	
Depreciation expense	(4,172,326)	
Excess of deletions and depreciation over capital outlay		(191,702)
The issuance of long-term debt (e.g., bonds) provides current financial resources to government funds, while the repayment of the principal of long-term obligations is an expenditure in the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The statement of net position has been adjusted for transactions as follows:		
Increase in interest payable	(203,457)	
Principal - debt service bonds	7,885,000	
Principal - SBITA payment	1,980	
Bond Proceeds	(240,910,000)	
Payment to escrow	256,480,000	
Bond issuance Premium	(14,980,599)	
Grant Payable - Principal payment	11,000,000	
Grant Agreement	(76,000,000)	
Amortization of gain on refunding	(15,243,822)	
Amortization of premium on bonds (included with accrued expense)	16,630,867	
Total long-term debt and related transactions		(55,340,031)
In government funds, pension and OPEB costs are recognized when employer contributions are made. In the statement of activities, pension and OPEB costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs, OPEB and actual employer contribution was:		
MBERP	78,341	
MBF&P	(343,322)	
OPEB	396,106	
Total pension and OPEB costs		131,125
Some expenditures reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental activities section of the statement of net position:		
Increase in accrued compensated absences	(159,683)	
Total expenditures that do not require the use of current financial resources		(159,683)
Change in net position of governmental activities		$ (66,577,064)

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)

Statement of Net Position
Enterprise Funds
September 30, 2025

	Business-Type Activities Enterprise Funds		
	Parking Fund	Leasing Fund	Total
Assets			
Current assets:			
Cash and investments	$ 16,911,075	$ 14,268,515	$ 31,179,590
Leases receivables	-	401,343	401,343
Due from primary government	68,030	95,000	163,030
Accrued interest receivable	16,724	13,798	30,522
Prepaid expenses	184,620	-	184,620
Total current assets	17,180,449	14,778,656	31,959,105
Noncurrent assets:			
Cash and investments:			
Customer deposits and advance sales	111,321	218,313	329,634
Leases receivable	-	3,610,087	3,610,087
Capital assets:			
Land	2,793,052	210,230	3,003,282
Construction in progress	642,863	-	642,863
Buildings and structures	55,252,619	2,397,145	57,649,764
Machinery and equipment	1,244,890	-	1,244,890
Furniture and fixtures	392,930	-	392,930
Less accumulated depreciation	(18,821,265)	(1,455,688)	(20,276,953)
Total capital assets (net of accumulated depreciation)	41,505,089	1,151,687	42,656,776
Total noncurrent assets	41,616,410	4,980,087	46,596,497
Total assets	58,796,859	19,758,743	78,555,602
Liabilities			
Current liabilities:			
Accounts payable	555,226	2,586	557,812
Retainage payable	24,594	-	24,594
Accrued expenses	62,808	-	62,808
Due to primary government	-	96,460	96,460
Due to other governments	24,827	1,606	26,433
Deposits	1,830	-	1,830
Environmental remediation	40,000		40,000
Unearned revenues	102,821	-	102,821
Total current liabilities	812,106	100,652	912,758
Noncurrent liabilities:			
Deposits	6,670	218,313	224,983
Environmental Remediation	10,000	-	10,000
Total noncurrent liabilities	16,670	218,313	234,983
Total liabilities	828,776	318,965	1,147,741
DEFERRED INFLOWS OF RESOURCES			
Leases	-	2,880,742	2,880,742
Total deferred inflows of resources	-	2,880,742	2,880,742
Net Position			
Net investment in capital assets	41,480,495	1,151,687	42,632,182
Unrestricted	16,487,588	15,407,349	31,894,937
Total net position	$ 57,968,083	$ 16,559,036	$ 74,527,119

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)

Statement of Revenues, Expenses and Changes in Net Position
Enterprise Funds
Year Ended September 30, 2025

	Business-Type Activities Enterprise Funds		
	Parking Fund	Leasing Fund	Total
Operating revenues:			
Charges for services	$ 4,594,083	$ -	$ 4,594,083
Permits, rentals and other	569,358	792,550	1,361,908
Total operating revenues	5,163,441	792,550	5,955,991
Operating expenses:			
Operating supplies	824	-	824
Contractual services	2,751,722	383,694	3,135,416
Utilities	251,283	12,484	263,767
Internal charges	797,000	45,000	842,000
Depreciation and amortization	1,350,278	77,352	1,427,630
Administrative fees	403,000	11,000	414,000
Other	371,377	-	371,377
Total operating expenses	5,925,484	529,530	6,455,014
Operating (loss) income	(762,043)	263,020	(499,023)
Nonoperating revenues:			
Interest income	647,205	698,027	1,345,232
Total nonoperating revenues	647,205	698,027	1,345,232
Changes in net position	(114,838)	961,047	846,209
Total net position, beginning	58,082,921	15,597,989	73,680,910
Total net position, ending	$ 57,968,083	$ 16,559,036	$ 74,527,119

See notes to financial statements.

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)

Statement of Cash Flows
Enterprise Funds
Year Ended September 30, 2025

	Business-Type Activities Enterprise Funds		
	Parking Fund	Leasing Fund	Total
Cash flows from operating activities:			
Receipts received from customers	$ 4,547,585	$ (92,913)	$ 4,454,672
Payments to suppliers	(3,587,161)	(438,073)	(4,025,234)
Payments made for interfund services used	(1,209,024)	(261,745)	(1,470,769)
Receipts for other operating revenue	569,358	792,550	1,361,908
Net cash provided by (used in) operating activities	320,758	(181)	320,577
Cash flows from capital and related financing activities:			
Purchase of capital assets	(419,169)	-	(419,169)
Net cash used in capital and related financing activities	(419,169)	-	(419,169)
Cash flows from investing activities:			
Interest on investments	630,481	684,229	1,314,710
Net cash provided by investing activities	630,481	684,229	1,314,710
Net increase in cash and investments	532,070	684,048	1,216,118
Cash and investments – beginning of year	16,490,326	13,802,780	30,293,106
Cash and investments – end of year	$ 17,022,396	$ 14,486,828	$ 31,509,224
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating loss	$ (762,043)	$ 263,020	$ (499,023)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	1,350,278	77,352	1,427,630
Changes in assets and liabilities:			
(Increase) decrease leases deferred inflow	-	(693,620)	(693,620)
(Increase) decrease accounts receivable	-	22,490	22,490
(Increase) decrease leases receivable	-	400,634	400,634
(Increase) decrease in due from primary government	(46,548)	177,583	131,035
(Increase) decrease in prepaid expenses	(8,679)	-	(8,679)
Increase (decrease) in accounts payable	(221,457)	(43,036)	(264,493)
Increase (decrease) in accrued expenses	41,161	-	41,161
Increase (decrease) in due to other government	(2,980)	1,141	(1,839)
Increase (decrease) in due to primary government	(9,024)	(205,745)	(214,769)
Increase (decrease) in deposits	50	-	50
Increase (decrease) in environmental remediation	(20,000)	-	(20,000)
Total adjustments	1,082,801	(263,201)	819,600
Net cash provided by operating activities	$ 320,758	$ (181)	$ 320,577
Non-Cash Transactions affecting financial position:			
Change in construction and related related liabilities	(72,133)	-	(72,133)
Total non-cash transactions affecting financial position:	$ (72,133)	$ -	$ (72,133)

See notes to financial statements.

Note 1 - Summary of Significant Accounting Policies

A. Financial Reporting Entity

In February 1976, the Miami Beach Redevelopment Agency (the "Agency") was formed by the City of Miami Beach, Florida (the "City") under the provisions of Chapter 163 of the Florida Statutes.

The Agency's stated purpose was to spur development and redevelopment in the South Pointe area of the City, an area which includes approximately 250 acres at the southern tip of the City, and a redevelopment area called the City Center/Historic Convention Village Redevelopment and Revitalization Area. During fiscal year 2006, the South Pointe district under the Agency's jurisdiction expired, and at that point, the City assumed the responsibilities for the South Pointe area. At that time, the stated purpose became specifically the City Center/Historic Convention Village Redevelopment and Revitalization Area.

Subsequent to its inception in March 1977, the City adopted the Agency's redevelopment plan which provided for the construction of residential housing, hotels, a marina and commercial, recreational and entertainment facilities. Because of the desire of the City Commission to revise the concept for redevelopment of the South Pointe area, on December 17, 1982, the City Commission declared itself to be, and to constitute the Agency. This action resulted in the City Commissioners becoming the new Agency's Board Members and the City manager becoming the executive director of the Agency. The Agency's budget is adopted by its Board of Directors.

The City Center/Historic Convention Village Redevelopment and Revitalization Area were formed in the same manner as the South Pointe Area. In March 1993, the City adopted the Agency's redevelopment plan for the City Center/Historic Convention Village Redevelopment and Revitalization Area, which called for the revitalization of the blighted area surrounding the Miami Beach Convention Center and Lincoln Road.

The City has expended certain funds prior to and subsequent to the inception of the Agency for various projects, which have benefited the redevelopment area. These expenditures have been recorded in the accounting records of the City and, accordingly, are not reflected in the accompanying financial statements of the Agency.

The City provides the Agency facilities for its operations.

The Board of Directors of the Agency (the "Board") is comprised of the six members of the City Commission and the Mayor. The Agency meets the criteria for inclusion in the City's reporting entity as a blended component unit and therefore, has been reported in the basic financial statements of the City.

For financial reporting purposes, in accordance with Governmental Accounting Standards Board ("GASB") Codification Section 2100, the Agency includes those organizations and activities that are generally controlled by or dependent on the Agency. Control by or dependence of the Agency is determined on the basis of such factors as budget adoption, outstanding debt secured by revenue of the Agency and obligation of the Agency to finance any deficit that may arise.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the non-fiduciary activities of the Agency. For the most part, the effect of interfund activity has been removed from these statements. The government-wide focus is more on the sustainability of the Agency as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The fund financial statements focus on short-term results of operations and financing decisions at a specific fund level. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given functional category are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific functional category. The Agency's program revenue consists of charges to customers or applicants, who purchase use or directly benefit from goods, services or privileges provided by a given functional category. Taxes and other items not included among program revenues are reported instead as general revenues.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The basic financial statements consist of government-wide financial statements and fund financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes (tax increments) are recognized as revenue in the year when levied for. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Only current assets and current liabilities are generally included on their balance sheet. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide governmental activities column, a reconciliation is necessary to explain the adjustments needed to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation. Their operating statements present sources (revenue and financing sources) and uses (expenditures and other financing uses) of available spendable resources during the period. 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 Agency considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absence, claims and judgments, leases, SBITAs, pensions, pollution remediation obligation and other postemployment benefits are recorded only when payment is due, or when the Agency has made a decision to fund those obligations with current available resources.

Tax increment, when levied for and interest associated with the current fiscal period, are all considered to be measurable and so have been recognized as revenues of the current fiscal period, if available. All other revenues are measurable upon receipt of cash and are recognized at that time.

Amounts reported as program revenue in the government-wide financial statements include charges to customers or applicants for goods and services or privileges provided and, operating grants and contributions and capital grants and contributions restricted to a particular program. Internally dedicated resources are reported as general revenues rather than as program revenues. All taxes are included in general revenues.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, and then use unrestricted resources as they are needed.

The Agency reports on the following major governmental funds:

- The general fund is the general operating fund of the Agency. All financial resources, except those required to be accounted for in another fund, are accounted for in the general fund.

- The City Center debt service fund is used to account for the accumulation of resources for the payment of general long-term debt, principal, interest and related costs associated with the City Center District.

- The City Center capital projects fund accounts for financial resources to be used for the acquisition or construction of major capital facilities within the City Center District.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

The Agency established the use of proprietary funds to account for its business-type activities; accordingly, the operations of the Agency's parking and leasing activities are accounted for in separate enterprise funds.

The Agency reports on the following major proprietary funds:

- The Parking Fund accounts for the parking operations of the Anchor Garage, Pennsylvania Avenue Garage and Collins Park Garage which are located within the City Center District.

- The Leasing Fund accounts for the leasing operations of the Anchor Shops and the Pennsylvania Avenue Shops. The Anchor Shops and Pennsylvania Avenue Shops are both located within the City Center District.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance or Equity

1. Cash and Investments

Cash is comprised of deposits with financial institutions. Investments are comprised of U.S. Treasury obligations, money market funds and external governmental investment pools. For the purpose of the statement of cash flows for the proprietary fund types, cash and investments are short-term, highly liquid investments with an original maturity of three months or less.

Investments are recorded at fair value using quoted market price or the best available estimate thereof, except for those investments with remaining maturities of one year or less, when purchased, which are recorded at amortized cost, in accordance with GASB Statement No. 72 "*Fair Value Measurement and Application*" and/or No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools"* where applicable.

2. Receivables and Payables

During the course of its operations, the Agency has numerous transactions between funds to finance operations, provide services, construct assets and service debt. To the extent that certain transactions between funds have not been paid or received as of September 30, balances of interfund amounts receivable or payable have been reflected. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All receivables are shown net of an allowance for uncollectible accounts. Accounts receivable in excess of 90 days that are not deemed collectible comprise the allowance for uncollectible accounts.

Following are the significant components of the receivables due to the Agency at September 30, 2025:

a. Accrued Interest Receivable – This amount represents the interest earned but not collected on the Agency's investments at September 30, 2025.
b. Leases Receivable – The Agency's leases receivable are measured at the present value of lease payments expected to be received during the lease term. Under the lease agreements, the Agency may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. Deferred inflows of resources are recorded at the initiation of each lease in an amount equal to the initial recording of the lease receivable. The deferred inflows of resources are amortized on a straight-line basis over the term of each lease.
c. Accounts Receivable – Current year balances represent custodial service fee reimbursements owed to the city but not yet collected by the Agency at September 30. 2025.

3. Capital Assets

Capital assets, which include property, vehicles, machinery, right to use assets, furniture and fixtures, are reported in the applicable governmental or business-type columns in the government-wide and proprietary fund financial statements. Capital assets are defined by the Agency as assets with an initial, individual cost as described below, and an estimated useful life in excess of one year. Such assets are recorded at historical costs or based on valuations, which approximate cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, furniture and fixtures of the Agency are depreciated over the estimated useful lives using the straight-line method. The estimated useful lives and the capitalization threshold are as follows:

Capital Assets Category	Capitalization Threshold	Estimated Useful Life (in years)
Land	Capitalize all	Not depreciable
Intangible assets	Capitalize all	Not depreciable
Construction in progress	$ 100,000	Not depreciable
Building and structure	100,000	50 years
Permanent improvements	100,000	Limited to useful life of building, not to exceed 35 years
Furniture and equipment	5,000	7 years
Motor vehicles	5,000	5 years
Motor vehicles greater than $50,000	50,000	10 years
Maintenance and heavy moving equipment	5,000	15 years
Infrastructure	100,000	30-50 years

In governmental funds, capital outlay (capital assets) is reported as an expenditure and no depreciation expense is reported.

4. Right-to-Use Assets

The right-to-use assets are initially measured at an amount equal to the initial measurement of the related lease liability, plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease. At September 30, 2025, the Agency had right-to-use SBITA assets recorded of approximately $7,000.

5. Restricted Assets

Certain resources of revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The governmental fund types report unspent bond proceeds as restricted on the statement of net position.

6. Prepaid Items

Expenditures made for services that will benefit periods beyond September 30, 2025, are recorded as prepaid expenses in the government-wide statements and proprietary fund statements.

7. Leases

The Agency is a lessor for noncancellable leases of buildings. The Agency recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental and propriety fund financial statements.

At the commencement of a lease, the Agency initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease 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 Agency determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- The Agency uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

During fiscal year 2025, the Agency recorded lease receivables and deferred inflows. Additional information relate to lease receivables can be found at Note 5 of the financial statements.

8. SBITAs

The Agency has entered into subscription-based information technology arrangements (SBITAs) under GASB Statement No. 96 and, therefore, liabilities have been recorded at the present value of the payments expected to be made during the subscription term. The Agency elected not to set threshold for subscription payments. Subsequently, the subscription liability is reduced by the principal portion of lease payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted by payments made at or before the lease commencement date, plus initial implementation costs incurred.

Key estimates and judgements related to SBITA's include how the Agency determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) subscription term, and (3) subscription payment.

- The Agency uses its estimated incremental borrowing rate as the discount rate for the SBITA's.

- The SBITA's term includes the period during which the City has a noncancellable right to use the underlying information technology assets. The subscription term also includes periods covered by an option to extend or to terminate.

- Subscription payments included in the measurement of the subscription liability are composed of fixed payments.

The City monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITAs liability.

Right-to-use assets, net of accumulated depreciation are reported separately on the statement of net position in the in the government-wide and propriety funds statements. SBITA's commencing within the current year, in governmental funds, are recorded as SBITA proceeds under other financing sources and capital outlay in the statement of revenues, expenditures, and changes in fund balance. The net asset value is included in the Net Investment in Capital Assets calculation on the statements of net position. Detailed disclosures on individual

SBITA's and right to use assets are provided in Note 6.

9. Fund Balance/Net Position

Fund Balance:

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes criteria for classifying fund balances into specifically defined classification and clarifies definitions for governmental fund types. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

a. Non-spendable Fund Balance – amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Examples on non-spendable fund balance include leases, inventories and/or prepaid expenditures.

b. Restricted Fund Balance - amounts that are restricted to specific purposes when constraints placed on the use of resources are either by (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

c. Committed Fund Balance - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. The commission adopts a City resolution, which includes the amount to be committed and the reason for the commitment. Only an adopted resolution by the Commission can establish, modify or rescind the commitment.

d. Assigned Fund Balance – amounts that are constrained by the City Commission's or an official delegated by the governing body's (City Manager) intent to be used for specific purposes but are neither restricted nor committed. Fund balance is primarily assigned based on the City's budgeting policy. Some amounts are approved and assigned by the City commission subsequent to September 30, 2024.

e. Unassigned Fund Balance – Includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted or committed for those specific purposes.

When both restricted and unrestricted amounts are available for use, it is the Agency's practice to use restricted resources first. Additionally, the Agency would first use committed, then assigned, and lastly, unassigned amounts of unrestricted fund balance.

Net Position:

The government-wide and proprietary funds financial statements utilize a net position presentation. Net Position is categorized as investment in capital assets, restricted or unrestricted. The first category represents capital assets, less accumulated depreciation and net of any outstanding debt associated with the acquisition of capital assets. Restricted net position represents amounts that are restricted by requirement of debt indenture. Unrestricted net position represents the net position of the Agency which is not restricted for any project or purpose. During Fiscal year 2020 the Agency transferred to the Convention Center Fund assets related to the Convention Center renovation. The debt associated with the asset is outstanding in the Agency causing a deficit in Net Position. The total deficit will continue to decrease as the total debt outstanding is paid off.

10. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, deferred outflows and inflows and disclosure of contingent assets and liabilities, deferred outflow and inflows at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's estimates.

