CITY OF

NORTH LAUDERDALE

FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2025

Strong Foundations
Brighter Tomorrows

North Lauderdale

COMMUNITY FOCUSED

FISCAL RESPONSIBILITY

SUSTAINABLE GROWTH

TRUST & TRANSPARENCY

Annual Comprehensive Financial Report

of the City of North Lauderdale, Florida

For the Fiscal Year Ended

September 30, 2025

Prepared by the
Finance Department

City of North Lauderdale, Florida

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INTRODUCTORY SECTION

701 Southwest 71st Ave.
North Lauderdale, FL 33068

North Lauderdale
A Fun City In The Heart of Broward

www.nlauderdale.org
(954) 722-0900

June 30, 2026

To the Honorable Mayor, City Commissioners and Citizens of the City of North Lauderdale, Florida

The Finance Department is pleased to submit the Annual Comprehensive Financial Report (the "ACFR") of the City of North Lauderdale, Florida (the "City"), for the fiscal year ended September 30, 2025. The report fulfills the state requirements that all general-purpose local governments publish a complete set of audited financial statements within nine months of the close of each fiscal year. The financial statements included in the report conform with generally accepted accounting principles (GAAP) and are audited by a firm of licensed public accountants 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. In addition to meeting legal requirements, the report presents full financial disclosure. This philosophy is demonstrated by the informative financial analysis provided herein.

Management assumes full responsibility for the completeness and reliability of all of the information contained in this report, based upon a comprehensive internal control framework designed for this purpose. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the City of North Lauderdale.

Citrin Cooperman & Company, LLP, a firm of licensed public accountants, has audited the City's financial statements and issued an unmodified opinion for the fiscal year ended September 30, 2025. The opinion is presented as the first component of the financial section of this report.

As a recipient of federal, state, and county financial assistance, the City is subject to annual single audits in conformity with the audit requirement of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General of the State of Florida. Information related to the Single Audit, including the schedule of expenditures of federal awards, findings and questioned costs, and auditors' reports on the internal control and compliance with applicable laws and regulations, are included in the compliance section.

Management's Discussion and Analysis ("MD&A") provides a narrative introduction, overview and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

North Lauderdale at a Glance

The City of North Lauderdale was incorporated on July 15, 1963 and is located in northwestern Broward County (the "County"), Florida, eight miles northwest of Fort Lauderdale. The City was developed as a full-service municipality serving a largely suburban residential community. In 2003 and 2004, the City annexed certain adjacent unincorporated properties into its municipal boundaries, bringing the City's total land area to approximately 5.5 square miles. Today, the City's population has reached close to 45,000.

With the exception of a few remaining undeveloped parcels, the City has essentially reached build-out. Future expansion of the City is unlikely due to the City's geographic location within the County and the reality that there are no remaining unincorporated areas left to annex.

The City operates under a Commission-Manager form of government, comprised of five elected officials, four of which represent a single geographic district with the mayor elected at large. The City Commission (the "Commission") determines policy, adopts legislation and approves the City's annual budget. The Commission also appoints the City Manager, City Clerk, Deputy City Clerk and City Attorney. The City Manager serves as the Chief Executive Officer and is charged with the responsibility of carrying out the City's day-to-day operations.

The City provides a full range of municipal services, including police and fire protection; construction and maintenance of streets and other infrastructure; building, licensing and code compliance; parks and recreation facilities and activities; and water, wastewater, canal maintenance and stormwater services.

The financial reporting entity includes all governmental and business-type activities of the primary government as well as its blended component unit, the North Lauderdale Water Control District (the "District"). The City is also financially accountable for a legally separate Housing Authority; however, there has been no financial activity for the past several years. Additional information on the reporting entity is located in Note 1A in the notes to the financial statements.

The City maintains budgetary controls designed to ensure compliance with state law and the City's Code of Ordinances. Not later than 75 days before the end of each fiscal year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing on October 1. The budget proposal is made available for inspection in the Office of the City Clerk for a period of at least ten days preceding the first budget hearing. Prior to October 1, the budget is legally adopted through passage of an ordinance.

The City prepares and adopts annual appropriated budgets for all of its governmental and proprietary fund types, except the Law Enforcement Special Revenue Fund and Grants Special Revenue Fund. Budgets are monitored at the line-item level within each department; however, the legal level of budgetary control is at the department level. The City Manager has the authority to transfer amounts within department functions, however, only the City Commission can legally transfer amounts between departments and amend the original adopted budget.

Local Economy

Between 2009 and 2013, the City experienced an unprecedented reduction in property values which forced City staff to review operations and institute innovative and proactive cost cutting measures that helped the City weather the effects of the recession. The City's healthy financial condition has been maintained through the prudent administration and balancing of revenues and expenditures.

The local economy in North Lauderdale continues to show positive signs of economic growth. Property values have slowly increased since 2013 but only reached pre-recession levels for Fiscal Year 2022. The City continues to provide a high level of service to residents of North Lauderdale. The City has had increased property values for the current fiscal year and homes continue to be in high demand.

North Lauderdale remains one of the few cities in Broward County that continues to have affordable housing available. For Fiscal Year 2025, the City set its operating millage rate at 7.4000 mills, the same rate as the prior eight years with an assessed value provided by the Broward County Property Appraiser of over $2 billion.

Current labor market conditions also provide an important measure of the City's economic health. The unemployment rate for Broward County, which includes the City of North Lauderdale, was 4.0% as of September 30, 2025, compared to 4.2% for the State of Florida and 4.3% for the United States. The City's economic base continues to consist primarily of residential homes, condominiums, and apartments, supported by modest but important commercial and light industrial areas. As the City reached build-out in the late 1990s, the economic focus naturally shifted from expansion to maintaining existing infrastructure and preserving the community's quality of life, safety, and aesthetic character. These characteristics continue to define the City's economic landscape and guide its focus on maintaining essential infrastructure and preserving community quality of life. These economic conditions continue to support a stable fiscal environment for the City, contributing to predictable revenue streams and sustained service delivery. Within this economic context, the City continues to advance initiatives that support long-term community needs.

Major Initiatives

The City continued to advance several major initiatives during FY 2025 that support effective service delivery, community engagement, and long-term operational needs. Public communication capabilities were strengthened through expanded use of the Blackboard Connect system and other digital platforms, ensuring timely outreach to residents. The City also enhanced its ability to attract and retain qualified employees through targeted improvements to the overall benefits package.

In addition, the City maintained its focus on promoting development and redevelopment, supporting homeownership and property improvement through grant programs, and expanding the public art program to enhance community identity. These efforts reflect the City's ongoing commitment to maintaining a high quality of life and ensuring that municipal services and programs are delivered efficiently and responsibly."

Current and planned capital improvement and maintenance projects focus on upgrading and preserving essential infrastructure, including parks, roadway and drainage systems, City facilities, fire and police equipment, and utility water treatment plant improvements. These efforts reflect the City's commitment to sustaining high-quality services and ensuring that critical assets remain safe, functional, and responsive to community needs.

Several significant projects advanced during FY 2025, including the following.

- Advancement of street improvement design phases for Rock Island Road, Kimberly Boulevard West, Boulevard of Champions, and SW 81st Avenue.
- Progress in negotiating and awarding contracts for Canal Bank Stabilization and Restoration.
- Completion of the design phase for Culvert replacement and Stormwater backflow prevention installations.
- Ongoing design, planning, and testing for the future Water Plant Renewal and Replacement project.
- Awarding of the contract for the comprehensive Water Meter Replacement program, with full completion anticipated by mid-2026.
- Successful initiation and completion of Lift Stations 5 and 11 rehabilitation.
- Completion of Well #4 construction.
- Finalization of the C-14 Pump Station design, with the bidding process now underway.
- Near-completion of the Supervisory Control and Data Acquisition (SCADA) system — a critical software platform that enables remote monitoring of the City's sewage lift stations, enhancing operational efficiency and response times.
- Complete external fencing around Hampton Pines Park.
- Purchased two parcels of land for future development.
- Implementation of the new Tyler Utility Billing System.

Collectively, these initiatives demonstrate the City's continued commitment to maintaining essential infrastructure, enhancing public safety, and supporting long-term community resilience

Long-term financial planning and relevant financial policies

The City's long-term financial planning efforts continue to guide decision-making and ensure that resources are aligned with community priorities. The City continues to review the economic impact of the recovering economy while evaluating continued revenue growth, as well as inflation impacted expenditures. The City produces a long-range financial plan to forecast expected trends in revenues and expenditures while analyzing past performance. This analysis assists the City in making sound decisions impacting both current and future financial positions. Major revenues have a multi-year forecast produced/used to determine the impact of long-term liabilities and revenue streams available to meet the City's needs. The City's Strategic Plan continues to be included in long-range planning.

The City has implemented a comprehensive internal control framework to safeguard assets while ensuring the reliable preparation of financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP). The costs of controls should not exceed the benefits of same and the framework is to provide reasonable assurance that financial statements are free from material misstatement. Management is required to use judgment and estimates to review costs/benefits while keeping in mind that the cost of a control should not exceed the benefit.

The City has implemented a comprehensive investment policy to set forth investment objectives and parameters for managing public funds. All City funds are prudently and safely invested in accordance with the City Charter and City's Investment Policy to provide an adequate level of liquidity to meet cash flow needs and to provide the maximum interest yield possible.

The risk of hurricane loss is a continual concern for the City. As a smaller local government in South Florida, immediate access to resources in an emergency is critical, therefore, City Administration has assigned $5,000,000 of General Fund monies (fund balance) for disaster assistance. Aging infrastructure may also need repair and replacement. In addition to ARPA funding, resources are included in the General Fund assignment of fund balance to help fund some of the costs of renovating the older infrastructure. These financial policies and planning practices contribute to the City's overall fiscal stability and support long-term sustainability.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Lauderdale for its annual comprehensive financial report for the fiscal year ended September 30, 2024. The City has received this prestigious award for over forty-three consecutive years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized document. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

In addition, the City received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2025. In order to qualify for the budget award, the budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the City's Finance Department. We express our appreciation to all members of the Department who assisted in the preparation of this report. Credit is also given to the Mayor and Commission for their continued support in planning and conducting the City's operations in a fiscally responsible and progressive manner.

These recognitions reflect the City's ongoing commitment to transparency, accountability, and excellence in financial management.

Respectfully submitted,

Michael Sargis
City Manager

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of North Lauderdale
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

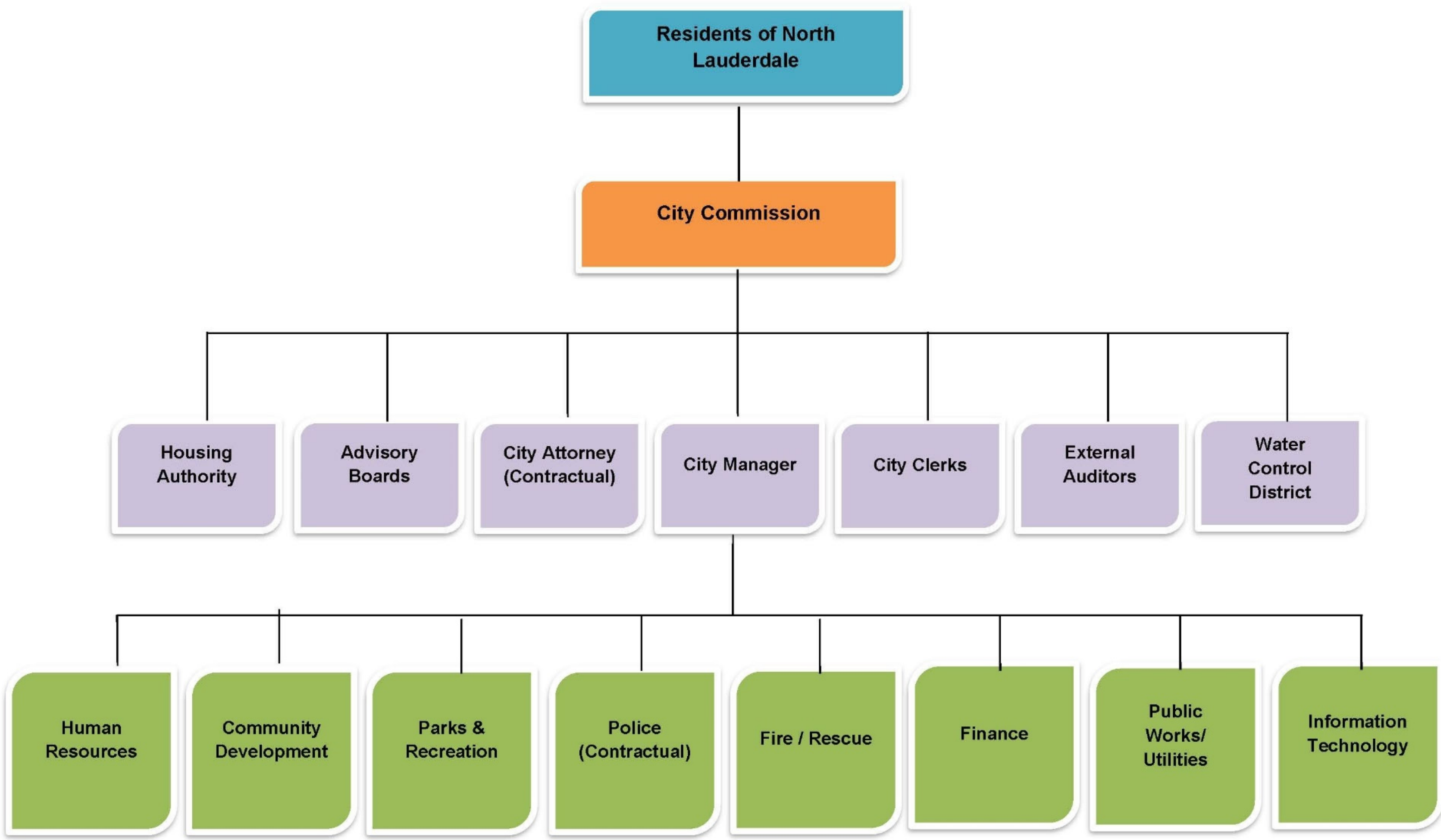
Executive Director/CEO

CITY OF NORTH LAUDERDALE, FLORIDA

List of Principal Officials
(As of September 30, 2025)