11. Risk Management

The City, which includes coverage for the Agency, is self-insured for health insurance, automobile liability, general liability, police professional liability, workers' compensation, theft and property damage. The Agency is charged a premium fee by the City's self-insurance fund. The Agency does not retain any risk beyond premiums paid to the City.

12. Employee Benefit Plan

The following is a brief description of the Agency employees' participation in the Miami Beach Employees' Retirement Plan and the City's Pension Fund for Firefighter's and Police (the "Plans"). Pursuant to Modification 29 of the Florida State Social Security Agreement, effective January 1, 1955, the City of Miami Beach does not participate in the Federal Old-Age and Survivors Insurance System (OASI) embodied in the Social Security Act. Instead, it provides eligible employees a comprehensive defined benefit pension. The City of Miami Beach does participate in the hospital insurance tax, also known as Medicare and withholds taxes accordingly. Readers should refer to Note 16 in the City's 2025 Annual Comprehensive Financial Report and Plan documents for detailed and comprehensive information on the Plans.

All full-time employees of the City who work more than 30 hours per week and hold classified or unclassified positions, except for Policemen and Firemen, are covered by the Miami Beach Employees' Retirement Plan (the "Plan"). The Plan provides retirement benefits; as well as death and disability benefits at two different tiers, depending on when the employees entered the plan. All First-Tier employees who participate are required to contribute 12% of their salary to the Plan. All Second-Tier employees are required to contribute 10% of their salary. The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due.

The City's Pension Fund for Firefighters and Police (the "Plan) is a defined benefit pension plan covering substantially all police officers and firefighters of the City. Members of the plan contribute 10% of their salary. The City is required to contribute an actuarially determined amount that, when combined with members' contributions, will fully provide for all benefits as they become payable.

For 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 plan net position of the Miami Beach General Employees' Retirement Plan ("MBERP") and the Miami Beach Fire and Police Retirement Plan ("MBF&P") and additions to/deductions from the MBERP and MBF&P plan net position has been determined on the same basis as they are reported by the MBERP and MBF&P, respectively. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

13. Post-Employment Benefits Other Than Pensions (OPEB)

Pursuant to Section 112.08, Florida Statutes, the Agency is required to permit eligible retirees and their eligible dependents to participate in the Agency's health insurance program at a cost to the retirees that is no greater than the cost at which coverage is available for active employees. The Agency is a part of the City of Miami Beach's single employer OPEB plan with benefits based on age and date of employment. The City has established an irrevocable trust fund to hold the assets of the OPEB plan. OPEB liabilities, deferred inflows and outflows reported in the statement of activities are typically liquidated from the general fund. Please refer

to Note 16 of the Agency and Note 17 of the City's 2025 Annual Comprehensive Financial Report for more information.

14. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations including leases are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are recorded as additions to or deductions from the related debt and amortized in interest expense over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Leases are recorded as lease liabilities issued under other financing sources and capital outlay. Debt principal payments are reported as debt service expenditures.

15. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Agency has three items that qualify for reporting in this category.

a. Deferred outflows of resources related to the MBERP and MBF&P pension plans are recognized when the Agency makes contributions subsequent to the measurement date and when there are differences between expected and actual experience. Differences between expected and actual experience and changes in assumptions are deferred and amortized over the average of the expected remaining service lives of employees who are provided with benefits through the pension plans. Employer contributions made subsequent to the measurement date are deferred and recognized as a reduction of the net pension liability in the subsequent reporting year. Differences between projected and actual investment earnings are deferred and amortized over five years. The deferred outflows of resources related to pensions are only reported on the government-wide financial statements.

b. Deferred outflows of resources relating to Other Post Employment Benefits are recognized when the Agency makes contributions subsequent to the measurement date, when there are differences between expected and actual experience, changes in assumptions, changes in funds proportionate shares of the deferrals, and differences between expected and actual investment earnings. The difference between expected and actual investment earnings is amortized over five years. Other deferrals are amortized over the average remaining service life of participants.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has four items that qualify for reporting in this category.

a. Deferred inflows of resources related to the MBERP and MBF&P pension plans are reported when changes in the net pension liability are not included in the pension expense of the actuarially calculated net pension liability, such as differences between projected and actual investment earnings. Differences between projected and actual investment earnings are deferred and amortized over five years. The deferred inflows of resources related to pensions are only reported on the government-wide financial statements.

b. Deferred inflows of resources relating to Other Post Employment Benefits are recognized when there are differences between expected and actual experience, changes in assumptions, changes in funds

proportionate shares of the deferrals, and differences between expected and actual investment earnings. The difference between expected and actual investment earnings is amortized over five years. Other deferrals are amortized over the average remaining service life of participants.

c. Deferred inflow of resources related to leases are recorded at the initiation of each lease in an amount equal to the initial recording of the lease receivable. The deferred inflows of resources are amortized on a straight-line basis over the term of each lease.

16. Recent Accounting Pronouncements Adopted/Implemented

Statement No. 101 – Compensated Absences, was issued in June 2022. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement requires that a liability for certain types of compensated absences; including parental leave, military leave, and jury duty leave, not be recognized until the leave commences. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. The City has adopted the provisions of GASB Statement No. 101 for the fiscal year ended September 30, 2025. As a result, the liability for compensated absences increased by $24,718, with a corresponding decrease to the beginning Net Position. See Note 19 for additional details on the restatement.

Statement No. 102 – *Certain Risk Disclosures*, was issued in December 2023. This 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 defines a concentration as a lack of diversity related to an aspect of significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. This statement requires governments to assess whether a concentration or constraint makes the primary reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, a government is also required to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The Agency has evaluated it's concentrations and constraints as of September 30, 2025, and has determined that no events have occurred or are likely to occur that would cause a substantial impact within 12 months of the issuance of these financial statements.

Note 2 - Deposits and Investments

A. Deposits

All deposits are held in banking institutions approved by the State Treasurer of the State of Florida, to hold public funds. Under the Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral equal to 50% to 125% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. governmental and agency securities, state or municipality government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280, Florida Statutes. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

B. Investments

The Agency adopted the City's ordinance designating the investments which are allowable for its cash management activities. The policy specifies the types and limits by instrument and establishes a diversified investment objective that takes into consideration the safety, return and liquidity of capital. The authorized investments include direct U.S. treasury obligations, U.S. government agencies, corporate bonds, commercial paper, state or municipal obligations and cash held at investment institutions. These investments are insured, or registered, or the securities are held by its agent in the Agency's name.

C. Employee Retirement Systems Investments:

The Agency has (through city-adopted ordinances which govern the investment of funds for all of the Employee's Retirement Systems (the System)) a retirement system for employees. Each Plan is allowed to invest in a wide range of instruments including, but not limited to, United States Treasury obligations, loans guaranteed by government agencies, Mutual and Money Market funds, Private Placement, Real Estate funds, General Obligation or Revenue Bonds issued by states and municipalities, dividend paying stocks of domestic corporations, International Equity Funds, bonds, notes or other interest bearing obligations of domestic corporations, and shares and accounts of savings and loan associations. Each Plan has a Board of Trustees who authorizes the investment policy.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market rates.

Investments are made based on prevailing market conditions at the time of the transaction with the intent to hold the instrument until maturity. If the yield of the portfolio can be improved by the sale of an investment, prior to maturity, with the reinvestment of the proceeds, then this provision is allowed. As a means of limiting its exposure to fair value losses, the Agency's investment policy limits maturity of its investments to seven years or less. At September 30, 2025, all of the Agency's investments had a maturity of 5 years or less.

As of September 30, 2025, the Agency had the following investments and maturities:

		Investment Maturities (in years)	
	Value	Less Than One	1-5
U.S. Treasury securities	$ 44,327,750	$ 19,650,700	$ 24,677,050
FLCLASS Pool	73,075,796	73,075,796	-
	$ 117,403,546	$ 92,726,496	$ 24,677,050

Credit Risk: This 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. State law limits investments in commercial paper and corporate bonds rated in one of the top two ratings issued by the Nationally Recognized Statistical Rating Organization ("NRSRO"). It is the Agency's policy to limit its investments in these investment types to the top rating issued by the NSRSO. As of September 30, 2025, the Agency had no investments in commercial paper or corporate bonds.

Obligations of the U.S. government or obligations explicitly or implicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

As of September 30, 2025, the Agency's investments were rated by Moody's Investors Service and Standard & Poor's as follow:

Investment Type	Issuer	Standard & Poor's	Moody's	Fair Value
US Govt Treasuries	U.S. Government	AA+	Aa1	$ 44,327,750
FLCLASS	Local Govt. Investment Pool	AAAm	N/A	73,075,796
				$ 117,403,546

Concentration of Credit Risk: The Agency's investment plan limits the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. The maximum portfolio allocation is 100% for both cash held at investment institutions and Treasury Securities as well as money market funds unless they are private money market mutual funds backed by "Full Faith and Credit" U.S. Government Securities in which case they cannot exceed 25%.

The Agency's investments at September 30, 2025, are shown below:

	Carrying Amount	% of Portfolio
FLCLASS Pool	$ 73,075,796	62.2%
Treasury securities	44,327,750	37.8%
	$ 117,403,546	100.0%

Custodial Credit Risk: In the event of a financial institution failure, the City's deposits may not be recoverable. The Policy requires that deposits be made only in qualified public depositories. These are banking institutions approved by the State Treasurer of Florida to hold public funds, and which are required to deposit with the Treasurer or other banking institution eligible collateral, as required by Florida Statutes Chapter 280, Security for Public Depositories. In addition to insurance provided by the Federal Deposit Insurance Corporation (FDIC), the remaining public depositories would be responsible for covering any resulting losses. As of September 30, 2025 all bank deposits were in qualified public depositories and as such the deposits are not exposed to custodial credit risks. Securities purchased by the City must be held for the credit of the City in accordance with Florida Statutes §218.415. For third-party custodial agreements, the City will execute a Custodial Safekeeping Agreement with a Financial Institution. All securities purchased and/or collateral obtained by the City shall be the property of the City and be held apart from the assets of the financial institution

The Agency's investment policy requires that securities be registered in the name of the Agency. All safekeeping receipts for investment instruments are held in accounts in the Agency's name and all securities are registered in the Agency's name. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Agency's investments in Treasury securities are held by a counterparty in the Agency's name.

Fair Value Measurement: GASB No. 72 defines fair value as the price that would be received to sell an asset. The Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the 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 based on other significant observable inputs such as indices for fixed income bonds and quoted prices similar assets in markets that are not active; Level 3 inputs are significant unobservable inputs.

The Agency has the following recurring fair value measurements as of September 30, 2025:

Investments	2025	Fair Value Measurements Using Level 2
Investments by Fair Value Level		
U.S. Government Treasuries	$ 44,327,750	$ 44,327,750
Total Debt Securities	44,327,750	
Investments measured at Net Asset Value		
FLCLASS	73,075,796	
Total Investments measured at Net Asset Value	73,075,796	
Total Investments	$ 117,403,546	$ 44,327,750

Florida Cooperative Liquid Assets Securities System (FLCLASS) is an external local government investment pool created by interlocal agreement under F.S. 163.01. The pool is supervised by an appointed Board of Trustees comprised of eligible participants of the program. The Board acts as the liaison between the participants, the custodian, and the program administrator. The fund is an S&P AAA rated money market product offering a fiscally conservative diversification option for Florida local governments. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The weighted average maturity is .50 years or 183 days as of September 30, 2025.

The City's cash and investments held at September 30, 2025 are shown below:

US Treasury	$ 44,327,750
FLCLASS	73,075,796
Total Investments	117,403,546
Cash Equivalents	4,107,654
Total Cash and Investments	$ 121,511,200
Schedule of cash and investments by fund:	
General	$ 39,705,877
Debt Service	12,163
Capital Projects	50,283,936
Parking	17,022,396
Leasing	14,486,828
Total	$ 121,511,200

Note 3 - Capital Assets

Capital asset activities for the year ended September 30, 2025, were as follows:

A. Governmental Activities

Governmental Activities:

	Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Governmental activities:				
Capital assets,not being depreciated:				
Land	$ 10,817,763	$ -	$ -	$ 10,817,763
Construction in progress	32,985,040	3,462,496	1,069,712	35,377,824
Total capital assets not being depreciated	43,802,803	3,462,496	1,069,712	46,195,587
Capital assets, being depreciated/amortized:				
Buildings and structures	32,025,812	274,048	-	32,299,860
Streetscape improvements	43,598,747	-	-	43,598,747
Restoration/renovations	29,763,083	766,481	-	30,529,564
Parks	8,927,472	537,627	-	9,465,099
Vehicles	357,229	11,774	-	369,003
Machinery and equipment	958,001	-	20,644	937,357
Furniture and fixtures	888,684	-	-	888,684
Right to use asset, SBITAs	14,154	-	-	14,154
Total capital assets being depreciated/ amortized	116,533,182	1,589,930	20,644	118,102,468
Less accumulated depreciation/amortization for:				
Buildings and structures	8,003,636	615,532	-	8,619,168
Streetscape improvements	23,928,534	2,092,717	-	26,021,251
Restorations/renovations	13,231,359	1,010,531	-	14,241,890
Parks	1,186,435	304,029	-	1,490,464
Vehicles	256,136	49,527	-	305,663
Machinery and equipment	530,631	95,881	20,644	605,868
Furniture and fixtures	867,577	4,109	-	871,686
Right to use asset, SBITAs	4,893	2,090	-	6,983
Total accumulated depreciation/amortized	48,009,201	4,174,416	20,644	52,162,973
Total capital assets, being depreciated/amortized, net	68,523,981	(2,584,486)	-	65,939,495
Governmental activities capital assets, net	$ 112,326,784	$ 878,010	$ 1,069,712	$ 112,135,082

B. Business-Type Activities

	Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Capital assets, not being depreciated:				
Land	$ 3,003,282	$ -	$ -	$ 3,003,282
Construction in progress	417,074	225,789	-	642,863
Total capital assets not being depreciated	3,420,356	225,789	-	3,646,145
Capital assets, being depreciated:				
Building and structures	57,549,764	100,000	-	57,649,764
Machinery and equipment	1,223,644	21,246	-	1,244,890
Furniture and fixtures	392,930	-	-	392,930
Total capital assets being depreciated	59,166,338	121,246	-	59,287,584
Less accumulated depreciation for:				
Building and structures	17,785,802	1,320,991	-	19,106,793
Machinery and equipment	988,678	50,505	-	1,039,183
Furniture and fixtures	74,844	56,133	-	130,977
Total accumulated depreciation	18,849,324	1,427,629	-	20,276,953
Total capital assets being depreciated net	40,317,014	(1,306,383)	-	39,010,631
BTA activities capital assets, net	$ 43,737,370	$(1,080,594)	$ -	$42,656,776

Depreciation/amortization expense was charged to functions/programs of Agency as follows:

Governmental activities:	
General government	$ 400,311
Public safety	42,964
Physical environment	40,951
Transportation	1,637,139
Culture and recreation	2,053,051
Total depreciation expense - governmental activities	$ 4,174,416
Business-type activities:	
Parking	$ 1,350,277
Leasing	77,352
Total depreciation expense - business-type activities	$ 1,427,629

Note 4 - Construction Commitments

The Agency had the following construction commitments as of September 30, 2025:

General Fund	$	8,701,311
Capital Project		11,704,372
Parking		47,875
	$	**20,453,558**

The Agency had the following Encumbrance commitments as of September 30, 2025:

General Fund	$	212,017
Parking		793,183
	$	**1,005,200**

Note 5 – Leases

The primary objective of GASB Statement No. 87, *Leases,* is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

A. Leases Receivable

Details of the City's leases receivable by lease for business-type activities for the year ended September 30, 2025, was as follows:

CMB Reference	Fund	Asset Type	Start Date	End Date	Term as of 10/1/2024	Interest Rate in %	Extension Option	Number of Options	Extension Period (in months)	Beginning Balance	Additions	Payments/ Reductions	Ending Balance	Interest Income	Fixed Annual Payment
2021-011	RDA	Buildings	10/1/2021	12/31/2025	15	0.67	No	-	-	$ 225,119	$ -	$ 182,947	$ 42,172	$ 895	$ 42,140
2021-014	RDA	Buildings	10/1/2021	12/31/2025	15	2.60	Yes	1	48	-	45,816	-	45,816	4,152	45,816
2023-001	RDA	Buildings	1/13/2023	1/12/2033	96	3.45	No	-	-	2,617,875	-	242,430	2,375,445	76,375	337,891
2023-003	RDA	Buildings	3/23/2023	1/3/2033	94	3.45	No	-	-	1,569,070	-	21,073	1,547,997	56,211	217,812
									Total	**$ 4,412,064**	**$ 45,816**	**$ 446,450**	**$ 4,011,430**	**$ 137,633**	**$ 643,659**

Details of the City's leases deferred inflow by lease for business-type activities for the year ended September 30, 2025, was as follows:

Reference	Fund	Asset Type	Beginning Balance	Additions	Reductions	Ending Balance
2021-011	RDA	Buildings	$ 208,011	$ -	$ 166,408	$ 41,603
2021-014	RDA	Buildings	-	44,811	-	44,811
2023-001	RDA	Buildings	2,100,754	-	418,615	1,682,139
2023-003	RDA	Buildings	1,265,597	-	153,408	1,112,189
		Total	**$ 3,574,362**	**$ 44,811**	**$ 738,431**	**$ 2,880,742**

Note 6 – Subscription-Based Information Technology Arrangements

The financial statements for the year ended September 30, 2025 include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA). The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription agreements. Under this statement, a subscription is required to recognize a subscription liability and an intangible right-to-use lease asset. Balances at October 1, 2022, were restated in accordance with the GASB requirements.

A. SBITA Liabilities

Details of the Agency's liabilities by lease for governmental activities for the year ended September 30, 2025 was as follows:

CMB Reference	Fund	Asset Type	Start Date	End Date	Term as of 10/1/2022	Interest Rate in %	Beginning Balance	Additions/ Adjustments	Payments/ Reductions	Ending Balance	Interest Expense	Fixed Annual Payment
G96-023.2	RDA	Subscription	10/1/2022	9/26/2029	72	2.38	$ 9,640	$ -	$ 1,980	$ 7,660	$ 182	$ 2,162
				Governmental Activities Total			**$ 9,640**	**$ -**	**$ 1,980**	**$ 7,660**	**$ 182**	**$ 2,162**

B. Net Book Value of Right-to-use Assets

Net book value of right-to-use assets by lease for governmental activities for the year ended September 30, 2025
was as follows:

Reference	Fund	Asset Type	Beginning Balance	Adjustments/ Increases	Decreases	Ending Balance
G96-023.2	RDA	Subscription	9,261	-	2,090	7,171
Governmental Activities Total			**$ 9,261**	**$ -**	**$ 2,090**	**$ 7,171**

Note 7 - Tax Increment Revenue Bonds

On December 15, 2015, the City issued $286,245,000 in Series 2015A Tax Increment Revenue and Revenue Refunding Bonds to provide for the current refunding of all of the Agency's Tax Increment Revenue Refunding Bonds, Series 2005B; finance certain costs of acquiring and constructing renovations to the convention center and certain other improvements; and pay costs of issuance of the Series 2015A bonds. The Series 2015 bonds are solely payable from and secured by a pledge of and first lien on the Pledged Funds derived by the Agency from Trust Fund Revenues and all moneys, securities and instruments held in the funds and accounts created under the Bond Resolution. The Series 2015A bonds were issued with interest rates of 4.00% to 5.00% payable semiannually on February 1 and August 1

On August 7, 2025, the City issued $240,910,000 in Tax Increment Revenue Refunding Bonds, Series 2025 (the "Series 2025 Bonds"). The Series 2025 Bonds are solely payable from and secured by a pledge of and first lien on the Pledged Funds derived by the Agency from Trust Fund Revenues, which primarily consist of tax increment revenues generated within the designated redevelopment area, and all moneys, securities, and instruments held in the funds and accounts created under the related Bond Resolution. The pledge of such revenues remains in effect until the final maturity of the Series 2025 Bonds.