Title	**Name**
Mayor	Samson Borgelin
Vice Mayor	Darrell Lewis-Ricketts
Commissioner (District A)	Luke Lewis
Commissioner (District B)	Mario Bustamante
Commissioner (District D)	Dr. Regina Martin
City Manager	Michael Sargis
City Attorney	Michelle Austin Pamies
City Clerk	Susan Slattery
Community Development Director	Tanya Davis-Hernandez
Finance Director	Sophia Henderson
Human Resources Director	Ramona Woods
Fire Chief	David Sweet
Parks and Recreation Director	Patrick Cann
Public Works Director	Sam May
Director of Innovation & I.T.Services/CTO	Mitch Williams

CITY OF NORTH LAUDERDALE, FLORIDA
ORGANIZATIONAL CHART



FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, Members of
the City Commission and City Manager
City of North Lauderdale, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of North Lauderdale, 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 City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules and the schedules related to pensions and other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Citrin Cooperman & Company, LLP

Fort Lauderdale, Florida
June 30, 2026

The purpose of financial reporting is to provide financial statements readers with information that will help them make decisions about the entity. The following narrative overview and analysis of the City of North Lauderdale, Florida's (the "City") financial activities for the fiscal year ended September 30, 2025 has been prepared by City management for the readers' benefit. We encourage readers to consider the information presented herein in conjunction with the Letter of Transmittal, which can be found on pages i through v of this report.

Financial Highlights

- The assets plus deferred outflows of resources of the City exceeded its liabilities plus deferred inflows of resources at the close of the most recent fiscal year by $ 194,940,985 (net position). Of this amount, $ 124,492,784 is unrestricted and may be utilized to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position increased by $ 7,703,094 which includes an increase of $ 3,930,322 for governmental activities and an increase of $ 3,772,772 for business-type activities.

- At the close of the most recent fiscal year, the City's governmental funds reported combined ending fund balances of $ 95,696,950. Of this amount, $ 44,548,583 is unassigned General Fund balance and is available for spending at the City's discretion.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. These financial statements are comprised of three components; 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. 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 City's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets, liabilities, and deferred inflows/outflows 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 City's financial position is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement from some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, community development, public works and parks and recreation. The business-type activities of the City include water and sewer utilities and stormwater management operations.

The government-wide financial statements include not only the City itself (the primary government), but also the legally separate North Lauderdale Water Control District. Financial information for this component unit is blended with the financial information presented for the primary government itself, since the governing body of the District and that of the City's are the same - the City Commission. The Housing Authority of the City of North Lauderdale, Inc. (the "Authority"), a blended component unit, had no balances or activity during the most recent fiscal year.

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 City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. These financial statements report the City's operations in greater detail than the government-wide financial statements. All of the City's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirement.

Because the focus of governmental funds is narrower than 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 City's near-term financing decisions. The governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the major funds which include the General Fund, the Transportation Surtax Special Revenue Fund, the Fire/Rescue Special Revenue Fund, the North Lauderdale Water Control District Special Revenue Fund, and the Capital Projects Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements presented immediately following the notes to the financial statements.

The City is required to prepare annual budgets for all Departments for the ensuing fiscal year. The City adopts annual budgets for all of its governmental and proprietary fund types, except the Law Enforcement Special Revenue Fund and Grants Special Revenue Fund.

A budgetary comparison statement has been provided for the General Fund, Fire/Rescue Special Revenue Fund, North Lauderdale Water Control District Special Revenue Fund, and Transportation Surtax Special Revenue Fund in the Fund Financial Statements section of this report. Additionally, a budgetary comparison schedule has been provided for the Street Maintenance Special Revenue Fund and the Capital Projects Fund in the Combining and Individual Fund Statements and Schedules section of this report. These are presented to demonstrate compliance with the budget. They compare the actual amount to the budgeted amount as well as the original adopted budget to the final budget.

Proprietary funds provide financial information on an accrual basis of accounting. The City maintains the following different types of proprietary funds:

- The *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses Enterprise Funds to account for its water and sewer utilities and stormwater management operations. The City's proprietary fund financial statements provide separate information for the water and sewer utilities operation because it is considered to be a major fund.

- *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its vehicle maintenance, information technology and insurance operations. Because these services benefit both the governmental and business-type functions, they have been included within governmental activities and business-type activities in the government-wide financial statements based on the applicable usage. The three internal services funds are aggregated and combined into a single column for presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the combining statements that are presented immediately following the notes to the financial statements.

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

In addition to the basic financial statements and accompanying notes, this report also contains *Other Information*. The information includes certain required supplementary information. In addition, the combining statements referred to above are presented immediately following the required supplementary information.

Government-wide Financial Analysis

Net Position: As noted earlier, over time, net position may serve as a useful indicator of a government's financial position. At the close of the most recent fiscal year the City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $ 194,940,985. The following table summarizes the City's net position at September 30, 2025 and 2024 and is followed by a comparative analysis between the two years.

City of North Lauderdale, Florida
Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 119,422,440	$ 121,409,934	$ 55,498,460	$ 56,073,431	$ 174,920,900	$ 177,483,365
Capital assets	41,969,873	38,125,100	17,468,969	12,802,339	59,438,842	50,927,439
Total assets	161,392,313	159,535,034	72,967,429	68,875,770	234,359,742	228,410,804
Total deferred outflows of resources	5,899,307	6,051,797	410,502	379,597	6,309,809	6,431,394
Long-term liabilities	16,450,181	17,676,082	788,562	779,402	17,238,743	18,455,484
Other liabilities	11,715,917	12,923,720	4,354,974	4,105,523	16,070,891	17,029,243
Total liabilities	28,166,098	30,599,802	5,143,536	4,884,925	33,309,634	35,484,727
Total deferred inflows of resources	11,862,458	11,654,287	556,474	465,293	12,418,932	12,119,580
Net Position:						
Net investment in capital assets	41,969,873	38,043,286	17,468,969	12,592,376	59,438,842	50,635,662
Restricted	11,009,359	9,268,532	-	-	11,009,359	9,268,532
Unrestricted	74,283,832	76,020,924	50,208,952	51,312,773	124,492,784	127,333,697
Total net position	$ 127,263,064	$ 123,332,742	$ 67,677,921	$ 63,905,149	$ 194,940,985	$ 187,237,891

The City's overall net position increased in fiscal year 2025. Changes in net position over time may serve as a useful indicator of a government's financial position. The City's total net position increased by $ 7,703,094 or approximately 4.1% from $ 187 million in 2024. The increase in net position for both the current year are a result of efficient operations in both the governmental and business-type activities, as well as the government as a whole. In addition, the City is able to report positive fund balances in all three categories of net position and fund balances for the City as a whole, as well as for its separate governmental and business-type activities.