The Series 2025 Bonds have stated interest rates of 5.00% and are payable semiannually on February 1 and August 1. The Series 2025 Bonds mature on September 30, 2044. The Series 2025 Bonds maturing on or before February 1, 2035 are not subject to redemption prior to maturity. The Series 2025 Bonds maturing on or after February 1, 2036 are subject to redemption prior to maturity, at the option of the Agency, on or after February 1, 2035 in whole or in part at any time, in any order of maturity selected by the Agency and by lot or by such other manner as the Registrar shall deem appropriate within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2025 Bonds to be redeemed, together with

accrued interest to the date fixed for redemption. The principal of and interest on the Series 2025 Bonds are guaranteed by a municipal bond insurance policy issued by Assured Guaranty Inc. ("AG"), which guarantees the timely payment of scheduled principal and interest to bondholders in the event of nonpayment by the City.

The proceeds of the Series 2025 Bonds, together with certain other legally available moneys of the Agency, were used to (i) refund all of the outstanding Series 2015A Bonds, with an outstanding principal amount of $256,485,000, except for $5,000 in principal related to the mandatory sinking fund payment due February 1, 2044, and (ii) pay costs of issuance, including the premium for the bond insurance policy. The refunding was undertaken to achieve debt service savings. As a result of the refunding of the 2015A Bonds, the Agency will realize gross cash flow savings of over $18.8 million over the next 19 years. On a net present value basis, savings equate to about $13 million, which is 5.06% of the refunded par amount. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the refunded debt of approximately $15.2 million, which has been reported as a deferred inflow of resources and will be amortized over the remaining life of the new debt or the refunded debt, whichever is shorter, in accordance with GASB Statement No. 65. The refunded Series 2015A Bonds were legally defeased through the placement of proceeds in an irrevocable trust to provide for all future debt service payments on the refunded bonds. Accordingly, the refunded bonds are no longer considered outstanding except for $5,000 in principal related to the mandatory sinking fund payment due February 1, 2044 for financial reporting purposes.

For fiscal year ending September 30, 2025, the City received $60,369,733 in pledged revenues. The maximum annual debt service was $19,919,00. Remaining outstanding principal and interest is $374,723,867. For fiscal year 2025, the Agency's ratio of pledged revenues to maximum annual debt service coverage is 3.03.

The aggregate maturities of tax increment revenue bonds at September 30, 2025 are as follows:

	Debt Service Requirements Redevelopment Tax Increment Bonds		
Fiscal Year Ending September 30	PRINCIPAL	INTEREST	TOTAL
2026	$ 4,515,000	$ 11,732,117	$ 16,247,117
2027	8,300,000	11,612,500	19,912,500
2028	8,730,000	11,186,750	19,916,750
2029	9,180,000	10,739,000	19,919,000
2030	9,650,000	10,268,250	19,918,250
2031-2035	56,185,000	43,391,625	99,576,625
2036-2040	72,140,000	27,431,250	99,571,250
2041-2045	72,215,000	7,447,375	79,662,375
	240,915,000	133,808,867	374,723,867
Plus: Net unamortized Bond Premium	14,980,599	-	14,980,599
	$ $ 255,895,599	$ $ 133,808,867	$ $ 389,704,466

Note 8 – Grant Agreement

In April 2025, the City of Miami Beach entered into a grant agreement with the Convention Center Hotel Developer, MB Mixed Use Investment Company I, LLC and Public Finance Authority, to partially fund the construction of a hotel, in support of the construction of 'Public areas' of major hotels. The approximately 800-room Convention Center Hotel will include more than 100,000 sq ft of Public Areas, including meeting spaces, banquet facilities, parking garages, lobbies, and passageways; with a cost to construct budgeted to exceed $75 million. Under the terms of the grant agreement, Public Finance Authority will finance the portion of the hotel construction costs attributable to the Public Areas, through the issuance of $75 million in taxable revenue bonds, the proceeds of which will be paid to the developer. The City will be obligated to make the debt service payments to Public Finance Authority. The obligation to make semi-annual installment payments, assumed by the City of Miami Beach pursuant to the Grant Agreement, shall constitute City's Indebtedness. The sum of payments, which include the funded grant amount of $76 million plus the cost of issuance and interest accruing during the scheduled repayment term is anticipated to equal $79.4 million, but in any event shall not exceed the maximum total payable amount of $92.5 million. The obligation of the City of Miami Beach to make the payments shall be secured by and payable exclusively from available Trust Fund Revenues.

The outstanding grant balance reported at September 30, 2025, is $65,000,000.

The aggregate payments of the Grant at September 30, 2025, are as follows:

Fiscal Year Ending September 30	Grant Payment Schedule		
	Principal	Interest	Total
2026	11,910,000	2,538,935	$ 16,987,870
2027	12,430,000	2,015,625	16,461,250
2028	12,975,000	1,469,418	15,913,835
2029	13,545,000	899,237	15,343,475
2030	14,140,000	304,010	14,748,020
	$ 65,000,000	$ 7,227,225	$ 79,454,450

Note 9 - Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	GASB 101 Restatement	Beginning Bal As Restated	Increases	Decreases	Ending Balances	Due Within One Year
Governmental activities:							
Revenue Bonds	$ 264,370,000	$ -	$ 264,370,000	$ 240,910,000	$ (264,365,000)	$ 240,915,000	$ 4,515,000
Add: 2015 Premium	16,630,867	-	16,630,867	14,980,599	(16,630,867)	14,980,599	-
Total bonds payable	281,000,867	-	281,000,867	255,890,599	(280,995,867)	255,895,599	4,515,000
Grant Payable - Convention Center Hotel	-	-	-	76,000,000	(11,000,000)	65,000,000	11,910,000
Compensated absences	561,792	24,718	586,510	334,833	(175,150)	746,193	179,083
SBITA payable	9,640	-	9,640	-	(1,980)	7,660	1,664
Net OPEB Liability	9,819,448	-	9,819,448	-	(674,257)	9,145,191	-
Net Pension Liability - MBERP	1,558,395	-	1,558,395	-	(481,177)	1,077,218	-
Net Pension Liability - MBF&P	10,178,375	-	10,178,375	-	(2,095,689)	8,082,686	-
Total	22,127,650	24,718	22,152,368	76,334,833	(14,428,253)	84,058,948	12,090,747
Governmental activity long-term liabilities	$ 303,128,517	$ 24,718	$ 303,153,235	$ 332,225,432	$ (295,424,120)	$ 339,954,547	$ 16,605,747
Business-type activities:							
Environmental Remediation	$ 70,000	$ -	$ 70,000	$ -	$ (20,000)	$ 50,000	$ 40,000
Tenant deposits	226,763	-	226,763	1,880	(1,830)	226,813	1,830
Business-type activity long-term liabilities	$ 296,763	$ -	$ 296,763	$ 1,880	$ (21,830)	$ 276,813	$ 41,830

Accrued interest payable on long term debt not recognized in the governmental funds, was accrued in the amount of $2,406,539.

Note 10 - Tax Increment Revenue

The Agency is primarily funded through tax-increment revenue. This revenue is computed by applying the operating tax for the City and Miami-Dade County, Florida, (the "County") multiplied by the increased value of property in the district over the base property value minus 5%. Both the City and the County are required to fund this amount annually without regard to tax collections or other obligations.

Note 11 - Related-Party Transactions

The Agency obtains certain managerial and administrative services from the Primary Government and Miami Dade County in accordance with a management agreement with Miami Dade County. The Agency incurred $1,450,903 of management-fee expense under this agreement for the year ended September 30, 2025. Amounts due from the Agency are primarily disbursements paid from the primary government general depository account and are pending reimbursement from the Agency. The amount due to the Agency from the primary government to the leasing fund and parking fund respectively are for deposits made to the general depository account pending transfer to the Agency. As of September 30, 2025, due to and from are as follows:

Governmental funds:	
Due from the primary government to:	
General fund	$ 2,536,611
Due to the primary government from:	
Capital projects fund	$ 451,581
Business-type activities:	
Due from the primary government to:	
Enterprise funds – parking fund	$ 68,030
Enterprise funds – leasing fund	95,000
	$ 163,030
Due to the primary government from:	
Enterprise funds – leasing fund	$ 96,460

Note 12 - Interfund Transfers

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

Government funds:	
Transfers from the general fund to:	
Debt service	$ 36,582,361
Primary government	4,000,000
Total transfers from the general fund	$ 40,582,361

Transfers are used to: (1) move revenues from the fund that budget requires to collect them to the fund that budget requires to expend them, and (2) move receipts restricted for debt services from the funds collecting the receipts to the debt service fund. (3) transfer to the Primary government for pension obligations, Beach Renourishment and Transportation Capital Initiative Project.

Note 13 - Receivables

At September 30, 2025, the Agency had the following receivable balances:

	Governmental Activities	
	General Fund	Capital Projects
Receivables:		
Accounts	$ 4,876	$ 755
Gross receivable	4,876	755
Less allowance for uncollectible	-	-
Net receivables	$ 4,876	$ 755

Note 14 - Governmental Fund – Fund Balance

Below is a table of fund balance categories and classifications at September 30, 2025, for the Agency's governmental funds:

	General Fund	Debt Service	Capital Projects
Restricted:			
Economic environment	$ 8,684,785	-	$ 17,795,555
Physical environment	-		1,383,891
Culture and recreation	-	-	1,150,456
General public facility	-	-	8,941,097
Streets/sidwalks	-	-	19,208,907
Debt service	-	12,163	-
	8,684,785	-	48,479,906
Assigned - City center renewal and replacement	15,511,970	-	-
Unassigned	17,619,540	-	-
Total Fund Balance	$ 41,816,295	12,163	$ 48,479,906

Note 15 - Contingencies

The Agency, in the normal course of operations, is a party to various other actions in which plaintiffs have alleged certain damages. In all cases, management does not believe the disposition of these matters will materially affect the financial position of the Agency.

Note 16 - Pension Plan

Miami Beach Employees' Retirement System ("MBERP")

Plan Description

Pursuant to Modification 29 of the Florida State Social Security Agreement effective January 1, 1955, the City of Miami Beach does not participate in the Federal Old-Age and Survivors Insurance System (OASI) embodied in the Social Security Act. The Miami Beach Employees' Retirement Plan (the Plan) is a single employer defined benefit pension plan for general employees established by the City of Miami Beach, Florida (the City) effective March 18, 2006. The plan acts as a cost-sharing plan to the Agency. The Miami Beach Employees' Retirement System was created under and by the authority of Chapter 18691, Laws of Florida, Act of 1937, as amended, by merging the "Retirement System for General Employees of the City of Miami Beach" created by Ordinance 1901 with the "Retirement System for Unclassified Employees and Elected Officials of the City of Miami Beach" created by Ordinance 88-2603, as amended. Members are full-time employees, classified and unclassified positions, who work more than 30 hours per week except for policemen and firemen and persons who elect to join the defined contribution retirement Plan sponsored by the City.

Substantially all full-time employees of the Agency are provided with pensions through the Miami Beach Employees' Retirement Plan (the Plan) – a single employer defined benefit pension plan administered by the City of Miami Beach, Florida. The Plan issues a publicly available financial report that can be obtained at http://web.miamibeachfl.gov/mberp.

The benefit provisions and all other requirements are established and may be amended by City ordinance.

The plan provides for retirement benefits as well as death and disability benefits at three different tiers depending on when the members entered the Plan.

The First Tier is for members who entered the Plan prior to the Second Tier Dates. The Second Tier is for members who entered the Plan on or after the Second Tier Dates but before the Third Tier Dates. The Third Tier is for members who entered the Plan on or after the Third Tier Dates. Both the Second Tier and Third Tier Dates were established when each of the unions bargained with the City to establish new guidelines for retirement benefits relating to employees associated with their Unions. The Second Tier Dates are April 30, 1993 for members of AFSCME; August 1, 1993 for those classified as Other and GSAF, and February 21, 1994 for members of CWA. The Third Tier Dates are September 30, 2010 for members of AFSCME, GSAF and for those classified as other, and October 27, 2010 for members of CWA.

Classified members administered under the First Tier are eligible for normal retirement at age 50 and five years of Creditable Service and are entitled to benefits of 3% of Final Average Monthly Earnings (FAME) multiplied by the first 15 years of Creditable Service plus 4% of FAME multiplied by years of service in excess of 15 years, with the total not to exceed 90% of FAME. First Tier unclassified members accrued 4% for creditable service before October 18, 1992. Unclassified First Tier members accrued 3% per year of service after October 18, 1992, with the total not to exceed 80% of FAME. Classified and unclassified members administered under the Second Tier are eligible for Normal Retirement at age 55 and five years of creditable service and are entitled to benefits of 3% of FAME multiplied by creditable service, subject to a maximum of 80% of FAME. Classified and unclassified members administered under the Third Tier are eligible for Normal Retirement at age 55 with at least 30 years of creditable service, or age 62 with at least five years of creditable service and are entitled to benefits of 2.5% of FAME multiplied by creditable service, subject to a maximum of 80% of FAME. For elected officials, City Manager or City Attorney, the benefit is 4% of FAME for each year of creditable service as an elected official, city manager or city attorney plus the retirement benefit as defined above for any other period of city employment, subject to a maximum of 80% of FAME.

Final average monthly earnings (FAME) means one-twelfth of the average annual earnings during the highest two paid years of credible service. For Unclassified First Tier members who became a member prior to October 18, 1992 and was continuously a member from that date until March 18, 2006, FAME is defined as the larger of one-twelfth average covered salary during the two highest paid years of creditable service or one-twelfth of the pay of the year immediately preceding March 18, 2006. Effective as of September 30, 2010, FAME for members who have obtained normal retirement age or are within 24 months from normal retirement age is defined as average covered salary during the two highest paid years of creditable service. FAME for those members who as of September 30, 2010 are between 24 and 36 months from normal retirement age is defined as average covered salary during the three highest paid years of creditable service. FAME for those members who as of September 30, 2010 are between 36 and 48 months from normal retirement age is defined as average covered salary during the four highest paid years of creditable service. FAME for those members who as of September 30, 2010 are more than 48 months from normal retirement age is defined as average covered salary during the five highest paid years of creditable service.

Any First Tier member who terminates employment may either request a refund of their own contributions plus interest, or receive their accrued benefit beginning at age 50, if at least five years of creditable service are completed. Any Second Tier member who entered on or after the Second Tier Date and who terminates employment after five years of creditable service may either request a refund of their own contributions plus interest or receive their accrued benefit beginning at age 55. Any Third Tier member who entered on or after the Third Tier Date and who terminates employment after five years of creditable service but prior to the normal or early retirement date shall be eligible to receive a normal retirement benefit at age 62.

Deferred retirement option plan (DROP)

A DROP was enacted on January 28, 2009 by Ordinance 2009-3626. Under this Plan, First and Second Tier members who have attained eligibility for Normal Retirement may continue working with the City for up to three years, while receiving a retirement benefit that is deposited into a DROP account. Third Tier members may participate in a DROP account for up to five years. Effective July 17, 2013, Members within classifications in the CWA bargaining unit who were hired prior to October 27, 2010, and Members not included in any bargaining

unit who were hired prior to September 10, 2010, may elect to retire for the purposes of the Plan but continue employment with the City for up to sixty months, and have their monthly retirement benefit paid into a DROP account during the DROP period. Effective October 1, 2013, any member within classifications in the GSAF bargaining may elect to retire for the purposes of the Program but continue employment with the City for up to sixty months, and have their monthly retirement paid into a DROP account during the DROP period. Effective April 23, 2014, members within classifications in the AFSCME bargaining unit who were hired prior to September 30, 2010, may elect to retire for the purposes of the Plan but continue employment with the City for up to sixty months, and have their monthly retirement benefits paid into a DROP account during the DROP period. The amount of the benefit is calculated as if the participant had retired on the date of DROP commencement. Upon termination with the City, the accumulated value of the DROP account is distributed to the participant. A member's creditable service accrued benefit and compensation calculation shall be frozen.

A series of investment vehicles which are established by the board of trustees are made available to DROP participants to choose from. Any losses, charges, or expenses incurred by the participant in their DROP account are not made up by the City or the Trust, but shall be borne by the participant. Upon termination of employment, a member may receive distributions in accordance with the Plan.

A DROP participant shall not be entitled to receive an ordinary or service disability retirement and in the event of death of a DROP participant, there shall be no accidental death benefit for pension purposes. DROP participation does not affect any other death or disability benefit provided to a member under federal law, state law, City ordinance, or any rights or benefits under any applicable collective bargaining agreement. First and Second Tier members receive an annual cost-of–living adjustment (COLA) of 2.5%. The COLA is not payable while members are in the DROP. For Third Tier members the COLA is 1.5%. As of September 30, 2025, there were 128 members in the DROP and the value of DROP investment was $22,886,289 which is included in the Plan's net position.

The DROP also allows for member loans. Approximately $134,000 and $143,000 in loans were outstanding as of September 30, 2025, and September 30, 2024 respectively.

Funding Policy, Contributions Required and Contributions Made

The City is to contribute such amounts as are necessary to maintain the actuarial soundness of the Plan and to provide the Plan with assets sufficient to meet the benefits to be paid to the members. All First-Tier members who participate are required to contribute 12% of their covered salary to the Plan. All Second and Third Tier members are required to contribute 10% of their covered salary. The City Commission has the authority to increase or decrease contributions.

For the fiscal year ended September 30, 2025, the Agency was required to make contributions of $184,505 or 18.98% of covered payroll to the Plan in accordance with actuarially determined requirements computed through an actuarial valuation performed as of October 1, 2023. For the year ended September 30, 2025, the employees contributed $55,166.

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

For the year ended September 30, 2025, the Agency recognized a pension expense of $78,341.

The Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 98,377	$ 4,612
Change in Assumptions	46,556	-
Net Difference between projected and actual earnings on pension plan investments	-	128,706
City contributions subsequent to the measurement date	184,505	-
	$ 329,438	$ 133,318

The Agency contributions of $184,505 subsequent to the reporting date are reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense in future years as follows:

Year Ending September 30,	Amortization of Net Deferred Inflows/Outflows
2026	$ 33,843
2027	144,905
2028	(91,143)
2029	(75,990)
	$ 11,615

The Plan uses the following actuarial methods and assumptions:

Valuation Date:	October 1, 2023
Measurement Date:	September 30, 2024
Actuarial Cost Method	Entry Age Normal
Inflation	2.5%
Salary Increases	Service based
Investment Rate of Return	7.20%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.

Mortality	The same versions of the PUB-2010 Headcount-Weighted Mortality Tables and mortality improvement projection scale used for Regular Class members of the Florida Retirement System (FRS) in the July 1, 2021 actuarial valuation. Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Pension Liability of the Agency

The components of the net pension liability of the Agency at September 30, 2025 were as follows:

Total pension liability	$	5,880,724
Plan fiduciary net position		(4,803,506)
Agency net pension liability	$	1,077,218

The above methods and assumptions were used to determine the total pension liability at the actuarial valuation date of October 1, 2023. The actuarial measurement date is September 30, 2024. The Agency's proportionate share is determined as the ratio of the Agency's retirement contributions over the total retirement contributions for the City. For fiscal year 2025, the Agency's share of the liability was 0.55% or $1,077,218. Net Pension Liability as a percentage of Covered Payroll is 110.8%.

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.

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

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equities	50%	8.20 %
Fixed income	23	2.20
International equities	10	3.30
Real estate	10	5.50
Infrastructure	7	6.50
Total	100 %	

Discount

A single discount rate of 7.20% 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 7.20%. 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 the total 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 (7.20%) was applied to all periods of projected benefit payments to determine the total pension liability.

Changes In MBERP Net Pension Liability

	Increase(decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balance at September 30, 2024	$ 5,943,248	$ 4,384,853	$ 1,558,395
Changes for the year:			
Service cost	92,915	-	92,915
Interest	398,732	-	398,732
Differences between exp and actual experience	(329,025)	(242,750)	(86,275)
Benefit Changes-experience Gains/losses	13,135	-	13,135
Contributions – employer	-	162,566	(162,566)
Contributions – employee	-	55,166	(55,166)
Contribution – buy back	115	115	-
Net investment income	-	786,802	(786,802)
Benefit payments	(338,396)	(338,396)	-
Administrative expenses	-	(4,850)	4,850
Net change	(62,524)	418,653	(481,177)
Balance at September 30, 2025	$ 5,880,724	$ 4,803,506	$ 1,077,218

Sensitivity of the net pension liability to changes in the discount rate

The following present the Agency's net pension liability, calculated using a single discount rate of 7.20%, as well as what the Agency's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

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

1% Decrease	Rate Assumption	1% Increase
6.20%	7.20%	8.20%
$ 1,791,767	$ 1,077,218	$ 485,963

Historical trend information is presented in the required supplementary information schedules following the notes to the financial statements to show the changes in the net pension liability and the contributions to the plan.

Retirement System for Firefighters and Police Officers (MBF&P)

Plan Description

Pursuant to Modification 29 of the Florida State Social Security Agreement effective January 1, 1955 the City of Miami Beach does not participate in the Federal Old-Age and Survivors Insurance System (OASI) embodied in the Social Security Act. The plan is a single employer defined benefit plan established by the City of Miami Beach, Florida (The "City") and was created under Chapter 23414, Laws of Florida, Special Acts of 1945, as amended through ordinance No. 2016-4362 adopted October 14, 2020. The Plan's governing board is the Board of Trustees, which comprises nine members: three of which are elected by the active and retired members of the fire department, three of which are elected by the active and retired members of the police department, and three of which are appointed by the mayor. Members are substantially all certified police officers and firefighters employed by the City of Miami Beach, Florida. Members are further divided in the following five tiers:

- Tier One members are those hired prior to July 14, 2010.
- Tier Two members are those hired on or after July 14, 2010, but prior to September 30, 2013.
- Tier Three members are those hired on or after September 30, 2013, but prior to June 8, 2016 and July 20, 2016 for Fire Department and Police Department members, respectively.
- Tier Four members are those hired on or after June 8, 2016, but prior to May 8, 2019, for the Fire Department members and July 20, 2016, but prior to July 31, 2019 for the Police Department members.
- Tier Five members are those hired on or after May 8, 2019 and July 31,2019 for the Fire Department and Police Department, respectively.

Tier One members

Members who met eligibility to retire prior to September 30, 2013 may retire on a service retirement pension upon the attainment of age 50 or, if earlier, the date when age and length of creditable service equals to at least 70 years. Members eligible to retire on or after September 30, 2013 may retire on a service retirement pension upon the attainment of age 50 or, if earlier, the date when the member attains age 47 and length of creditable service equals to at least 70 years or when the member reaches the 85% maximum pension benefit regardless of age.

Upon retirement, a member who met eligibility to retire on or before September 30, 2013 will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 15 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 15 years, provided that the pension does not exceed 90% of the average monthly salary. Members who met eligibility to retire on or after to September 30, 2013 will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the average monthly salary. All retirees and beneficiaries receiving a monthly pension as of September 30, 2010 will receive a 2.5% increase in benefits on October 1st of each year. Members that retire on or after September 30, 2010 will receive a 2.5% increase in benefits annually on the anniversary date of the member's retirement

Tier Two members

Any member may retire on a service retirement pension upon the attainment of age 50 and the completion of at least 5 years of credible pension service or, if earlier, the date when the member attains age 48 plus the length of creditable service equals to at least 70 years or when the member reaches the 85% maximum pension benefit regardless of age.

Upon retirement, a member will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the average monthly salary. The average monthly salary of the employee is computed based on the salary for the three highest paid years prior to the date of retirement or the average of the last three paid years to the employee prior to the date of retirement, whichever produces the greater benefit after consideration of the overtime

limitations. For limitation and detailed information, please see the pension plan statement. All retirees and beneficiaries will receive a 1.5% increase in benefits annually on the anniversary date of the member's retirement.

Tier Three members

Any member may retire on a service retirement pension upon the attainment of age 50 and the completion of at least 5 years of credible pension service or, if earlier, the date when the member attains age 48 plus the length of creditable service equals to at least 70 years or when the member reaches the 85% maximum pension benefit regardless of age. Upon retirement, a member will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the average monthly salary. The average monthly salary of the employee is computed based on the salary for the five highest paid years prior to the date of retirement or the average of the last five paid years to the employee prior to the date of retirement, whichever produces the greater benefit after consideration of the overtime limitations. For limitation and detailed information, please see the pension plan statement. All retirees and beneficiaries will receive a 1.5% increase in benefits annually on the anniversary date of the member's retirement.

Tier Four and Five members

Any member may retire on a service retirement pension upon the attainment of age 52 and the completion of at least 5 years of credible pension service or, if earlier, the date when the member attains age 48 plus the length of creditable service equals to at least 70 years.

Upon retirement, a member will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the average monthly salary. The average monthly salary of the employee is computed based on the salary for the 5 highest paid years prior to the date of retirement or the average of the last 5 paid years to the employee prior to the date of retirement, whichever produces the greater benefit after consideration of the overtime limitations. For limitation and detailed information, please see the pension plan statement. All retirees and beneficiaries will receive a 1.5% increase in benefits annually on the anniversary date of the member's retirement.

Any member of the plan who becomes totally and permanently disabled at any time as a result of illness or injury suffered in the line of duty may be retired on an accidental disability pension. For a service-connected disability, the minimum pension payable is 85% of monthly salary of the employee at the time of disability retirement, less any offset for worker's compensation. Any member who becomes totally or permanently disabled after 5 years of creditable service as a result of illness or injury not suffered in the line of duty may be retired on an ordinary disability retirement pension. Upon a non-service-connected disability retirement, a member receives a monthly pension equal to the monthly pension benefit accrued to date of disability. The plan also has various pre-retirement death benefit.

If a member resigns or is lawfully discharged prior to 5 years of service, their contributions with 3% interest per annum are returned to them. The Plan also provides a special provision for vested benefits for members who terminate after 5 or 10 years of service.

The payment of retirement benefits is payable to the member for his or her life. Upon death of member, except those retiring prior to November 5, 2003, the standard benefit is a 75% joint and survivor annuity with a specified beneficiary as provided under the plan. The specified beneficiary will receive a survivor annuity equal to 100% of the total benefit for one year following the death of the member and thereafter 75% of the total benefit until death or remarriage. However, upon death, if the member has been married or in a domestic partnership for less than 10 years, the survivor annuity is payable only for the life expectancy of the deceased member at time of death.

In lieu of the standard benefit, the members may elect the actuarial equivalent of the 10-year certain and life annuity, with a designated beneficiary, any of the following, optional forms of payment:

- 75% joint and contingent survivor annuity with a designated beneficiary
- 66 ⅔% joint and contingent survivor annuity with a designated beneficiary
- 50% joint and contingent survivor annuity with a designated beneficiary
- 25% joint and contingent survivor annuity with a designated beneficiary
- 10 year certain and life annuity with a designated beneficiary
- Life of member only

Deferred Retirement Option Plan (DROP)

An active member of Tier One may enter into the DROP on the first day of any month after meeting eligibility to retire. Members who entered the DROP on or before September 30, 2015, shall be eligible to participate for a period not to exceed 72 months. Members who entered the DROP on or after October 1, 2015, shall be eligible to participate for a period not to exceed 96 months. All members shall receive a 2.5% COLA increase in benefits annually on the anniversary date of the member's entry into the DROP, in conjunction with a few annual exceptions.

An active member of Tier Two, Three or Four may enter into the DROP on the first day of any month after meeting eligibility to retire. Members who entered the DROP on or after October 1, 2015, shall be eligible to participate for a period not to exceed 96 months. All members shall receive a 1.5% COLA increase in benefits annually on the anniversary date of the member's entry into the DROP, in conjunction with a few annual exceptions.

Once a member enters the DROP, their monthly retirement benefit is fixed, and their monthly benefit is paid into their DROP account. Upon termination of employment, the balance in the member's DROP account, including earnings, is payable to them and they will begin to receive their normal retirement benefit.

At September 30, 2025, the total amount of the Deferred Retirement Option Plan payable, $60,707,511 represents the balance of the self-directed participants as all the participants are now in the self-directed DROP.

Funding Policy, Contributions Required and Contributions Made

The City (the "Employer") is required to contribute an actuarially determined amount that, when combined with members' contributions, will fully provide for all benefits as they become payable. All Tier One and Tier Two members are required to contribute 10% of their salary to the Plan, while all Tier Three members are required to contribute 10.5% of their salary to the Plan. The City Commission has the authority to increase or decrease contributions.

For the fiscal year ended September 30, 2025, the Agency was required to make contributions of $1,224,742 or 82.10% of covered payroll to the Plan in accordance with actuarially determined requirements computed through an actuarial valuation performed as of October 1, 2023. For the year ended September 30, 2025, the employees contributed $185,096.

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

For the year ended September 30, 2025, the Agency recognized pension expense of $343,322.

At September 30, 2025, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 455,342	$ -
Change in Assumptions	412,989	-
Net Difference between projected and actual earnings on pension plan investments	-	820,061
City contributions subsequent to the measurement date	1,224,742	-
	$ 2,093,073	$ 820,061

The Agency contributions of $1,22,742 subsequent to the reporting date are reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense in future years as follows:

Year Ending September 30,	Amortization of Net Deferred Inflows/Outflows
2026	$ 325,911
2027	702,588
2028	(429,736)
2029	(550,493)
	$ 48,270

The following methods and assumptions were used to determine the total pension liability at the actuarial valuation date of October 1, 2023. The actuarial valuation was rolled forward to the September 30, 2024 measurement date.

Valuation date	October 1, 2023
Measurement date	September 30, 2024
Actuarial cost method	Entry Age normal
Inflation	3.00%
Payroll growth	3.50%
Salary increases	3.70 – 10.71%
Cost of living increase	1.50%, 2.00%, or 2.50%
Investment rate of return	7.30%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality Table	For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Mortality both sets forward one year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward one year, with fully generational mortality improvements projected to each future decrement date with scale MP-2018. For disabled male participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.

Discount

A discount rate of 7.30 was used to measure the September 30, 2025 total pension liability; a decrease from the prior year rate of 7.35%. This discount rate was based on the expected rate of return on Fund investments of 7.30%. The projection of cash flows used to determine this discount rate assumed member contributions will be made at the current member contribution rate and employer contributions will be made at rates equal to the difference between actuarially determined current contribution rates and the member contribution rate. Based on these assumptions, the Fund's fiduciary net position was projected to be available to make all projected future expected benefit payments to current Fund members. Therefore, the long-term expected rate of return on Fund investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes In MBF&P Net Pension Liability

	Increase(decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balance at September 30, 2024	$ 34,364,509	$ 24,186,134	$ 10,178,375
Changes for the year:		-	
Service cost	607,151	-	607,151
Interest	2,629,954	-	2,629,954
Differences between exp and actual experience	124,435	(205,664)	330,099
Changes in assumptions	196,816	-	196,816
Contributions – employer	-	1,110,189	(1,110,189)
Contributions – employee	-	185,096	(185,096)
Net investment income	-	4,591,873	(4,591,873)
Benefit payments	(1,993,881)	(1,993,881)	-
Administrative expenses	-	(27,449)	27,449
Net change	1,564,475	3,660,164	(2,095,689)
Balance at September 30, 2025	$ 35,928,984	$ 27,846,298	$ 8,082,686

Net Pension Liability of the Agency

The components of the net pension liability of the Agency at September 30, 2025, were as follows:

Total pension liability	$ 35,928,984
Plan fiduciary net position	(27,846,298)
Agency net pension liability	$ 8,082,686

The Agency's proportionate share is determined as the ratio of the Agency's retirement contributions over the total retirement contributions for the City. For fiscal year 2025, the Agency's share of the liability was 2.226% or $8,082,686.

The target and best estimate of arithmetic real rates of return for each major asset class are summarized in the following tables:

Target Asset Class	Assumed Asset Allocation
Domestic equities	43.5% to 53.5%
International equities	0% to 10%
Domestic fixed income	12% to 24.5%
International fixed income	0% to 10%
Real estate funds	12% to 22%
Hedge funds	0% to 5%
Private equity	0% to 6%
Cash / short-term investments	0% to 10%

Asset Class	Long-Term Expected Real Rate Of Return	
Domestic equities	7.50	%
International equities	8.50	%
Domestic bonds	2.50	%
International bonds	3.50	%
Real estate funds	4.50	%
Alternatives	5.69	%

The following presents the Agency's net pension liability calculated using a single discount rate of 7.35%, as well as what the Agency's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

	1% Decrease	Discount Rate	1% Increase
	6.35%	7.35%	8.35%
Net Pension Liability	11,496,802	8,082,686	5,288,478

Historical trend information is presented in the required supplementary information schedules following the notes to the financial statements to show the changes in the net pension liability and the contributions to the plan.

Financial Statements

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial reports. Each of the Retirement Systems are audited separately. Complete financial statements can be obtained at the following offices:

City of Miami Beach
Employee Retirement System
1700 Convention Center Drive
Miami Beach, Florida 33139

City of Miami Beach
Retirement System for Firefighters and Police Officers
1691 Michigan Ave. Suite 555
Miami Beach, Florida 33139

Florida's Federal-State Social Security Agreement

Pursuant to Modification 29 of the Florida State Social Security Agreement effective January 1, 1955, the City of Miami Beach does not participate in the Federal Old-Age and Survivors Insurance System (OASI) embodied in the Social Security Act. Instead, it provides eligible employees a comprehensive defined benefit pension plan. Contributions to Social Security for fiscal year 2025 and 2024 would have been $15,125,436 and $13,506,987 respectively. The City of Miami Beach does participate in the hospital insurance tax, also known as Medicare, and withholds taxes accordingly.

Firemen's and Police Relief and Pension Funds

The City's firefighters and police officers are members of two separate non-contributory money purchase benefit plans established under the provisions of Florida Statutes, Chapters 175 and 185, respectively. These plans are funded solely from proceeds of certain excise taxes levied by the City and imposed upon property and casualty insurance coverage within City limits. This tax, which is collected from insurers by the State of Florida, is remitted to the Plans' Boards of Trustees. The City is under no obligation to make any further contributions to the plans. The excise taxes received from the State of Florida and remitted to the plans for the year ended September 30, 2025

was $2,979,722 for firefighters and $1,167,659 for police officers. These payments were recorded on the City's books as revenues and expenditures during the fiscal year.

Plan benefits are allocated to participants based upon their service during the year and the level of funding received during the year. Participants are fully vested after 10 years of service with no benefits vested prior to 10 years of service, except those prior to June 1983. All benefits are paid in a lump sum format, except for the Police Relief Funds, where participants may also elect not to withdraw or to partially withdraw, his or her retirement funds.

Defined Contribution Retirement Plan-401(A)

Effective October 18, 1992 City's Ordinance No. 92-2813 provided for the creation of a Defined Contribution Retirement Plan (the "Plan") under section 401(A) of the internal revenue code of 1986. The Plan provides retirement and other related benefits for eligible employees as an option over the other retirement systems sponsored by the City.

Any person employed on or after October 18, 1992, in the unclassified service of the City, has the right to select the Plan as an optional retirement plan to the Unclassified Employees and Elected Officials Retirement System. At the time of the Ordinance, employees of the City who were members of the Unclassified Employee and Elected Official Retirement System (the "System") had the irrevocable right to elect to transfer membership from the System to the Plan for a limited period of time. Effective March 19, 2006 the Plan is no longer offered to new employees of the City. Employees participating in the Plan prior to March 19, 2006 were given the option to transfer membership to the System.

The Plan is administered by a Board of Trustees, which has the general responsibility for the proper operation and management of the Plan. The Plan complies with the provisions of section 401(A) of the Internal Revenue Code of 1986 and may be amended by the City Commission of the City. The City has no fiduciary responsibility for the Plan, consequently, amounts accrued for benefits are not recorded in the fiduciary fund.

Employees in the Plan hired prior to February 21, 1994 are required to contribute 10% of their salary while those hired subsequent to February 21, 1994 are required to contribute 8% of their salary. The City matches the employee's contribution 100%. The Plan of each employee is the immediate property of the employee. Employees have Nationwide Retirement Solutions and Mission Square as their plan administrator. In addition, the employee is responsible for the investment of their funds amongst choices of investment vehicles offered by their selected plan administrator.

Plan information as of and for the fiscal year ended September 30, 2025 is as follows:

Members in the Plan	14
City's contribution	$91,234
Percentage of covered payroll	8.23%
Employees' contribution	$ 91,012
Percentage of covered payroll	8.21%

Note 17 - Postemployment Benefits Other than Pension Benefits (OPEB)

Plan Description

Pursuant to Section 112.08, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retirees that is no greater than the cost at which coverage is available for active employees. The City's single employer defined benefit Postemployment Benefit Plan (the "Plan") currently provides the following postemployment benefits:

1. Health and Dental Insurance - Employees hired prior to March 18, 2006 are eligible to receive a 50% health insurance contribution of the total premium cost. Employees hired after March 18, 2006, after vesting in City's

retirement plans, are eligible to receive an offset to the retiree premium equal to $10 per year of credible service, up to a maximum of $250 per month until age 65 and $5 per year of credible service up to a maximum of $125, thereafter.