Of the City's net position for total activities, approximately 30% as compared to 27% in FY 2024, reflects its investment in capital assets (e.g., land, buildings, equipment and infrastructure), net of accumulated depreciation and less any outstanding debt used to construct or acquire those assets. These capital assets are used to provide citizen services and are therefore not available for future spending. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the City's net position, $ 11,009,359 or approximately 6%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of $ 124,492,784 or approximately 64% is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

Changes in Net Position

The following table summarizes the City's changes in net position for the years ended September 30, 2025 and 2024 and is followed by a comparative analysis between the two years.

City of North Lauderdale, Florida
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 23,086,781	$ 22,178,508	$ 14,789,059	$ 15,216,675	$ 37,875,840	$ 37,395,183
Operating grants and contributions	4,990,433	5,407,211	-	-	4,990,433	5,407,211
Capital grants and contributions	-	-	-	13,925	-	13,925
General revenues:						
Property taxes and other taxes	17,824,191	16,248,093	-	-	17,824,191	16,248,093
Utility and other taxes	4,562,385	4,496,906	-	-	4,562,385	4,496,906
Franchise taxes	3,655,986	3,636,915	-	-	3,655,986	3,636,915
Grants and contributions not restricted to specific programs	5,745,023	6,107,786	1,195,577	-	6,940,600	6,107,786
Claims and settlements	-	-	1,526,005	-	1,526,005	-
Interest income (loss)	4,393,289	6,130,787	2,055,571	2,788,420	6,448,860	8,919,207
Other	207,190	271,780	-	31,885	207,190	303,665
Total revenues	64,465,278	64,477,986	19,566,212	18,050,905	84,031,490	82,528,891
Expenses:						
General government	9,514,011	10,002,776	-	-	9,514,011	10,002,776
Public safety	26,902,681	25,427,484	-	-	26,902,681	25,427,484
Community development	5,422,071	4,671,384	-	-	5,422,071	4,671,384
Public works	11,466,128	11,517,389	-	-	11,466,128	11,517,389
Parks and recreation	6,230,065	5,725,557	-	-	6,230,065	5,725,557
Water and sewer	-	-	14,679,191	13,759,431	14,679,191	13,759,431
Stormwater	-	-	2,114,249	1,110,143	2,114,249	1,110,143
Total expenses	59,534,956	57,344,590	16,793,440	14,869,574	76,328,396	72,214,164
Change in net position before transfers	4,930,322	7,133,396	2,772,772	3,181,331	7,703,094	10,314,727
Transfers	(1,000,000)	-	1,000,000	-	-	-
Change in net position	3,930,322	7,133,396	3,772,772	3,181,331	7,703,094	10,314,727
Net position, beginning	123,332,742	116,199,346	63,905,149	60,723,818	187,237,891	176,923,164
Net position, ending	$ 127,263,064	$ 123,332,742	$ 67,677,921	$ 63,905,149	$ 194,940,985	$ 187,237,891

Governmental Activities - For the fiscal year ended September 30, 2025, revenues from governmental activities totaled $ 64,465,278 which was an decrease of $ 12,708 or 0.02% from the prior year.

Public Safety expenses increased by $ 1,475,197 or 6% primarily due to an increase in the City's contract with the Broward Sheriff's Office to provide police services. In addition, costs related to Fire/Rescue services for personnel and related benefits as well as increased costs in overall operations.

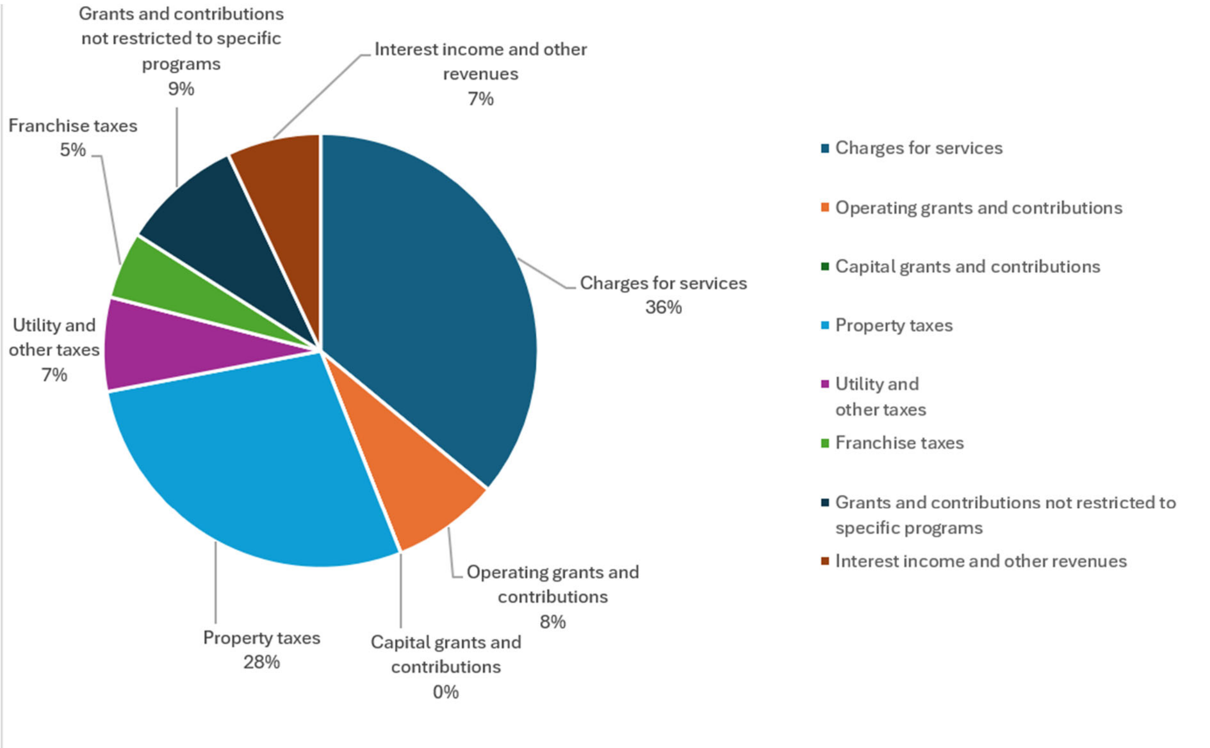
Community development expenses increased by $ 750,687 or 18% due to increases in personnel costs, various repair and maintenance projects completed throughout the City, and costs related to the Keep Broward Beautiful Program.