2. Life Insurance ($1,000)

At September 30, 2008 and pursuant to resolution 2009-27024 the City established an OPEB Trust (the "Trust") and began funding its OPEB obligation. Stand-alone financial statements for the Trust are not prepared.

The City's plan's board is comprised of a Board of Trustees. The Board of Trustees is comprised of three members. The members are the City's Chief Financial Officer or designee, Budget and Performance Improvement Director or designee, and the Human Resources Officer of designee. Each member has a term of four years.

The determination of the net OPEB obligation at September 30, 2025 is based on a valuation date of September 30, 2025 At this time, the plan participation consisted of:

Active OPEB plan participants	1,979
Inactive members receiving benefit payments	1,224
Total	3,223

Funding Policy

The City has the authority to establish and amend funding policy. For the year ended September 30, 2025, the City paid $16,690,412 in OPEB benefits on a pay-as-go basis. The City's net OPEB liability at September 30, 2025 was $317,356,420. It is the City's intent to consider OPEB Trust funding during the annual budget process; however, no Trust contributions are legally or contractually required.

OPEB Plan Assets and Policies

The Plan's investment composition is controlled by the City's OPEB Trust investment policy as adopted by the OPEB Trustee and as limited by Florida Statute. 218.415. The Trustee utilizes an investment manager to invest the trust assets. The policy determines the maximum and minimum allocations between investment classes; as noted below. The investment policy may be amended with a majority vote of the OPEB Trustee members. It is the City's policy to maximize the returns of the plan's asset through diversification of equities and fixed income securities without a significant investment in cash or cash equivalents.

The composition of the Plan's investments at September 30, 2025 is consistent with the Plan's investment policy is noted below:

	Allocation Mix		
	Minimum	Target	Maximum
Equity Investments	40%	60%	75%
Fixed Income	25%	39%	60%
Cash and Equivalents (Money Market	0%	1%	100%

The long-term expected rate of return is determined via arithmetic real rates of return for each major class of assets. Please refer to note 3 of the City's ACFR for more detailed information regarding the OPEB Trusts' plan assets.

Rate of Return

As of September 30, 2025, the annual money-weighted rate of return, net of OPEB plan expenses, was 9.54%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The rate of return incorporates the timing and size of cash flows to determine an internal rate of return on a monthly accrual basis. Cash flows used in the calculation excludes reinvested dividends, unrealized and realized gains or losses, and other fees and charges not converted into cash. Contributions are treated as a positive cash flow and benefit payments as a negative cash flow.

Discount rates are used in determining the present value as of the valuation date of future cash flows currently expected to be required to satisfy the postretirement benefit obligation. For unfunded plans, interest rate using a long-term expected rate of return on tax-exempt, high-quality municipal bond. For funded plans, the expected long-term rate of return on trust assets, to the extent the net fiduciary position is projected to be sufficient to provide the benefits. For partially funded plans or if a funded shortfall is projected, the interest rate is blended between the funded and the unfunded rate. 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 the total actuarially determined contribution rates and the member rate. The long-term expected rate of return on the 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 OPEB 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. For the fiscal year ended 2025, the discount rate was increased from from 4.32% to 5.21%, to more accurately reflect the activity of the trust. Although the expected long-term return on the trust is 6.5%, it is blended together with Bond Buyer 20-Bond GO index rate due to the plan not being fully funded. It is also anticipated that the OPEB Trust would be depleted in sixteen years. The City's current OPEB plan investment allocation is noted above.

Net OPEB Liability of the Agency

The City's net OPEB liability at September 30, 2025 was $317,356,420. The Total OPEB Liability was valued at a measurement date of September 30, 2025. The Agency's share of this liability is $9,145,191 or 2.88% of the total City liability. The Fund's proportionate share is determined as the ratio of the Fund's pay-go and trust fund contributions over the total pay-go and trust contributions for the City. During the fiscal year, the Agency incurred a benefit of $396,106.

The components of the net OPEB liability of the Agency at September 30, 2025, were as follows:

Total OPEB liability	$11,004,060
OPEB plan fiduciary net position	(1,858,869)
Net OPEB Liability	$ 9,145,191

Schedule Of Deferred Inflows/Outflows

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between expected and actual experience	$ 736,530	$ 253,681
Change in assumptions/inputs	26403	1,353,195
	$ 762,933	$ 1,606,876

Amortization Of Net Deferred Outflows/(Inflows)

Year	Amortization
2026	$ (355,443)
2027	(212,478)
2028	(211,648)
2029	(64,374)
	$ (843,943)

Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	September 30, 2025
Discount Rate	5.21 per annum. This was based on combination of the estimated long term rate of return from the City's OPEB trust and 20 year AA Index at 9/30/2025.
Asset Valuation Method	Market Value
Current Asset Mix	Currently the City is targeted to invest approximately 62% in equities and 37% in bonds, with the remainder as cash.
Salary Increase Rate	3.5% per annum
Inflation Rate	3.0% per annum
Census Data	The census was provided by the City as of September 2025
Marriage Rate	It is assumed that 40% of future retirees have a spouse. This is based on the current retiree demographic.
Spouse Age	Spouse dates of birth were provided by the City. Where this information is missing, male spouses are assumed to be three years older than female spouses.
Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65.

Plan Participation Percentage	The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 70% of future retirees will participate in the retiree medical plan and 100% participate in the life insurance plan. For those employees hired after 03/18/2006, and for FOP/IAFF employees hired after 07/14/2010, it is assumed that 40% continue on the plans post-Medicare. This assumes that a one-time irrevocable election to participate is made at retirement.
Mortality Rates	PUB-2010 Mortality tables for general and public safety with generational improvement using scale MP-2021.

The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the current HCA Consulting trend study and are applied on a select and ultimate basis. Select trends are reduced 0.5% each year until reaching the ultimate trend rate.

Expense Type	Select	Ultimate
Pre-medicare Medical and Rx	6.5%	5.5%
Medicare Benefits	5.0%	4.5%
Stop Loss Fees	6.0%	4.5%
Administrative Fees	4.5%	4.5%

The Per Capita Health Claim Costs for expected retiree claim costs were developed using historical claim experience through September 2024. For the police and fire plans, the claims were developed based on the premium equivalents and age adjusted. The annual age 60 and 70 claim costs for retirees and their spouses are as follows:

Per Capita Costs	Age 60	Age 70
Police	$ 10,791	$ 6,540
Fire	10,791	6,540
Other	20,064	8,112

Changes In Net OPEB Liability

	Increase(decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balance at September 30, 2024	$ 11,502,452	$ 1,683,004	$ 9,819,448
Changes for the year:			
Service cost	182,746	-	182,746
Interest	493,495	-	493,495
Differences between exp and actual experience	599,307	(3,115)	602,422
Changes in assumptions	(1,292,986)	-	(1,292,986)
Contributions – employer	-	502,520	(502,520)
Net investment income	-	161,116	(161,116)
Benefit payments	(480,964)	(480,964)	-
Administrative expenses	-	(3,702)	3,702
Net change	(498,402)	175,855	(674,257)
Balance at September 30, 2025	$ 11,004,050	$ 1,858,859	$ 9,145,191

Sensitivity of the net OPEB liability to changes in the discount rate.

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease 4.21%	Discount Rate 5.21%	1% Increase 6.21%
Net OPEB Liability	$10,777,635	$9,145,191	$7,828,266

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1- percentage-point higher (than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend (Refer to assumptions)	1% Increase
Net OPEB Liability	$7,848,532	$9,145,191	$10,752,050

The assets for the Agency's OPEB plan are held in a Trust.

Note 18 – Pollution Remediation

GASB Statement 49, Accounting and Financial Reporting for Pollution Remediation Obligations, establishes and accounting and financial reporting standards for pollution remediation obligations. As of September 30, 2025, the Agency has $50,000 in pollution remediation liabilities.

Note 19 – Restatement for Adoption of New Accounting Standard

For year ending September 30, 2025, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The implementation of GASB Statement No. 101 had the following effect on the Statement of Changes in Net Position at the government-wide presentation.

		Governmental Activities
Net Position, as previously reported	$	(87,934,485)
GASB 101 adjustments		(24,718)
Net position, as restated	$	(87,959,203)

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REQUIRED SUPPLEMENTARY INFORMATION

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)
SCHEDULE OF CONTRIBUTIONS
RETIREMENT SYSTEMS
(Unaudited)

*Miami Beach Employees Retirement Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 184,505	$ 172,093	$ 220,788	$ 179,193	$ 168,705	$ 186,339	$ 191,000	$ 197,000	$ 182,000	$ 165,000
Actual contribution	184,505	172,093	220,788	179,193	168,705	186,339	191,000	197,000	182,000	165,000
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 972,245	$ 869,507	$ 950,268	$ 987,539	$ 945,879	$ 931,889	$ 784,145	$ 706,085	$ 698,244	$ 588,000
Actual contribution as a % of covered payroll	18.98%	19.79%	23.23%	18.15%	17.84%	20.00%	24.36%	27.90%	26.07%	28.06%

City Pension for Firefighters and Police Officers

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 1,224,742	$ 1,117,004	$ 1,097,846	$ 1,124,118	$ 1,065,994	$ 804,115	$ 1,049,000	$ 969,000	$ 900,919	$ 976,000
Actual contribution	1,224,742	1,117,004	1,097,846	1,124,118	1,065,994	804,115	1,049,000	969,000	900,919	976,000
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
** Covered payroll	$ 1,491,780	$ 1,316,899	$ 1,486,348	$ 1,535,017	$ 1,582,364	$ 1,498,987	$ 1,473,852	$ 1,473,852	$ 1,311,798	$ 1,344,000
Actual contribution as a % of covered payroll	82.10%	84.82%	73.86%	73.23%	67.37%	53.64%	71.17%	65.75%	68.68%	72.62%

** Includes DROP members

Miami Beach Redevelopment Agency
(A Component Unit of the City of Miami Beach, Florida)
SCHEDULE OF THE AGENCY'S PROPORTIONATE SHARE OF THE CITY'S NET PENSION LIABILITY
RETIREMENT SYSTEMS
(Unaudited)

MBERP*	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Agency's proportion of the net pension liability	0.55%	0.58%	0.76%	0.61%	0.83%	0.59%	0.60%	0.62%	0.62%	0.59%
Agency's proportionate share of the net pension liability	1,077,218	1,558,395	2,161,473	606,827	1,156,871	1,416,414	$ 1,257,399	$ 1,343,024	$ 1,268,843	$ 1,285,164
Agency's covered payroll	$ 972,245	$ 869,507	$ 950,288	$ 987,539	$ 945,879	$ 931,889	$ 784,145	$ 698,244	$ 588,000	$ 595,782
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	110.80%	179.23%	227.45%	61.45%	122.31%	151.99%	160.35%	192.34%	215.79%	215.79%
Plan fiduciary net position as a percentage of the total pension liability	81.68%	73.78%	71.51%	89.44%	77.20%	73.59%	73.93%	73.93%	73.06%	70.11%

MBF&P*	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Agency's proportion of the net pension liability	2.23%	2.25%	2.43%	2.48%	2.46%	2.48%	2.64%	2.57%	2.56%	2.79%
Agency's proportionate share of the net pension liability	$ 8,082,686	$ 10,178,375	$ 10,448,544	$ 4,917,198	$ 7,620,481	$ 8,658,815	$ 8,040,669	$ 7,759,668	$ 7,607,398	$ 8,116,815
Agency's covered payroll	$ 1,491,780	$ 1,316,899	$ 1,486,348	$ 1,535,017	$ 1,582,364	$ 1,498,987	$ 1,473,352	$ 1,311,798	$ 1,344,000	$ 1,652,889
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	541.81%	772.90%	702.97%	320.34%	481.59%	577.64%	545.74%	591.53%	566.03%	491.07%
Plan fiduciary net position as a percentage of the total pension liability	77.50%	70.36%	70.36%	85.63%	76.45%	72.91%	74.37%	73.04%	73.04%	72.07%

*Only seven years of data is readily available. The years will be populated each year until 10 years are presented.

Miami Beach Redevelopment Agency)
(A Blended Component Unit of the City of Miami Beach, Florida)
Notes to the Retirement Systems Schedule
September 30, 2025

Notes to the net pension liability - MBERP

Notes to the Schedule of Contributions

The Plan uses the following actuarial methods and assumptions:

Valuation Date:	October 1, 2023
Measurement Date:	September 30, 2024
Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Salary Increases	Based on service
Investment Rate of Return	7.20%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The same versions of the PUB-2010 Headcount-Weighted Mortality Tables and mortality improvement projection scale used for Regular Class members of the Florida Retirement System (FRS) in the July 1, 2020 actuarial valuation. Florida Statutes Chapter 11.263(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Miami Beach Redevelopment Agency)
(A Blended Component Unit of the City of Miami Beach, Florida)
Notes to the Retirement Systems Schedule
September 30, 2025

Notes to the net pension liability - MBF&P Pension

Notes to the Schedule of Contributions

Valuation Date	Actuarially determined contributions are calculated as of October 1 - two years prior to the fiscal year in which contributions are reported.
Notes	MBF&P actual contributions include certain Chapter 175/185 nonemployer contribution amounts. These amounts are from the state of Florida

Methods and Assumptions Used to Determine Contribution Rates

Valuation Date:	October 1, 2023
Measurement Date:	September 30, 2024
Actuarial Cost Method	Entry Age Normal
Amortization Period	30 years
Inflation	2.50%
Payroll Growth	3.50%
Salary Increases	3.75% to 6.10%
Cost of Living Increase	1.50%, 2.00%, or 2.50%
Investment Rate of Return	7.30%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Mortality Table, both sets forward one year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward one year, with fully generational mortality improvements projected to each future decrement date with scale MP-2018. For disabled male participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.

MIAMI BEACH REDEVELOPMENT AGENCY
SCHEDULE OF OTHER POST EMPLOYMENT BENEFITS - AGENCY CONTRIBUTIONS
Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 869,060	$ 799,164	$ 783,803	$ 763,800	$ 857,828	$ 847,092	$ 1,098,891	$ 511,891	$ 398,924	$ 747,160
Contributions in relation to the actuarially determined contributions	502,519	576,552	513,818	470,178	458,481	272,199	242,000	413,000	282,207	280,643
Contribution deficiency (excess)	$ 366,541	$ 222,612	$ 269,985	$ 293,622	$ 399,347	$ 574,893	$ 856,891	$ 98,891	$ 116,717	$ 466,517
Covered-employee payroll	2,604,003.00	2,372,517.00	2,436,636	2,522,556	2,528,243	2,430,876	2,303,688	2,179,937	2,010,041	1,892,398
Contributions as a percentage of covered-employee payroll	19.30%	24.30%	21.09%	18.64%	18.13%	11.20%	10.50%	18.95%	14.04%	14.83%

Methods and Assumptions Used to Determine Contribution Rates

Valuation Date	9/30/2025
Discount Rate	5.21% per annum. This was based on combination of the estimated long term rate of return from the City's OPEB trust and Bond Buyer 20 year AA Index at 9/30/25.
Asset Valuation Method	Market Value
Current Asset Mix	Currently the City is targeted to invest approximately 62% in equities and 37% in bonds, with the remainder as cash.
Salary Increase Rate	3.5%, average, including inflation
Inflation Rate	3.0% per annum
Census Data	The census was provided by the City as of September, 2025
Marriage Rate	It is assumed that 40% of future retirees have a spouse. This is based on the current retiree demographic.
Spouse Age	Spouse dates of birth were provided by the City. Where this information is missing, male spouses are assumed to be three years older than female spouses.
Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65.
Actuarial Cost Method	Entry Age Normal Percentage of Pay
Amortization Method	Experience/Assumptions gains and losses are amortized over a closed period of 3.60 years starting the current fiscal year, equal to the average remaining service to expected retirement age of active and inactive plan members (who have no future service).
Plan Participation Percentage	The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 70% of future retirees will participate in the retiree medical plan and 100% participate in the life insurance plan. For those employees hired after 3/18/2006, and for FOP/IAFF employees hired after 07/14/2010, it is assumed that 70% continue on the plans post-Medicare. This assumes that a one-time irrevocable election to participate is made at retirement.
Mortality Rates	PUB-2010 Mortality Tables for General and Public Safety with generational improvement using scale MP-2021.

SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years (*)

	2025	2024	2023	2022	2021	2020	2019	2018	2017*
Annual money-weighted rate of return, net of investment expense	9.54%	23.93%	8.65%	-19.29%	16.30%	11.80%	2.30%	8.00%	11.69%

* Fiscal year 2017 is the first year data is available. The City will accumulate a ten year schedule as data becomes available.

Miami Beach Redvelopment Agency
(A Component Unit of the City of Miami Beach, Florida)
SCHEDULE OF THE AGENCY'S PROPORTIONATE SHARE OF THE CITY'S NET OPEB LIABILITY
RETIREMENT SYSTEMS
(Unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Agency's proportion of the net OPEB liability	2.88%	2.89%	2.83%	2.84%	2.82%	2.90%	3.27%	3.40%	2.65%
Agency's proportionate share of the net OPEB liability	$ 9,145,191	$ 9,819,448	$ 9,797,670	$ 10,325,187	$ 12,823,190	$ 12,989,742	$ 10,750,906	$ 5,090,097	$ 3,948,074
Agency's covered-employee payroll	$ 2,604,003	$ 2,372,517	$ 2,436,636	$ 2,522,556	$ 2,528,243	$ 2,403,876	$ 2,303,688	$ 2,179,937	$ 2,010,041
Agency's proportionate share of the net pension liability as a percentage of its covered-employee payroll	351.20%	413.88%	402.10%	409.31%	507.20%	540.37%	466.68%	233.50%	196.42%
Plan fiduciary net position as a percentage of the total pension liability	16.89%	14.63%	11.73%	9.94%	9.71%	8.28%	8.89%	18.69%	17.18%

*Only nine years of data is readily available. The years will be populated each year until 10 years are presented.