Public works expenses decreased by $ 51,261 or 0.45% due to decrease in personnel costs, various repair and maintenance projects were carried over to the next fiscal year.

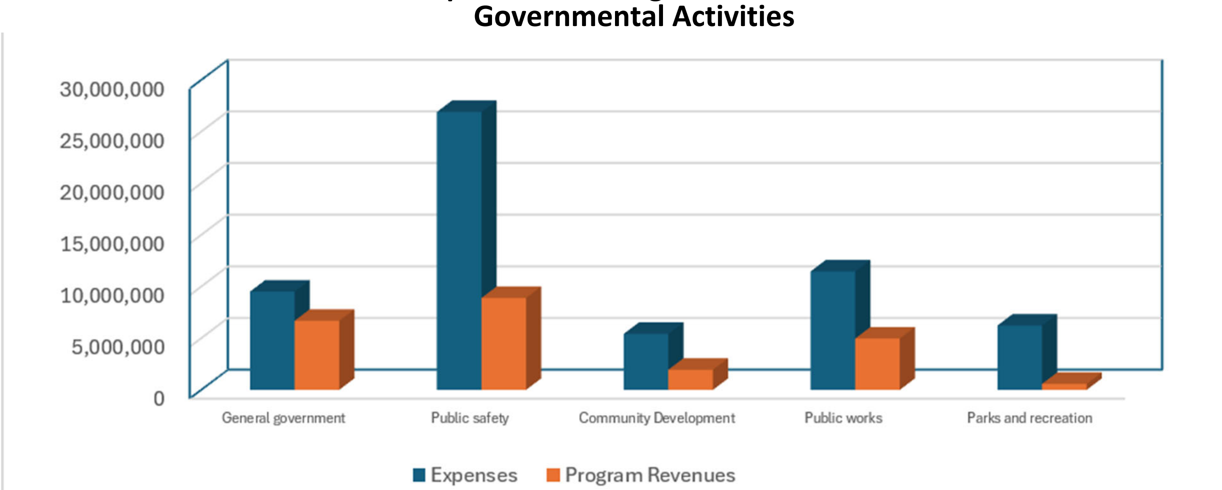
The overall increase in net position is primarily attributable to positive operating performance within individual funds, supported by the City's ongoing efforts to manage expenditures through targeted cost-containment initiatives.

Revenues by Source

Governmental Activities



Expenses and Program Revenues
Governmental Activities



Business-type Activities - Business-type activities increased the City's net position by $ 3,772,772, representing approximately 49% of the total increase in the City's net position. This increase is more than the prior year increase of $ 3,181,331 by $ 591,441.

Business-type activities revenues increased by $ 1,515,307 or 8% from the prior year as detailed below for material changes in several of the categories.

Grants and contributions not restricted to specific programs increased by $ 1,195,577 or 100% due to increase utilization of ARPA funds to subsidize the Canal Stabilization Project and for Culvert Maintenance.

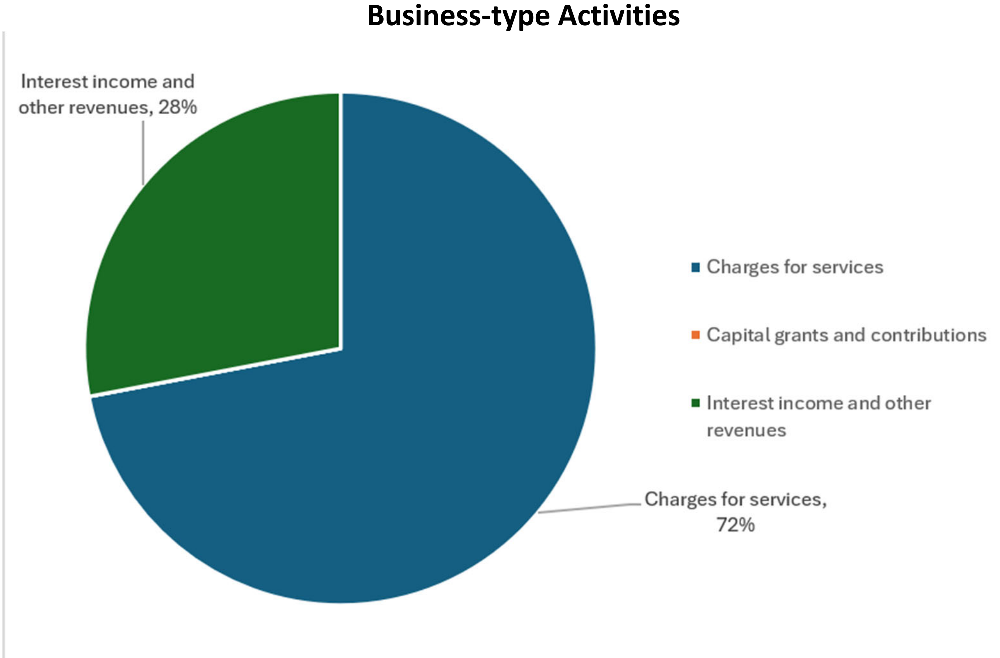
Claims and settlements increased by $1,526,005, or 100%, due to a one-time PFAS court settlement recognized during the current year.

Business-type activities expenses increased by $ 1,923,886 or 13% from the prior year as detailed below for material changes in several of the categories.

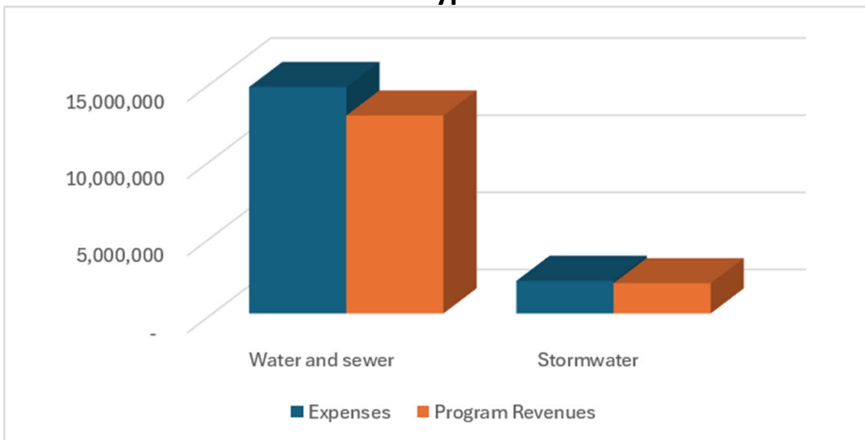
Water and sewer expenses in the Utilities Fund increased by $ 919,760 or 7% from the prior year due to increases in personnel salaries/benefits, contractual agreement with U.S. Water Services Corporation to run the plant, and various repair and maintenance costs for lift stations, sewer rehabilitation, and other projects.