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended September 30, 2025
(Unaudited)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:				
Tax Increment	$ 60,369,000	$ 60,369,733	$ 60,369,733	$ -
Rents and Leases	-	-	158	158
Interest	373,000	373,000	2,908,391	2,535,391
Total revenues	60,742,000	60,742,733	63,278,282	2,535,549
Expenditures:				
General government	865,753	834,983	851,894	(16,911)
Public safety	5,529,020	5,534,520	5,582,669	(48,149)
Physical environment	6,575,500	7,193,500	7,133,956	59,544
Economic environment	7,150,000	17,150,000	17,132,889	17,111
Culture and recreation	1,545,500	1,130,770	1,084,304	46,466
Capital outlay	964,934	1,027,934	976,707	51,227
Debt service:				
SBITA payments	1,980	1,980	1,980	-
Interest and Fiscal Charges	-	-	182	(182)
Total expenditures	22,632,687	32,873,687	32,764,581	109,106
Excess of revenues over expenditures	38,109,313	27,869,046	30,513,701	2,644,655
Other financing (uses):				
Operating transfers out	(24,908,000)	(40,583,900)	(40,582,361)	1,539
Total other financing (uses)	(24,908,000)	(40,583,900)	(40,582,361)	1,539
Net change in fund balance	13,201,313	(12,714,854)	(10,068,660)	2,646,194
Fund balance, beginning	46,981,405	46,692,405	51,884,955	5,192,550
Fund balance, ending	$ 60,182,718	$ 33,977,551	$ 41,816,295	$ 7,838,744

The notes to this Budget to Actual statement is an integral part of this statement.

Note 1. Budgetary Policy

A. Budgetary Data

The Agency is required to prepare, approve, adopt, and execute an annual budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The Agency uses appropriations in the capital budget to authorize the expenditures of funds for various capital projects. Capital appropriations, unless modified or rescinded, remain in effect until the completion of each project.

The City Commission, which also serves as the Agency's Board of Directors, is presented with a proposed budget at least two (2) days in advance of the public hearings that are held in September each year to adopt the annual budgets. The proposed budget includes anticipated expenditures and the means of financing them. After City Commission review and public hearings, the budget is adopted prior to October 1st each year. The budget is approved by fund. Management may transfer amounts between line items within a fund as long as the transfer does not result in an increase or decrease in the fund's budget. Increases or decreases to the overall fund budgets require City Commission approval.

There were four (4) supplemental budgetary appropriations for the fiscal year ended September 30, 2025.

- Amendment 1 - $241,000 of unspent appropriations for projects that were budgeted in FY 2024 were carried forward and appropriated in the FY 2025 operating budget
- Amendment 2 - $10,000,000 of available prior year fund balance appropriated to be provided to Miami Dade County to support the construction and operation of housing for homeless persons and facilities for survivors of domestic violence pursuant to the Sixth Amendment of the Interlocal Agreement
- Amendment 3 – Realign $12,008,000 of the projected FY 2025 surplus to fund the annual payment associated with a grant agreement approved pursuant to the Sixth Amendment of the Interlocal Agreement
- Amendment 4 – Set aside the total projected FY 2025 year-end surplus of $513,000 to retire the outstanding debt issued in 2015 for the Convention Center renovation and expansion project early, as required pursuant to the Interlocal Agreement

Budgets are considered a management control and planning tool and as such are incorporated in the accounting system of the Agency. Budgets are adopted on the modified accrual basis of accounting with the inclusion of encumbrances as reductions in the budgetary amount available.

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SUPPLEMENTARY INFORMATION

Miami Beach Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUDGETED NONMAJOR DEBT SERVICE FUNDS
For the Fiscal Years Ended September 30, 2025

	Miami Beach Redevelopment Agency Special Obligation Debt Service Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Debt Service:				
Principal	18,885,000	18,885,000	18,885,000	-
Cost of debt issuance	-	-	2,852,603	(2,852,603)
Interest	13,023,000	14,031,000	14,243,194	(212,194)
Total expenditures	31,908,000	32,916,000	35,980,797	(3,064,797)
Excess (deficiency) of revenues over (under) expenditures	(31,908,000)	(32,916,000)	(35,980,797)	(3,064,797)
Other financing sources (uses)				
Proceeds of debt issuance	-	-	240,910,000	240,910,000
Premium on refunding bonds issued	-	-	14,980,599	14,980,599
Payment to escrow agent	-	-	(256,480,000)	(256,480,000)
Transfers in	20,908,000	32,916,000	36,582,361	3,666,361
Total other financing sources	20,908,000	32,916,000	35,992,960	3,076,960
Net change in fund balances	-	-	12,163	12,163
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	$ -	$ -	$ 12,163	$ 12,163

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OTHER REPORTS



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*

RSM US LLP

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, and each major fund of the Miami Beach Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated June 29, 2026.

Report on Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Agency'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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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. We identified the deficiency in internal control, described below as item 2025-001 to be a material weakness.

Material Weakness in Internal Control Over Financial Reporting

Finding 2025-001
Criteria: GASB Statement No. 87, *Leases*, requires that at the commencement of a lease, a lessor recognize a lease receivable and a corresponding deferred inflow of resources. Over the term of the lease, the lessor should recognize interest revenue and lease revenue in a systematic and rational manner. Accurate and timely recording of these entries is essential to ensure that financial statements are presented fairly in accordance with generally accepted accounting principles.

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Condition: During our audit, we noted that the Agency did not record the required GASB 87 lease entries for the current fiscal year in the Leasing Fund. As a result, the following adjustments were recorded as of September 30, 2025:

- Decrease in lease receivable: $74,472
- Decrease in deferred inflows of resources: $97,017
- Increase in lease revenue: $16,632
- Increase in interest income: $5,915

Cause: The Agency's year-end financial reporting process did not include a complete and accurate analysis of lease activity under GASB 87. As a result, the required lease-related entries were not identified or recorded in a timely manner.

Effect: The Leasing Fund's trial balance was misstated, resulting in an overstatement of assets and deferred inflows, overstatement of revenue and income, and an understatement of expenses and losses. These errors impacted the accuracy of the Agency's financial position and results of operations as initially reported.

Recommendation: We recommend that the Agency strengthen its year-end financial reporting procedures to ensure that all lease agreements are reviewed and properly accounted for in accordance with GASB 87. This should include a reconciliation of lease schedules to the general ledger and a review of lease terms to ensure appropriate recognition of receivables, deferred inflows, lease revenue, and interest income.

Views of responsible officials: The City recognizes the limitations of the current resources for maintaining lease agreements for the lease fund. The complexities of the agreements including abatements and complicated modifications were not easily incorporated into the leasing software and limited the abilities of the team to timely and accurately reflect all aspects of the GASB 87 requirements. This limitation was further amplified by the challenges of slow paying lessees, magnifying already complex situations, and finance department turnover.

Management will work with external resource providers and internal staffing to provide additional trainings and/or resources to ensure that all aspects of reporting requirements are fully implemented into the software and reporting records. Additional procedures will be implemented to ensure that the leasing software will be updated with the parameters of the newly amended lease agreements to ensure the accuracy of lease balances reported in the Leasing Fund.

Finally, the City will establish a more rigorous leasing policy to ensure that all aspects of GASB 87 and complicated modifications of lease agreements are timely and appropriately recorded in accordance with City guidelines.

Completion Date: The revised updates are expected to be completed by the end of fiscal year 2026.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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.*

The Agency's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Agency's response to the findings identified in our audit and described previously. The Agency's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

RSM US LLP

Fort Lauderdale, Florida
June 29, 2026

RSM US LLP

Management Letter in Accordance With the Rules of the Auditor General of the State of Florida

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

Report on the Financial Statements
We have audited the financial statements of the Miami Beach Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2025, and have issued our report thereon dated June 29, 2026. Our report included an emphasis of matter paragraph for the restatement of the beginning net position and compensated absences liability of the governmental activities opinion unit as a result of the adoption of GASB 101, *Compensated Absences*. Our opinions were not modified with respect to this matter.

Auditor's Responsibility
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 (*Government Auditing Standards*); and Chapter 10.550, *Rules of the Auditor General*, of the State of Florida.

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 Financial Statements Performed in Accordance With *Government Auditing Standards*; and Independent Accountant's Reports 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 June 29, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding 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 information is disclosed in Note 1 to the Agency's financial statements.

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Financial Condition and Management
Sections 10.554(1)(i)5.a, and 10.556(7), *Rules of the Auditor General*, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Agency 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. It is management's responsibility to monitor the Agency's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

Section 10.554(1)(i)6., *Rules of the Auditor General*, requires that we communicate a statement as to whether or not a property assessed clean energy (PACE) program that finances qualifying improvements authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the county, municipality, or dependent special district geographical boundaries during the fiscal year under audit. In connection with our audit, we determined that the City does not operate a PACE program.

Additional Matters
Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of This Letter
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Honorable Mayor and City Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Fort Lauderdale, Florida
June 29, 2026

RSM US LLP

Independent Accountant's Report
on the Examination of the Agency's Compliance
with Sections 163.387(6) & 163.387(7), *Florida Statutes*

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

We have examined the Miami Beach Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida's (the City), compliance with Sections 163.387(6) and 163.387(7), *Florida Statutes,* during the period from October 1, 2024 to September 30, 2025. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency'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 Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Agency complied, in all material respects, with the specified requirements for the period October 1, 2024 to September 30, 2025.

This report is intended solely for the information and use of the Florida Auditor General, the Honorable Mayor, Members of the City Commission, the City Manager, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Fort Lauderdale, Florida
June 29, 2026

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RSM US LLP

Independent Accountant's Report
on the Examination of the Agency's Compliance
With Section 218.415, *Florida Statutes*

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

We have examined the Miami Beach Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida's (the City), compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies* (the specified requirements) during the period October 1, 2024 to September 30, 2025. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion based on the Agency'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 Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Agency complied, in all material respects, with the specified requirements for the period October 1, 2024 to September 30, 2025.

This report is intended solely for the information and use of the Florida Auditor General, the Honorable Mayor, Members of the City Commission, the City Manager, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Fort Lauderdale, Florida
June 29, 2026

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City of Miami Beach, Florida

Management Letter and Independent Accountant's Report in Accordance With Chapter 10.550, *Rules of the Auditor General* of the State of Florida

Year Ended September 30, 2025

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Management Letter in Accordance With the Rules of the Auditor General of the State of Florida

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

Report on the Financial Statements
We have audited the financial statements of the Miami Beach Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2025, and have issued our report thereon dated June 29, 2026. Our report included an emphasis of matter paragraph for the restatement of the beginning net position and compensated absences liability of the governmental activities opinion unit as a result of the adoption of GASB 101, *Compensated Absences*. Our opinions were not modified with respect to this matter.

Auditor's Responsibility
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 (*Government Auditing Standards*); and Chapter 10.550, *Rules of the Auditor General*, of the State of Florida.

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 Financial Statements Performed in Accordance With *Government Auditing Standards*; and Independent Accountant's Reports 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 June 29, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made on the preceding financial audit report other than finding 2024-001 previously reported in the 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* which has been repeated in the current year.

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 information is disclosed in Note 1 to the Agency's financial statements.

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Financial Condition and Management
Sections 10.554(1)(i)5.a, and 10.556(7), *Rules of the Auditor General*, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Agency 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. It is management's responsibility to monitor the Agency's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

Section 10.554(1)(i)6., *Rules of the Auditor General*, requires that we communicate a statement as to whether or not a property assessed clean energy (PACE) program that finances qualifying improvements authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the county, municipality, or dependent special district geographical boundaries during the fiscal year under audit. In connection with our audit, we determined that the City does not operate a PACE program.

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)7, *Rules of the Auditor General*, the following specific information for each dependent special district was provided to us by management of the City:

a. The total number of district employees compensated in the last pay period of the district's fiscal year being reported (see information required in Section 218.32 (1)(e)2.a., Florida Statutes).

   - Miami Beach Redevelopment Agency 59

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year being reported (see information required in Section 218.32 (1)(e)2.b., Florida Statutes).

   - Miami Beach Redevelopment Agency 60

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency (see information required in Section 218.32 (1)(e)2.c., Florida Statutes).

   - Miami Beach Redevelopment Agency $ 4,779,566

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency (see information required in Section 218.32 (1)(e)2. d., Florida Statutes).

   - Miami Beach Redevelopment Agency $59,199,743

e. Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project (see information required in Section 218.32 (1)(e)2.e., Florida Statutes). There were none except for the following projects for the Miami Beach Redevelopment Agency:

1.	City Center Commercial District	$ 10,176,048
2.	Lincoln Rd Lenox- Collins w/sidewalk	$ 8,227,021
3.	Convention Center Special Event Tent Enhancement	$ 8,126,246
4.	Collins Park Ancillary Improvements	$ 3,941,995
5.	Convention Center Lincoln Rd. Connector	$ 3,127,975
6.	Collins Canal Enhancement Project	$ 619,298
7.	Convention Center Renovation Punch List Items	$ 194,080
8.	Garage Security Camera System	$ 29,821
9.	17th Street North Improvement	$ 25,523
10.	Lincoln Rd Mall Pedestrian Path	$ 13,549
11.	16th Street Garage Joint Replacement	$ 5,346

f. A budget variance report based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted, as follows:

- Miami Beach Redevelopment Agency
  Refer to the RSI in the City's 2025 Annual Comprehensive Financial Report.

This information presented above has not been subjected to the auditing procedures applied in the audit of the basic financial statements of the City, and accordingly, we do not express an opinion on or provide any assurance on it.

Additional Matters
Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of This Letter
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Honorable Mayor and City Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Fort Lauderdale, Florida
June 29, 2026

Miami Beach Redevelopment Agency (RDA)

Report for the fiscal year ended

September 30, 2025

OTHER RDA REPORTS

UNAUDITED

LOCAL GOVERNMENT REPORTING

SECTION 163.371, FLORIDA STATUTES

A. Projects and expenditures

B. Property values (Form DR-420 TIF)

C. Achievement and goals

Redevelopment Agency - City Center/Historic Convention Village
Summary of Accrual Basis Transactions by Project
Fiscal Years 1994 - 9/30/2025

	Prior Reporting Period	Period Ended September 30, 2025	Total Rev/Expenses
REVENUES			
Tax increment - County	432,372,462	26,460,176	458,832,638
Tax increment - City	460,020,944	33,909,557	493,930,501
Tax increment (Interest) - County	19,057	-	19,057
Tax increment - Children's Trust	19,946,552	-	19,946,552
Local Grants CARES ACT Covid19	30,492,077	-	30,492,077
Bond proceeds	108,779,453	-	108,779,453
Bond proceeds - Series 2015	322,095,000	240,910,000	563,005,000
Bond premium - Series 2015	29,558,832	14,980,599	44,539,431
Rental income	1,288,219	1	1,288,220
Anchor Garage receipts	70,504,830	2,700,707	73,205,537
Anchor Garage deposit card receipts	30,788	-	30,788
Anchor Shops rental income	17,840,986	929,251	18,770,237
Anchor Shops rental deposits	193,044	-	193,044
Pennsylvania Garage receipts	11,317,422	949,796	12,267,218
Pennsylvania Garage deposit card receipts	240	-	240
Pennsylvania Shops rental income	980,488	-	980,488
Pennsylvania Shops rental deposits	1,896,327	1	1,896,328
G12 Garage receipts	5,885,671	1,511,121	7,396,792
Legal settlement	100,000	-	100,000
Loews Facility Use/Usage Fee	145,462	-	145,462
Loews Ground Lease Receipts	8,240,984	-	8,240,984
Loews Hotel - exercise option	27,498,975	-	27,498,975
RDP Royal Palm Ground Lease Receipts	470,222	-	470,222
RDP Royal Palm - Sale of Land	12,562,278	-	12,562,278
New World Symphony Contribution	250,000	-	250,000
Interest income/Unrealized Gain/Loss Invest	48,887,360	6,140,080	55,027,440
Resort tax contributions	55,977,581	-	55,977,581
Cost of Issuance Proceeds-Series 2005	37,246,218	-	37,246,218
SBITA Proceeds G96	8,362	-	8,362
Bid deposits - hotels	375,000	-	375,000
Bid deposits - cinema	100,000	-	100,000
Loan from City	3,000,000	-	3,000,000
Line of credit from City	19,190,000	-	19,190,000
Cultural Campus	1,975,762	-	1,975,762
Transfers In	276,436,792	36,677,361	313,114,153
St. Moritz Hotel - refund/reimbursement	925,450	-	925,450
Reimbursements (GMCVB/RE taxes/Grants)	3,864,530	-	3,864,530
St. sales tax (receipt - income for pmt. to St)	2,371,561	-	2,371,561
Miami City Ballet-Capital	134,405	-	134,405
Miami City Ballet Lease/Maint	264,042	157	264,199
Anchor Garage insurance reimbursement	26,170	-	26,170
2015 RDA Bond CC Project-Insurance Recoveries/Replace	-	-	-
Real Estate taxes refund	299,056	-	299,056
Refund Due to/From	1,128,005	-	1,128,005
Refund - Loews - Water/Sewer Impact Fees	348,319	-	348,319
Refund - Police Salaries and Wages	844,503	-	844,503
Suspense Account	-	-	-
Miscellaneous/Prior Year Refunds & Voids	1,781,017	1,844	1,782,861
TOTAL REVENUES	2,017,674,446	365,170,651	2,382,845,097

EXPENDITURES

Projects	Total Rev/Expenses	Period Ended September 30, 2025	Total Rev/Expenses
African-American Hotel			
Appraisal fees	(4,200)	-	(4,200)
Bid refund	(50,000)	-	(50,000)
Board up	(50,995)	-	(50,995)
Construction (soil remediation/tank)	(9,800)	-	(9,800)
Delivery	(503)	-	(503)
Electric service	(422)	-	(422)
Environmental clean up	(161,613)	-	(161,613)
Equipment rental	(14,815)	-	(14,815)
Fire alarm service	(13,870)	-	(13,870)
Hotel negotiation consultant	(126,131)	-	(126,131)
Land acquisition	(10,592,060)	-	(10,592,060)
Legal fees/costs	(667,871)	-	(667,871)
Lot clearing	(16,924)	-	(16,924)
Maintenance	(48,173)	-	(48,173)
Miscellaneous	(309,495)	-	(309,495)
Owner's representative fees & expenses	(293,757)	-	(293,757)
Postage, printing & mailing	(4,153)	-	(4,153)