Stormwater Fund expenses increased by $ 1,004,106 or 90% from the prior year due to maintenance of city-wide drainage systems completed during the year and increases to administrative and architect/engineering costs.

Revenues by Source
Business-type Activities



Expenses and Program Revenues
Business-type Activities



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

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

At the close of the most recent fiscal year, the City's governmental funds reported combined ending fund balances of $ 95,696,950 an increase of $ 743,624 or approximately 1% from prior year combined fund balances. Of this amount, $ 44,548,583 constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form, 2) legally required to be maintained intact, 3) restricted for particular purposes, 4) committed for particular purposes, or 5) assigned for particular purposes. Non-spendable fund balances for leases and prepaid items totaled $ 605,932. Restricted fund balance which is restricted for specific purposes, stipulated by external resources providers or imposed by law through constitutional provisions or enabling legislation for street maintenance, fire/rescue, water control district, law enforcement, solid waste and grants totaled $ 11,009,359. Assigned fund balance totaled $ 39,533,076 with assigned for capital projects ($ 33,533,076), disaster assistance ($ 5,000,000), and general government ($ 1,000,000).

Below is the analysis of the fund balances for governmental funds for fiscal year 2025.

	General Fund	Transportation Surtax Fund	Fire/Rescue Fund	North Lauderdale Water Control District Fund	Capital Projects Fund	Other Nonmajor Funds	Total
Fund Balances (Deficit), September 30, 2024	$ 64,653,697	$ (19,751)	$ 2,425,214	$ 3,963,201	$ 21,050,848	$ 2,880,117	$ 94,953,326
Revenues	47,390,221	513,648	9,028,142	1,233,389	676,195	5,623,683	64,465,278
Expenditures	(40,566,619)	(509,992)	(12,500,966)	(870,482)	(3,075,841)	(5,197,754)	(62,721,654)
Other financing sources (uses)	(6,155,910)	20,000	3,891,742	111,168	715,000	418,000	(1,000,000)
Nonspendable	605,932	-	-	-	-	-	605,932
Restricted	-	3,905	2,844,132	4,437,276	-	3,724,046	11,009,359
Assigned	20,166,874	-	-	-	19,366,202	-	39,533,076
Unassigned	44,548,583	-	-	-	-	-	44,548,583
Fund Balances, September 30, 2025	$ 65,321,389	$ 3,905	$ 2,844,132	$ 4,437,276	$ 19,366,202	$ 3,724,046	$ 95,696,950

General Fund: The General Fund is the City's main operating fund. At the end of the current fiscal year, the General Fund's unassigned fund balance was $ 44,548,583 while the total fund balance reached $ 65,321,389. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 95% of the total General Fund expenditures, including transfers and 68% of total fund balance. The increase in the fund balance of $ 667,692 in the General Fund includes both the main City operating Fund 001 and the American Rescue Plan Act (ARPA) Sub-fund 005.

Revenues: The amount of General Fund revenue by type, their percentage of the total and the amount of change compared to the last two fiscal years are shown in the following schedule:

General Fund Revenues

	Current Year 2025	1 Year Ago 2024	2 Year Ago 2023	Change Over Past 2 Years	Change Percentage
Property taxes	$ 22,386,576	20,744,999	18,977,436	$ 3,409,140	17.96%
Franchise taxes	3,655,986	3,636,915	3,530,673	125,313	3.55%
Licenses and permits	1,866,953	1,792,877	2,085,771	(218,818)	-10.49%
Intergovernmental	8,569,672	9,483,682	8,178,673	390,999	4.78%
Charges for services	5,538,190	5,577,614	4,068,625	1,469,565	36.12%
Special assessments	-	3,741,856	3,566,670	(3,566,670)	-100.00%
Fines and forfeitures	498,959	905,951	509,349	(10,390)	-2.04%
Interest income	3,438,410	5,031,219	3,426,696	11,714	0.34%
Other revenues	1,435,475	1,528,839	1,695,421	(259,946)	-15.33%
Total	$ 47,390,221	$ 52,443,952	$ 46,039,314	$ 1,350,907	2.93%

General Fund operating revenue totaled $ 47,390,221, reflecting an increase of $ 1,350,907 or 3% over two years when compared to fiscal year ending September 30, 2023.

The following are reasons contributing to significant major changes in revenues over the previous two years:

Property taxes increased significantly by $ 3,409,140 over the past two years. This growth is attributed to higher property values, even though the millage rate did not change. While property values are expected to continue trending upward, future increases may be more moderate in comparison to the substantial gain over the last two years.

Charges for services increased by $ 1,469,565 due primarily to an increase in administrative fees collected from other funds. These Cost allocation fees reimburse the General Fund for support services from departments such as Finance, Purchasing, Human Resources, and City Clerk. Fees are based on personnel and operating costs and generally increase annually.

Special assessments decreased by $ 3,566,670. In contrast Interest income increased by $ 11,714 due to favorable interest rates and improving economic conditions. Although Interest rates have fluctuated significantly in recent years due to the COVID-19 pandemic, inflation, and recession fears, returns have recently showed improvements.

Expenditures: The amount of General Fund expenditures by type, their percentage of the total and the amount of change compared to the last two fiscal years are shown in the following schedule:

General Fund Expenses

	Current Year 2025	1 Year Ago 2024	2 Year Ago 2023	Change Over Past 2 Years	Change Percentage
General government	$ 8,657,878	$ 9,025,096	$ 8,016,783	$ 641,095	8.00%
Public safety	15,069,528	14,101,432	12,494,178	2,575,350	20.61%
Community development	4,263,425	4,189,464	3,642,818	620,607	17.04%
Public works	4,914,782	8,442,185	7,836,642	(2,921,860)	-37.28%
Parks and recreation	5,803,973	5,310,383	5,165,761	638,212	12.35%
Capital outlay	1,857,033	2,869,414	-	1,857,033	100.00%
Total	$ 40,566,619	$ 43,937,974	$ 37,156,182	$ 3,410,437	9.18%

General Fund operating expenditures totaled $ 40,566,619, reflecting an increase of $ 3,410,437 over two years when compared to fiscal year ending September 30, 2023.

The public safety expenditures category increased by $ 2,575,350 over the past two years, Driven largely by increases in the City's police services contract with the Broward Sheriff's Office. These costs have increased as personnel and operating expenses continue to rise.

The public works expenditures category decreased by $ 2,921,860 over the past two years, primarily due to reduced capital and project-related spending, partially offset by increases in solid waste, personnel, and contractual costs.