Redevelopment Agency - City Center/Historic Convention Village Summary of Accrual Basis Transactions by Project Fiscal Years 1994 - 9/30/2025			
Professional services	(144,049)	-	(144,049)
Public notice/advertisement	(13,951)	-	(13,951)
Refund of deposits	(175,000)	-	(175,000)
Reimbursements	(15,799)	-	(15,799)
Relocation	(32,400)	-	(32,400)
Security guard service	(170,015)	-	(170,015)
Title insurance	(25,271)	-	(25,271)
Travel & related expenses	(2,159)	-	(2,159)
Water/Sewer (impact fees)	(25,240)	-	(25,240)
Total African-American Hotel	(12,968,666)	-	(12,968,666)
Convention Hotel			
Administrative fees	(5,436)	-	(5,436)
Appraisal fees	(67,150)	-	(67,150)
Bid refund	(100,000)	-	(100,000)
Bond costs	(173,998)	-	(173,998)
Building permit fees	(172,451)	-	(172,451)
Construction	(33,265,118)	-	(33,265,118)
	(1,778)	-	(1,778)
Demolition	(47,361)	-	(47,361)
Environmental clean up	(19,556)	-	(19,556)
Equipment rental	(24,389)	-	(24,389)
Fire alarm service	(600)	-	(600)
Hotel selection/study	(263,357)	-	(263,357)
Hotel negotiation consultant	(723,112)	-	(723,112)
Land acquisition	(20,673,575)	-	(20,673,575)
Legal fees/costs	(1,026,811)	-	(1,026,811)
Lot clearing	(12,407)	-	(12,407)
Maintenance	(695)	-	(695)
Miscellaneous	(28,063)	-	(28,063)
Owner's representative fee & expenses	(1,218,615)	-	(1,218,615)
Postage, printing & mailing	(15,977)	-	(15,977)
Professional services	(275,568)	-	(275,568)
Public notice/advertisement	(5,996)	-	(5,996)
Reimburse closing costs to C.M.B.	(3,000,000)	-	(3,000,000)
Reimbursements	(27,902)	-	(27,902)
Security guard service	(26,563)	-	(26,563)
Temporary staffing	(3,000)	-	(3,000)
Training, conferences & meetings	(1,750)	-	(1,750)
Travel & related expenses	(25,800)	-	(25,800)
Water/sewer service	(308,979)	-	(308,979)
Total Convention Hotel	(61,516,007)	-	(61,516,007)
	Total Rev/Expenses	**Period Ended September 30, 2025**	**Total Rev/Expenses**
Hotel Garage - Construction			
Administrative fees	(26,248)	-	(26,248)
Appraisal fees	(24,913)	-	(24,913)
Board up	(9,763)	-	(9,763)
Bond costs	(37,442)	-	(37,442)
Building permit fees	(818)	-	(818)
Construction draw	(13,773,347)	-	(13,773,347)
Delivery	(230)	-	(230)
Demolition	(155,834)	-	(155,834)
Electric service	(1,554)	-	(1,554)
Equipment rental	(360)	-	(360)
Environmental	(30,824)	-	(30,824)
Land acquisition	(3,312,947)	-	(3,312,947)
Legal fees/costs	(239,024)	-	(239,024)
Maintenance	(832)	-	(832)
Miscellaneous	(36,680)	-	(36,680)
Owner's representative fee & expenses	(311,094)	-	(311,094)
Printing	(6,915)	-	(6,915)
Professional services	(80,094)	-	(80,094)
Public notice/advertisement	(6,525)	-	(6,525)
Reimbursement	(10,759)	-	(10,759)
Relocation	(99,384)	-	(99,384)
Security guard service	(81,247)	-	(81,247)
Water/sewer service	(1,142)	-	(1,142)
Total Hotel Garage	(18,247,976)	-	(18,247,976)

Redevelopment Agency - City Center/Historic Convention Village Summary of Accrual Basis Transactions by Project Fiscal Years 1994 - 9/30/2025			
Movie Theater Project			
Appraisal fees	(4,500)	-	(4,500)
Bid refund	(80,000)	-	(80,000)
Delivery	(476)	-	(476)
Equipment rental	(4,032)	-	(4,032)
Legal fees	(57,299)	-	(57,299)
Miscellaneous	(2,913)	-	(2,913)
Professional services	(14,380)	-	(14,380)
Refund of deposit	(10,000)	-	(10,000)
Traffic parking study	(8,600)	-	(8,600)
Total South Beach Cinema	(182,200)	-	(182,200)
Lincoln Road			
Appraisal fees	(5,000)	-	(5,000)
Delivery	(8)	-	(8)
Equipment rental	(11,900)	-	(11,900)
Legal fees	(10,827)	-	(10,827)
Lot clearing	(5,440)	-	(5,440)
Lighting	(60,805)	-	(60,805)
Maintenance	(195,588)	-	(195,588)
Miscellaneous	(582)	-	(582)
Postage, printing & mailing	(810)	-	(810)
Professional services	(99,553)	-	(99,553)
Reimbursements	(23,581)	-	(23,581)
Revitalization	(960,522)	-	(960,522)
Repayment of Loan	(21,776,959)	-	(21,776,959)
Temporary staffing	(66,158)	-	(66,158)
Training, conferences & meetings	(1,518)	-	(1,518)
Travel & related expenses	(771)	-	(771)
Total Lincoln Road	(23,220,022)	-	(23,220,022)

	Total Rev/Expenses	Period Ended September 30, 2025	Total Rev/Expenses
Beachwalk			
Environmental	(5,400)	-	(5,400)
Miscellaneous	(212,613)	-	(212,613)
Professional services	(5,015,698)	-	(5,015,698)
Total Beachwalk	(5,233,711)	-	(5,233,711)
Convention Center			
Convention Center Hotel	(596,772)	-	(596,772)
Convention Center Improvement	(286,608,728)	(168,213)	(286,776,941)
Total Convention Center	(287,205,500)	(168,213)	(287,373,713)
Collins Park Cultural Center			
Appraisal fees	(24,605)	-	(24,605)
Environmental	(137,515)	-	(137,515)
Land acquisition	(6,661,982)	-	(6,661,982)
Construction	(7,814,087)	-	(7,814,087)
Legal fees	(768,507)	-	(768,507)
Miscellaneous	(156,498)	-	(156,498)
Professional services	(1,242,704)	-	(1,242,704)
Streetscape	(401,312)	-	(401,312)
Utilities	(110,168)	-	(110,168)
Children's Feature	(7,200)	-	(7,200)
Total Cultural Campus	(17,324,578)	-	(17,324,578)

	Total Rev/Expenses	Period Ended September 30, 2025	Total Rev/Expenses
Other Projects			
Bus Prop. Ctr.	(159)	-	(159)
Chamber of Commerce Relocation Study	(2,000)	-	(2,000)
Colony Theater-Stage Lighting-Coils Repl	(6,618,783)	-	(6,618,783)
Construction of Library	(14,586)	-	(14,586)
East/West Corridor	(88)	-	(88)
Electrowave	(3,161)	-	(3,161)
Garden Center	(52,647)	-	(52,647)
Guidelines	(12,450)	-	(12,450)
Old City Hall	(499)	-	(499)
17th Street Surface Lot	(288,274)	-	(288,274)
10A Surface Lot-Lennox	(382,854)	-	(382,854)
Streetscapes	(324,849)	-	(324,849)
6th Street Streetscape	(577)	-	(577)
Botanical Gardens	(1,205,262)	-	(1,205,262)

Redevelopment Agency - City Center/Historic Convention Village Summary of Accrual Basis Transactions by Project Fiscal Years 1994 - 9/30/2025			
Transportation Mobility Study	(32,225)	-	(32,225)
Convention Center Streetscape	(12,495,575)	-	(12,495,575)
New World Symphony	(21,591,976)	-	(21,591,976)
New World Symphony-Lincoln Park	(14,440,890)	-	(14,440,890)
Washington Avenue Streetscape	(3,198,183)	-	(3,198,183)
Rotunda/ Collins Park 9/30/2014	(735,652)	-	(735,652)
R.O.W. Improvements	(2,356,207)	-	(2,356,207)
Flamingo (16 St. Corridor)	(4,721)	-	(4,721)
Flamingo Neigh.South - Bid A	(10,186)	-	(10,186)
Flamingo Neigh. Lummus - Bid B	(456,047)	-	(456,047)
Flamingo Bid C	(13,877)	-	(13,877)
Beachfront Restrooms	(431,147)	-	(431,147)
Water & Wastewater Pump Station	(1,228,541)	-	(1,228,541)
Miami City Ballet & HVAC	(5,859,594)	-	(5,859,594)
Wayfinding Project	(348,123)	-	(348,123)
West Ave/Bay Road Neigh. Improve.	(750,000)	-	(750,000)
Multi-Purpose Building Adj. City Hall	(14,762,648)	-	(14,762,648)
Bass Museum	(17,752,042)	-	(17,752,042)
Bass Museum Hydraulic	(2,750)	-	(2,750)
Bass Museum HVAC Improv./Heat Pump	(168,895)	-	(168,895)
Bass Museum Exterior Lighting	(41,658)	-	(41,658)
Bass Museum Heat Pump Replacement	(49,816)	-	(49,816)
Beachwalk Lighting	-	(581,248)	(581,248)
Bass Museum Wheater Seal	(100,078)	-	(100,078)
Bass Museum Hydraulic	(42,013)	-	(42,013)
BASS MUSEUM GENERATOR	(101,386)	-	(101,386)
BASS MUSEUM ELECTRICAL BREAK	(1,223)	-	(1,223)
Bass Museum Fire Pump Replacement	(52,151)	-	(52,151)
Emergency Light Replacement	(2,854)	-	(2,854)
Botanical Garden Window	(41,840)	-	(41,840)
Lincoln Rd Mall ADA Pedestrian Path	-	(13,549)	(13,549)
The Barclay, the Allen and the	(34,441)	-	(34,441)
London House	(14,154,643)	-	(14,154,643)
Carl Fisher Renewal and Replacement	(189,540)	-	(189,540)
Alleyway Restoration Program	(221,632)	-	(221,632)
Lincoln Road Between Lennox and Alton	(6,173,406)	-	(6,173,406)
City Center Neighborhood Improvement	(1,439,236)	-	(1,439,236)
Lincoln Road Between Collins/Washington	(1,482,197)	-	(1,482,197)
Lincoln Road Fountain	(4,484)	-	(4,484)
Lincoln Road Mall Accent Light	(90,446)	-	(90,446)
Lincoln Road Washington	(5,115,936)	(602,348)	(5,718,284)
Lincoln Road Washington	(30,611)	-	(30,611)
Lincoln Road Stone Restoration	(1,366,948)	-	(1,366,948)
Convention Center - Lincoln Road Connection	(1,291,097)	(1,140,900)	(2,431,997)
17th Street North Imprv Penn A	(12,593)	-	(12,593)
Aluminum Street Lighting Pole	(163,173)	-	(163,173)
Lincoln Road Landscaping	(72,167)	-	(72,167)
Reserve Euclid Avenue Improvement	(485,584)	-	(485,584)
Lincoln Road Uplighting	(7,820)	-	(7,820)
Miami City Ballet Ext	(10,568)	-	(10,568)
Miami City Ballet Transfers	(363,244)	-	(363,244)
Miami City Ballet Windows	(118,716)	-	(118,716)
Lincoln Road Master Plan	(500,000)	-	(500,000)
1100 Lincoln Road Updates	(133,000)	-	(133,000)
16th St Garage Repairs	-	(368,941)	(368,941)
Little Stage Complex	(325,593)	-	(325,593)
Preferred Parking Surface Lot	(526,649)	-	(526,649)
Tree Wells Pilot Project	(409,571)	-	(409,571)
Washington Ave. Bridge Restoration Loan	(700,000)	-	(700,000)
Collins Canal Enhancement Project	(1,735,807)	(200,652)	(1,936,459)
Collins Park Parking Garage-and Land	(29,887,903)	-	(29,887,903)
Collins Park Ancillary Improvement	(3,607,109)	(299,097)	(3,906,206)
CCHV Neighborhood Improvements	(11,672,435)	-	(11,672,435)
21st Street Recreational Center Repairs	(14,901)	-	(14,901)
Animal Waste Dispensers & Receptacles	(25,000)	-	(25,000)
Trash Receptacles	(24,860)	-	(24,860)
Pedestrian Countdown Signals	(54,868)	-	(54,868)
Maze Project - 21st Street & Collins	(135,000)	-	(135,000)
Directory Signs in City Center ROW	(190,277)	-	(190,277)
Beach Shower Replacement & Renovation	(6,355)	-	(6,355)
24" PVC Sanitary Sewer Improvements	(315,016)	-	(315,016)
Bicycle Parking Phase 2	(8,620)	-	(8,620)
Bicycle Parking Project	(32,923)	-	(32,923)
Total Other Projects	(189,112,856)	(3,206,735)	(192,319,591)
Total Projects	(615,011,516)	(3,374,948)	(618,386,464)

Redevelopment Agency - City Center/Historic Convention Village
Summary of Accrual Basis Transactions by Project
Fiscal Years 1994 - 9/30/2025

	Total Rev/Expenses	Period Ended September 30, 2025	Total Rev/Expenses
Administration			
Administrative fees	(225)	-	(225)
Anchor Shops Leasing	(134,878)	-	(134,878)
Appraisal fees	(7,000)	-	(7,000)
Bond costs/Bond Trustee. Fees	(2,200,650)	-	(2,200,650)
Delivery	(1,400)	-	(1,400)
Dues & subscriptions	(10,830)	-	(10,830)
Facility Usage - Loews Hotel	(117,377)	-	(117,377)
Management fees	(2,836,300)	-	(2,836,300)
Interlocal Agreement/City Center Operation	(89,457,070)	(17,856,419)	(107,313,489)
Miscellaneous	(83,225)	-	(83,225)
Office supplies	(45,009)	-	(45,009)
Postage, printing & mailing	(59,881)	-	(59,881)
Professional services	(1,166,950)	-	(1,166,950)
Parks Maintenance by Parks Department	(3,214,078)	(387,573)	(3,601,651)
Public notice/advertisement	(2,496)	-	(2,496)
Reimbursements	(62,184)	-	(62,184)
Sales tax	(180,222)	-	(180,222)
Settlement Costs	(457,500)	-	(457,500)
Legal Fees (Ongoing Litigation)	(334,629)	-	(334,629)
Temporary staffing	(14,197)	-	(14,197)
Training, conferences & meetings	(19,294)	-	(19,294)
Travel & related expenses	(1,769)	-	(1,769)
Resort Tax Accrual	-	-	-
Accrued interest on investments	(479,466)	-	(479,466)
Total Administration	(100,886,630)	(18,243,992)	(119,130,622)
New World Symphony Grant In Aid	(15,000,000)	-	(15,000,000)
Capital projects Maintenance	(12,434,581)	-	(12,434,581)
City Center Greenspace Management	(8,557,777)	(696,731)	(9,254,508)
South Beach Area- Property Management	(23,014,095)	(2,291,068)	(25,305,163)
RDA City Center Code Compliance	(1,577,801)	(231,470)	(1,809,271)
RDA City Center Sanitation	(37,367,726)	(4,933,500)	(42,301,226)
RDA Center Center - Misc. Employee Fringe Benfits	(2,675)	-	(2,675)
Cost of Issuance Series 2005 A&B	(37,219,044)	-	(37,219,044)
Transfers out - Debt Service	(100,757,221)	(4,000,000)	(104,757,221)
Debt Service/Loan Repayment	(364,585,014)	(292,460,797)	(657,045,811)
Debt Service/Escrow payment (Series 1998A, 2005A and 2005B)	(50,954,074)	-	(50,954,074)
Cost of Issuance Series 2015 A&B	(4,688,286)	-	(4,688,286)
Anchor Garage Operations	(57,594,374)	(2,844,898)	(60,439,272)
Anchor Shops Operation	(6,812,258)	(326,639)	(7,138,897)
Pennsylvania Ave- Garage Operations	(12,274,619)	(1,223,913)	(13,498,532)
Pennsylvania shops operations	(4,439,199)	(297,891)	(4,737,090)
Collins Park Garage	(3,012,540)	(1,487,733)	(4,500,273)
Community Policing-CCHCV	(74,436,002)	(5,365,135)	(79,801,137)
Transfer Out - Debt Service	(151,836,993)	(36,582,361)	(188,419,354)
Transfers Out	(16,153,697)	-	(16,153,697)
TOTAL EXPENDITURES	(1,698,616,122)	(374,361,076)	(2,072,977,198)
ENDING BALANCE	319,058,324	(9,190,425)	309,867,899

FLORIDA DEPARTMENT OF REVENUE

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Rule 12D-16.002
Florida Administrative Code
Effective 11/12

TAX INCREMENT ADJUSTMENT WORKSHEET

Year : 2024	County : Miami-Dade
Principal Authority : City of Miami Beach	Taxing Authority : City of Miami Beach - Operating
Community Redevelopment Area : City of Miami Beach CRA - City Center/Historic Convention	Base Year : 1992

SECTION I : COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value in the tax increment area	$ 6,709,447,439	(1)
2.	Base year taxable value in the tax increment area	$ 292,572,271	(2)
3.	Current year tax increment value *(Line 1 minus Line 2)*	$ 6,416,875,168	(3)
4.	Prior year Final taxable value in the tax increment area	$ 6,103,317,337	(4)
5.	Prior year tax increment value *(Line 4 minus Line 2)*	$ 5,810,745,066	(5)

SIGN HERE

Property Appraiser Certification — I certify the taxable values above are correct to the best of my knowledge.

Signature of Property Appraiser : Electronically Certified by Property Appraiser

Date : 7/1/2024 2:19:07 PM

SECTION II: COMPLETED BY TAXING AUTHORITY **Complete EITHER line 6 or line 7 as applicable. Do NOT complete both.**

6. If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:

6a.	Enter the proportion on which the payment is based.	95.00 %	(6a)
6b.	Dedicated increment value *(Line 3 multiplied by the percentage on Line 6a)* ***If value is zero or less than zero, then enter zero on Line 6b***	$ 6,096,031,410	(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	$ 31,026,462	(6c)

7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:

7a.	Amount of payment to redevelopment trust fund in prior year	$	(7a)
7b.	Prior year operating millage levy from Form DR-420, Line 10	per $1,000	(7b)
7c.	Taxes levied on prior year tax increment value *(Line 5 multiplied by Line 7b, divided by 1,000)*	$	(7c)
7d.	Prior year payment as proportion of taxes levied on increment value *(Line 7a divided by Line 7c, multiplied by 100)*	%	(7d)
7e.	Dedicated increment value *(Line 3 multiplied by the percentage on Line 7d)* ***If value is zero or less than zero, then enter zero on Line 7e***	$	(7e)

SIGN HERE

Taxing Authority Certification — **I certify the calculations, millages and rates are correct to the best of my knowledge.**

Signature of Chief Administrative Officer : Electronically Certified by Principal Taxing Authority

Date : 7/25/2024 10:53:01 AM

Title : Rickelle Williams - Interim City Manager	Contact Name and Contact Title : Tameka Otto Stewart - Budget Director
Mailing Address : 1700 Convention Center Drive,	Physical Address : 1700 Convention Center Drive, Miami Beach Florida 33139
City, State, Zip : Miami Beach Florida 33139	Phone Number : (305) 673-7510, ext. 26396 / Fax Number :

Miami Beach Redevelopment Agency
Report for the Fiscal Year ended
September 30, 2025

Achievements and Goals

The 332-acre City Center/Historic Convention Village Redevelopment and Revitalization Area was established in 1993, primarily with the objective to create a funding mechanism to foster the development of a new convention hotel within proximity to the Miami Beach Convention Center, and to connect the City's many core area civic, business, cultural and entertainment uses, and create a solid foundation for a vibrant urban downtown.

Legislative History of the Plan

On January 26, 1993, Miami-Dade County (the "County") adopted Resolution No. R-14-93, which:

(i) found the area, in the City of Miami Beach (the "City"), bounded on the east by the Atlantic Ocean, on the north by 24 Street, on the west by West Avenue, and on the south by 14 Lane (the "City Center Redevelopment Area" or "City Center District"), to be a "blighted area" within the meaning of Part III of Chapter 163, Florida Statutes; and

(ii) delegated to the City of Miami Beach, pursuant to Section 163.410 Florida Statutes, certain powers conferred upon the County Commission as the governing body of the County by Part III of Chapter 163 Florida Statutes, regarding the Redevelopment Area, so that the City Commission, either directly or through its duly designated community redevelopment agency, could exercise such powers.

On February 3, 1993, the City adopted Resolution No. 93-20709, which established a community redevelopment agency, the Miami Beach Redevelopment Agency (the "Agency" or the "RDA") and declared the members of the City Commission as the members of the RDA Board. On February 12, 1993, the City adopted Resolution No. 93-20721, which adopted the Agency's City Center/Historic Convention Village Redevelopment and Revitalization Area plan (the "Plan") for the redevelopment and revitalization of the City Center Redevelopment Area.

On February 24, 1993, the City enacted Ordinance 93-2836, which created a City Center/Historic Convention Village Redevelopment and Revitalization Trust Fund and established a funding mechanism for implementing the Plan. The County, on March 30, 1993, adopted Resolution No. R-317-93 which, among other things, (i) adopted the Plan, and (ii) approved an Interlocal Cooperation Agreement (the "Interlocal Agreement"), between the County and the City, dated and executed on November 16, 1993, as amended five (5) times by which the County delegated to the City certain redevelopment powers granted by law including, but not limited to, the creation of the City Center Redevelopment Area and implementation of the Plan.

Achievements and Goals

In 2014, the City and County adopted the Third Amendment to the Interlocal Agreement. The Amendment, among other components, (i) extended the life of the City Center District from FY 2022/23 to March 31, 2044; (ii) allows the Board of County Commissioners the right to appoint a member of the Agency; and (iii) further provided for related payment terms, with the intent that all available excess Trust Fund revenues remaining on deposit in the Trust Fund be used for the prepayment or redemption of debt prior to maturity of tax increment revenue bonds issued by the RDA to support the City's Convention Center Renovation and Expansion project within the district.

Since 2014, pursuant to the Third Amendment to the Interlocal Agreement, the elected Commissioner of County Commission District 5, which includes the City Center District, serves as a voting member of the RDA Board. The addition of the County Commissioner as a voting member of the RDA Board has benefited the City with a strengthened relationship with the County Commissioner. Further, citing the City of Miami Beach as an example, the appointment of a County Commissioner to a Community Redevelopment Agency ("CRA") governing board has since become the Florida Legislature's recommended strategy for successful CRA governance.

In 2018, pursuant to Resolution No. 2018-30288, the City and County adopted a Fourth Amendment to the Plan, to 1) allow the RDA to reimburse the City $6,914,221 for construction related to the Miami Beach Convention Center renovation and expansion project resulting from the impact of Hurricane Irma; 2) provide additional funding, up to $20 million, for the Lincoln Road project (previously authorized as part of the Third Amendment) for a total project amount of up to $40 million for the Lincoln Road project; 3) distribute to the County and the City, beginning in FY 2018 and continuing until FY 2023, an annual reimbursement based on each entity's proportionate share of expenditures for administration, community policing, and capital projects maintenance; 4) require that the County and the City set aside $1.5 million of the annual reimbursement for beach renourishment that could be utilized to leverage State or Federal funding for beach re-nourishment projects; and 5) utilize any excess revenues, after the foregoing distributions, for the early prepayment of debt, as originally stipulated in the Third Amendment to the Interlocal Agreement.

The Fifth Amendment to the RDA Interlocal Agreement was approved by Miami-Dade County in March 2022, allowing for $29.1 million in excess RDA Trust Fund revenues to be accessed by the City to fund the City's financial obligation related to the Final Settlement Agreement for the MBCC expansion and renovation project. Additionally, the Fifth Amendment clarified that the County's portion of the beach renourishment funds ($1.5 million), outlined in the Fourth Amendment, can be used for beach renourishment activities at any beaches in the County.

Achievements and Goals

In December 2024, the City and Miami Dade County adopted the Sixth Amendment to the Interlocal Agreement. The Sixth Amendment authorized the issuance of bonds, in an aggregate principal amount not to exceed $267 million, maturing in 2044. The issuance of bonds will provide funds for the following: a) refunding a portion of the outstanding Tax Increment Revenue and Refunding Bonds, Series 2015A, and b) costs of issuance and debt service reserves associated with the 2024 bonds.

Mission / Purpose of the City Center Redevelopment Plan:

- Assure continued economic viability of the City Center Redevelopment Area and the City as a whole, through the implementation of the objectives and projects defined in the City Center Redevelopment Plan and the amendment thereto;
- Establish the necessary linkages to tie in the Miami Beach Convention Center, area hotels, cultural amenities, entertainment, residential, and business uses in the district;
- Involve community residents in the redevelopment process and to incur minimum relocation and condemnation;
- Enhance diversity of form and activity using established planning and design principles;
- Create a traffic system to serve local and through traffic needs; and
- Recognize the historic structures and designations within the historic districts and facilitate development accordingly.

Successful Implementation of City Center Redevelopment Plan Objectives:

The City Center Redevelopment District has undergone dynamic changes, which further the goals of the Plan and enhance the economic vitality of the City Center District. Between 1993 and July 2025, the City Center District experienced an increase in property tax values from $292.6 million dollars to $6.89 billion dollars, including more than $800 million in new building permit activity since the inception of the RDA.

Initial success includes attracting two convention-quality hotels, wherein the RDA began focusing its efforts on several initiatives aimed at upgrading the District's infrastructure, streets and parks, alleviating traffic and parking congestion, and encouraging the production and presentation of arts and cultural activities in the District. Since 2003, the RDA, with the consent and collaboration of the County, amended the City Center Plan for the City Center District four () times to accomplish these objectives. Representative projects included:

- Two convention-quality hotels, both of which are the result of public/private partnerships between the RDA and the private sector: the 800-room Loews Miami Beach Hotel and the 425-room Royal Palm Crowne Plaza Hotel, the latter of which

Achievements and Goals

was recognized as the first African American-owned convention center hotel in the United States, and both of which included restoration of historic buildings in the City's National Register Historic District.

- The development of an 800-space public parking garage, the Anchor Garage and Retail Shops, to accommodate the parking needs for the Loews Miami Beach Hotel, the Royal Palm Crowne Plaza Hotel, and other service and retail businesses in the District, including the incorporation of the facades of historic buildings in the City's National Register Historic District.
- Renovation and expansion of the Miami Beach Convention Center campus as outlined below:
    - A Grand Hyatt 800-room voter-approved MBCC Hotel, that will serve as the central anchor of the Miami Beach Convention Center District broke ground in May of 2025 and has a completion date estimated for 2027.
    - Renovation of 100-year-old Carl Fisher Clubhouse & Annex managed by MBCC management firm OVG360, and Sodexo Live!, as the food and beverage operator – holistically leveraging the ability of the MBCC to market and sale the "Convention Center Campus" that serves residents, businesses, visitors and tourists.
    - Other important projects include the 650-space mixed-use parking facility built on the surface parking lot on the west side of City Hall, which includes 35,000 square feet of municipal office space; the implementation of major street and infrastructure improvements throughout City Center, valued at more than $26 million; and the acquisition and renovation of three multi-family buildings (Allen House, London House, Barclay) to potentially maintain the stock of affordable housing in the area.
- Award-winning Public Beachwalk Expansion project from 21 Street to Lummus Park, comprising an at-grade, landscaped pedestrian walkway and public restroom and shower facility replacement with stainless steel trees and drain interceptors throughout the beach accessways.
- Beach Renourishment Project, including funding to rebuild and fortify City public beaches, which serves as a notable public amenity and appeals to international tourists.
- Development and implementation of a Cultural Arts Campus Master Plan, within the Collins Park area, east of the Miami Beach Convention Center, including:
    - construction of a regional Miami Beach Public Library (including demolition of the old library and construction of the new library, partially funded by the RDA);
    - construction and purchase of the headquarter facility of the Miami City Ballet ($ 5.2 million in acquisition costs funded by the RDA);
    - the expansion and renovation of the Bass Museum of Art, which provided a 47% increase in programmable space;

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  - restoration of Collins Park, including new landscaping, refurbishment of the historic Rotunda building, and extensive streetscape improvements throughout the area; and
  - funding for development of the Collins Park Parking Garage.
- Completion of the acclaimed New World Center Campus, including a state-of-the-art Frank Gehry-designed headquarter performance hall facility for the New World Symphony and School, and publicly funded components that included a $15 million Frank Gehry-designed municipal parking garage and retail space and the 2.5-acre, $21 million mixed-use urban oasis, Soundscape Park.
- Community policing initiatives, including enhanced staffing levels and services, enabling the addition of thirteen (13) police officers, three (3) sergeants, two (2) public safety aides, a crime analyst and a part-time lieutenant, providing patrol, crime prevention, and investigation exclusively within the City Center District.
- Wayfinding directory signage-including the installation of monument directory signs within District rights of way, to direct residents and visitors to City offices and services.
- Miami Beach Botanical Garden renovation, including renovations of the building, greenspace and site improvements, lighting, planting, irrigation, and acoustic improvements.
- Collins Canal Enhancement Project, including development of a bicycle path connecting the Venetian Causeway on Biscayne Bay with the Beachwalk on the Atlantic Ocean.
- A $20 million overhaul of the Lincoln Road Pedestrian Mall, partially funded by Lincoln Road businesses. Project scope consisted of new lighting, refurbishing pedestrian surfaces, street furnishings, healthy tree fertilization systems, milling and resurfacing pavement surfaces and cross walk enhancements, as well as developing a Lincoln Road Master Plan Study and funding improvements at the Euclid Avenue Plaza on Lincoln Road.
- Washington Avenue streetscape work around the City Center District, including sanitation and sewer improvements.
- Convention Center / Lincoln Road Streetway Connectors Improvement Project enhancements of the pedestrian experience from the Convention Center Campus to Lincoln Road along Drexel Avenue, Pennsylvania Avenue, and Meridian Avenue. Work consisted of the refurbishing, resurfacing, reconstruction and general improvement of lighting, sidewalks, street furnishings, landscaping, tree fertilization systems, roads, and crosswalks. Improvements along 17 Street, from Pennsylvania Avenue to Washington Avenue, consisted of landscaping, irrigation, pedestrian lighting, and sidewalk replacement.
- Funding of capital and operational costs for the Pennsylvania Avenue Parking Garage and retail space, enabling the leasing of the commercial retail space rent-free to a cultural arts nonprofit institution, Moonlighter Makerspace. Following

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completion of buildout of the Learning Center and Fabrication Lab, the nonprofit will provide free STEAM programming and instruction to students at Miami Beach schools and empower workers with shared workshop space for technological innovation.

The RDA has several accomplishments in furtherance of achieving the goals of the Redevelopment Plan. During Fiscal Year 2025, the RDA continued to invest resources in the following programs and projects:

Convention Center Campus

- In 2015, the Miami Beach Convention Center (MBCC) received a $620 million renovation. The transformation included 1.4 million sq. ft., up from 1.2 million before the 2015 renovation; 4 exhibitions halls (491,654 sq. ft); a grand lobby (98,495 sq.ft.); grand ballroom (60,979 sq ft) with 17,950 sq. ft. of pre-function space; 4 junior ballrooms include 19,714 sq. ft. Sunset Vista; 84 meeting rooms; approximately 9 acres of public green space in Collins Canal Park to the north and Pride park to the west; 800 rooftop parking spaces; $7.1 million dollar of curated public art – the largest collection of single curated public art in the United States. Upgrades to the Convention Center, together with its LEED Silver certification, allow the venue to meaningfully compete for high-impact domestic and international meetings, conference, conventions, and exhibitions. The re-imaging of the convention center is augmenting the County's $26 billion tourism industry, reputation and share of the U.S. meetings industry.
- In 2018, Miami Beach voters approved a plan to build a convention center hotel after two previous efforts to get a hotel project approved failed. Voters authorized the lease of City land and the construction of an 800-room hotel that will connect to the Convention Center, which allows Miami Beach to execute a previously negotiated ground lease already approved by the City Commission. The terms of the lease agreement include the hotel developer paying Miami Beach either fixed rent totaling $16.6 million over the first ten (10) years or a percentage of hotel revenue, whichever is greater. Grand Hyatt has committed to the developers to oversee hotel operations. The City estimates collecting $96 million in new taxes from the hotel over thirty (30) years and construction of the hotel began in May 2025.
- The Convention Center hotel, located at the corner of 17 Street and Convention Center Drive, will include amenities such as a resort-style pool deck, fitness center, and ballrooms. The completion of the Convention Center District, with a privately financed hotel, will spur economic growth, attract world-class events, strengthen infrastructure with an eye toward resiliency, and improve quality of life by reducing traffic and funding education.
- To promote activation and enhance the offerings and amenities at the Miami Beach

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Convention Center Campus, the City issued an RFP for the food and beverage and awarded Sodexo Live for the operations of the historic Carl Fisher Clubhouse with Annex, believed to be the oldest structures in Miami Beach. The introduction and utilization of the two properties will allow greater synergy between the Convention Center, Collins Canal Park, and other nearby public assets such as Pride Park and the Miami Beach Botanical Garden. The activation of the two properties in Collins Canal Park allow event planners/organizers to expand their events outside of the convention center. In addition, agreements with Art Basel Miami Beach, Sodexo Live, OVG360 and the Greater Miami Convention and Visitors Bureau (GMCVB) recognize the importance of conventions and conferences for the achievement of the RDA arts, culture, and economic goals, and serve to promote Miami Beach as a world-class meeting destination.

- In FY 2025, the Convention Center hosted approximately 536,560 guests and 143 regional, national, and international events, creating significant economic impact for the City of Miami Beach and the region. Currently, the Convention Center projected host 72 events through fiscal year 2026.
- In 2025, the MBCC earned seven (7) prestigious industry recognitions including:

    1. "Silver Stella 2025" (Northstar Meetings Group/4th year in a row)
    2. ”Venue Excellence Award 2025” (IAVM International Association of Venue Managers)
    3. "Centers of Excellence Award" (Exhibitor Magazine)
    4. "Distinctive Achievement Award" (Association Conventions & Facilities)
    5. "Prime Site Award" (Facilities & Destinations)
    6. "Best Convention Center Award" (Skift Meetings)
    7. "Best Convention Center Award" (Smart Stars)

Along with these prestigious awards the Convention Center also received the LEED Silver Certification and was named as a Certified Autism Center (CAC) by IBCCES. The Convention Center was also ranked #14 on the list of top meeting destinations in North America by CVENT and made the top 25 of Northstar Meetings Group's Convention Cities Index

Collins Park Cultural Arts Campus

- The recently completed Collins Park Garage, located at 340 23 Street, spans an entire block of 23 Street, between Park Avenue and the vacated Liberty Avenue. The Collins Park Garage is located immediately adjacent to the Miami City Ballet headquarters, within the Collins Park Cultural Arts Campus, a signature achievement of the RDA.

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- The City Commission approved a lease agreement of the ground floor of the Collins Park Garage with nonprofit cultural arts partner, Miami New Drama, Inc. The Collins Park Cultural Facility will activate the first-floor space with a flexible black box theater, rehearsal space, and a neighborhood restaurant/café.
- The City Commission also approved a development agreement and ground lease for the adjacent Collins Park Artist Workforce Housing Project, featuring Miami City Ballet dormitory housing, and is to be the first of its kind in the City of Miami Beach.
- Community policing initiatives, including enhanced staffing levels and services allow patrols and specialized services within the City Center District, including the Lincoln Road corridor, Convention Center District and Collins Park neighborhood. These services included crime prevention and investigation. The RDA Operations Unit consists of 2 dedicated squads, each squad is comprised of 1 Sergeant, 7 Officers and 1 public Service Specialist.
- Code Compliance services were provided via an enforcement officer detail assigned to the Redevelopment District, which responds to complaints, and proactively patrolling the City Center District, to ensure City Code compliance by businesses, sidewalk cafes, vendors, and other applicable entities. In FY 25 Code Enforcement Officers conducted 3,165 inspections and area checks that resulted in 567 violations being issued.
- Parks Landscape Maintenance services were provided to provide beautiful public spaces that improved the quality of life and supported recreational opportunities.
- Park Ranger Program offers patrol of park facilities to maintain a safe environment, enforce City Code and ordinances, and serve as ambassadors providing information to residents, tourists and park guests. The park ranger RDA detail provided an additional 3,782 hours of service in FY25.
- Greenspace services include daily landscape maintenance services for the City's rights-of-way (north and south rights-of-way, Lincoln Road Mall, parking lots and facilities, coastal areas) irrigation system services, and pest control.
- Sanitation services are provided to enhance the cleanliness of the City Center District via daily litter control and pressure washing services to Lincoln Road, the Beachwalk and Collins Park Cultural Campus.

Planning for capital improvements, public programs, and the initiatives to further the goals of the Redevelopment Plan is an annual budgetary process, with adjustments made to priorities as needs change within the Redevelopment Area. The Redevelopment Plan provides public policy regarding long-range development within the City Center District, which is implemented via the City's five (5) year capital projects plan. Along with the participation of the Miami Dade County, including a Miami Dade County Commissioner serving as a voting member on the RDA, the City and RDA will continue to evaluate and implement a comprehensive approach to projects which address the many needs within the City Center District, including neighborhood enhancements and community programs,

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park renovations and upgrades, and construction of public facilities.

Affordable Housing Programs

In 2014, the Third Amendment of the Interlocal Agreement, as adopted by RDA Resolution No. 607-2014 and City Commission Resolution No. 2014-28835, provided for bond financing for the renovation and expansion of the Miami Beach Convention Center—a cultural facility and economic driver that was a focal point for original creation of the district in 1993. As a condition precedent to the Third Amendment, the County required that all available excess Trust Fund revenues be used for the prepayment of debt prior to maturity of the tax increment revenue bonds. In addition, the Third Amendment stipulated that the use of TIF revenue for operating expenses may not exceed more than three percent (3%) of the prior fiscal year expenses. The practical effect of limiting growth and requiring that excess revenues be used to satisfy existing debt is that the RDA is precluded from incurring or introducing any additional costs for new programs that did not exist before. The requirement that excess revenues be used to prepay existing bond debt was again restated in the Fourth Amendment to the Interlocal Agreement, as adopted by RDA Resolution No. 628-2017.

The Miami Beach City Commission approved the Collins Park Artist Workforce Housing Project, a development agreement and ground lease for the development of an 80-unit mixed-use workforce housing structure within the Redevelopment Area. The ground floor will be activated by the City, with cultural arts programming, and the second floor will provide student housing to support the Miami City Ballet's dance education program.

Funded with nonprofit bonds, without RDA contribution, the development project is located in the Collins Park Cultural Arts Campus, an education and arts district originally created and developed with significant RDA investment. Also, the City is exploring the redevelopment of the Barclay Project Apartments, 1940 Park Avenue, a property acquired using RDA funds and located in the RDA, with the intent to introduce workforce or affordable housing within the RDA. The Housing and Community Services actively operates other housing projects within the RDA, e.g., London House.