Transportation Surtax Fund: The fund balance of the City's Transportation Surtax Special Revenue Fund, a major fund, increased by $ 23,656 with a positive fund balance of $ 3,905. This change is primarily due to a deficit created by the City's contracted bus shuttle program, which did not receive full reimbursement from Broward County. Reimbursements are provided only for active service hours used to transport passengers, not for the additional hours required for the shuttle to travel to and from the garage - costs the City is contractually obligated to pay to the vendor.

Revenues increased from the prior year by $ 133,958 or 35% and expenditures increased by $ 105,282 or 26%, primarily due to the completion of surtax funded projects.

Fire/Rescue Fund: The fund balance of the City's Fire/Rescue Special Revenue Fund, a major fund, increased by $ 418,918 while the total fund balance was $ 2,844,132.

Total revenues increased $ 798,979 or 10% from the prior year mainly due to increased revenue from charges for services. Total expenditures increased by $ 1,087,662 or 10% due to capital outlay and increased personnel/benefit costs, as well as other operating expenditures.

North Lauderdale Water Control District Fund: The fund balance of the North Lauderdale Water Control District Special Revenue Fund, a major fund, increased by $ 474,075 for a total fund balance of $ 4,437,276.

Special assessments remained approximately the same from the prior year of $ 1,135,280 in FY 2025 and $ 1,133,813 in FY 2024. Expenditures in FY 2025 decreased to $ 870,482 from $ 1,004,395 due to the completion of canal dredging project during the fiscal year.

Capital Projects Fund: The fund balance of the Capital Projects Fund, a major fund, decreased by $ 1,684,646 for a total fund balance of $ 19,366,202.

Total revenues decreased by $ 156,964 or 19% from the prior year due to lower interest earnings as favorable interest rates normalized. Total expenditures increased by $ 2,393,049 or 350% from the prior year, mainly by the $ 2.8 million land acquisition completed during the fiscal year. Fiscal year 2025 otherwise included only minor capital activity, consisting primarily of landscaping improvements along Kimberly Boulevard.

Transfers-in decreased by $ 1,410,000 or 297% from the prior year. The FY 2024 included monies primarily to support the City Hall Renovation project. In FY 2025 transfers-in included monies for bus replacement, ADA compliance, parks improvement, and various other minor capital needs.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

At the close of the most recent fiscal year, unrestricted net position for the Utilities Fund totaled $ 44,553,234, a decrease of $ 1,896,912 in unrestricted net position from the prior year. Unrestricted net position for the Stormwater Fund totaled $ 5,148,397, an increase of $ 880,196 in unrestricted net position from the prior year. Other factors concerning the finances of both of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The American Rescue Plan Act (ARPA) sub-fund is reported within the General Fund for financial statements presentation. The chart shows a comparison of the original budget, final budget, and actual results for the fiscal year and provides an important measure of the City's budgetary performance and fiscal oversight. This section summarizes the most significant variances between budgeted and actual General Funds revenues and expenditures and explains the primary factors contributing to those differences.

	Original Budget	Final Budget	Actual Amounts
Revenues:			
Taxes	$ 24,970,000	$ 24,970,000	$ 26,042,562
Licenses and permits	1,775,300	1,775,300	1,866,953
Intergovernmental	16,383,654	16,383,654	8,569,672
Charges for services	6,549,221	6,549,221	5,538,190
Fines and Forfeitures	428,500	428,500	498,959
Interest income	1,100,000	1,100,000	3,438,410
Other revenues	1,471,800	1,471,800	1,435,475
Total revenues	52,678,475	52,678,475	47,390,221
Expenditures	53,910,628	53,910,628	40,566,619
Excess (deficiency) of revenues over (under) expenditures	(1,232,153)	(1,232,153)	6,823,602
Other financing sources (uses):			
Use of fund balance	9,484,798	9,484,798	-
Transfers out	(6,155,910)	(6,155,910)	(6,155,910)
Total other financing sources (uses)	3,328,888	3,328,888	(6,155,910)
Net change in fund balance	$ 2,096,735	$ 2,096,735	$ 667,692

Revenues: Overall, General Fund revenues were unfavorable to the final budget, driven by a significant shortfall in intergovernmental revenues, which more than offset favorable variances in most other major categories. This variance was primarily attributable to the timing of ARPA project expenditures.

Intergovernmental revenue was $ 7,813,982 less than the budget attributable to planned ARPA projects not completed during FY 2025, delaying recognition of the related grant revenue. Revenues for charges for services were also less than budgeted for $ 1,011,031 due to lower than expected administrative fees from the North Lauderdale Water Control District due to actual cost-based billing.

Property taxes were higher than anticipated by $ 1,072,562 due to continued growth in taxable assessed values. Utility Service taxes and franchise fees increased following Florida Power & Light rate adjustments.

Fines and forfeitures exceeded the budget by $ 70,459 for the year due mainly to an increase in collections from code enforcement violations.

Interest income exceeded the budget by $ 2,338,410 for the year due significantly higher investments earnings from higher cash balances and favorable market interest rates.

Expenditures: Expenditures in the General Fund were less than budgeted for all departments with the exception of the City Commission and City by $ 14,265. Total General Fund expenditures were less than final budgeted amounts by $ 13,344,009 which included all General Fund departments, as well as non-departmental.

Although the FY 2025 budget anticipated the use of over $9.5 million in fund balance, the City did not need to draw on these resources. Savings resulted from cost containment measures, unfilled budgeted positions, and maintenance and improvement projects deferred to the subsequent fiscal year. Furthermore, all budgeted ARPA projects, which are reported within the General Fund, remained incomplete at year end.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for its governmental and business-type activities as of September 30, 2025 and 2024 amounts to $ 59,438,842 and $ 50,927,439, respectively.

The following schedule summarizes the City's capital assets by category as of September 30, 2025 and 2024.

Capital Assets (net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 11,090,412	$ 8,261,712	$ 86,365	$ 86,365	$ 11,176,777	$ 8,348,077
Construction in progress	3,153,908	6,743,460	7,644,249	3,220,354	10,798,157	9,963,814
Residual interest in assets held by Broward County Sheriff's Office	489,626	489,626	-	-	489,626	489,626
Buildings	10,034,132	9,862,792	-	-	10,034,132	9,862,792
Improvements other than buildings	11,042,101	8,865,136	34,939	39,829	11,077,040	8,904,965
Machinery and equipment	4,286,744	1,848,661	1,779,110	1,045,566	6,065,854	2,894,227
Infrastructure	1,872,950	2,053,713	7,924,306	8,410,225	9,797,256	10,463,938
Total	$ 41,969,873	$ 38,125,100	$ 17,468,969	$ 12,802,339	$ 59,438,842	$ 50,927,439

Governmental activities included several capital asset additions that were funded through ARPA.

Major FY 2025 governmental activities projects included the Kimberly Boulevard Median Landscape Improvements, Fire Station No. 44 Sprinkler System, Jerry Resnick Aquatic Center lighting upgrades, and the Highlands Park artificial turf installation.

Construction in progress for governmental activities decreased by approximately $3.6 million in FY 2025 as projects were completed and transferred to their respective capital asset categories.

For business type activities, construction in progress totaled approximately $7.6 million in FY 2025, consisting primarily of lift station replacements, Biscayne Raw Water Well No. 4 installation, lift station and control panel upgrades, and engineering design for water treatment plant improvements.

Additional information is provided in Note 7 in the notes to the financial statements.

Long-term Debt

On September 30, 2025, the City had no outstanding debt. Additional information can be found in Note 9 in the notes to the financial statements.

Economic Factors and Next Year's Budget

A significant part of the City's strategic planning and annual budget development process involves a series of workshops with the City Commission and staff. During these sessions, past and current operations are reviewed in detail, and discussions focus on the City's long term vision for staffing, facilities, and public services. These workshops also include extensive review of planned major capital expenditures. Long range goals, economic conditions, staffing implications, and available financial resources all help the Commission prioritize objectives for the upcoming fiscal year.

In preparing the Fiscal Year 2026 Budget and Capital Improvement Program, the City evaluated a number of key economic factors and operational considerations:

- The COVID 19 pandemic had significant impacts on budgeted and actual revenues and expenditures. Despite these challenges, property values continued to rise throughout the pandemic and remain strong today. North Lauderdale also continues to be one of the few Broward County communities with remaining affordable housing options.

- Ad valorem revenues remain a major revenue source, representing approximately 11% of citywide revenues in the FY 2025 budget. The City experienced a 10% increase in taxable property values for FY 2025 and maintained its operating millage rate at 7.400 mills for the 2024 tax year—unchanged for eight consecutive years.

- Although economic conditions have improved, available resources remain constrained relative to the rising cost of providing services. Personnel costs are projected to increase 5% to 10% annually, driven by salaries, health insurance, and retirement contributions.

- The Solid Waste special assessment for residential units remained at $ 499 per property for fiscal year 2025.

- The City's Stormwater special assessment remained at $ 125 per ERU for fiscal year 2025.

- An outside consultant completed a Fire Rescue Assessment Program Budget Update in FY 2023. The study recommended higher assessment rates to adequately fund fire and first responder operations. As a result, the single family rate increased from $228 to $278 and the multifamily rate from $549 to $672 in FY 2024. Because the City adopted the three year average rate from the study, no additional increase was required for Fiscal Year 2025.

- The City plans to undertake a new rate study for a Fire Assessment Fees in the next reporting period.

- For Fiscal Year 2025, the City kept utility rates flat to help minimize financial impacts on residents. The City continues to aggressively pursue grants to offset the cost of major capital projects and reduce the burden on ratepayers.

- The City appropriated over $38 million of fund balance in the FY 2025 budget, the largest appropriation in City history. These funds support one time major capital projects, including roadway improvements on Rock Island Road and Boulevard of Champions; park enhancements; median landscaping and irrigation in Silver Lakes; City Hall generator replacement and ADA bathroom upgrades; new wall along Rock Island Road; as well as numerous projects in the Stormwater and Utilities Enterprise Fund.

- The overall FY 2025 budget totals more than $160 million, an increase of 23% over the Adopted FY 2024 Budget, driven primarily by one time major capital projects and significant capital purchases.

Requests for Information

These financial statements are designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you should have any questions pertaining to the information presented in this report or would like additional information, please contact the Finance Department located at 701 SW 71st Avenue, North Lauderdale, Florida 33068-2395.

City of North Lauderdale, Florida
Statement of Net Position
September 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and equity in pooled cash	$ 18,502,399	$ 8,074,089	$ 26,576,488
Investments	89,713,215	43,570,828	133,284,043
Accounts receivable, net of allowances	4,310,923	2,289,392	6,600,315
Lease receivable	6,884,170	-	6,884,170
Prepaid items	11,733	-	11,733
Restricted assets:			
Cash and cash equivalents	-	1,564,151	1,564,151
Capital assets not being depreciated:			
Land	11,090,412	86,365	11,176,777
Construction in progress	3,153,908	7,644,249	10,798,157
Residual interest in equipment	489,626	-	489,626
Capital assets, being depreciated:			
Buildings	20,812,454	-	20,812,454
Improvements other than buildings	25,050,530	364,152	25,414,682
Machinery, equipment, furnishings and other	10,502,159	2,580,692	13,082,851
Infrastructure	19,358,988	28,829,031	48,188,019
Less: accumulated depreciation	(48,488,204)	(22,035,520)	(70,523,724)
Total assets	161,392,313	72,967,429	234,359,742
Deferred Outflows of Resources:			
Pension	3,152,103	-	3,152,103
Other post employment benefit (OPEB)	2,747,204	410,502	3,157,706
Total deferred outflows of resources	5,899,307	410,502	6,309,809
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	4,940,273	2,767,473	7,707,746
Unearned revenue	6,591,806	-	6,591,806
Deposits, payable from restricted assets	-	1,564,151	1,564,151
Noncurrent liabilities:			
Due within one year:			
Compensated absences	183,838	23,350	207,188
Due in more than a year:			
Compensated absences	2,144,627	75,437	2,220,064
Net pension liability	9,533,108	-	9,533,108
Total other post employment benefit (OPEB) liability	4,772,446	713,125	5,485,571
Total liabilities	28,166,098	5,143,536	33,309,634
Deferred Inflows of Resources:			
Pension	1,848,387	-	1,848,387
Other post employment benefit (OPEB)	3,724,100	556,474	4,280,574
Leases	6,289,971	-	6,289,971
Total deferred inflows of resources	11,862,458	556,474	12,418,932
Net Position:			
Investment in capital assets	41,969,873	17,468,969	59,438,842
Restricted for:			
Street Maintenance	2,870,114	-	2,870,114
Fire/Rescue	2,844,132	-	2,844,132
Water Control District	4,437,276	-	4,437,276
Law Enforcement	270,041	-	270,041
Solid waste	512,923	-	512,923
Grants	74,873	-	74,873
Unrestricted	74,283,832	50,208,952	124,492,784
Total net position	$ 127,263,064	$ 67,677,921	$ 194,940,985

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

City of North Lauderdale, Florida
Statement of Activities
For the Year Ended September 30, 2025

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position — Primary Government		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental activities:							
General government	$ 9,514,011	$ 6,689,913	$ -	$ -	$ (2,824,098)	$ -	$ (2,824,098)
Public safety	26,902,681	8,896,053	2,611,273	-	(15,395,355)	-	(15,395,355)
Community development	5,422,071	1,949,717	1,511,431	-	(1,960,923)	-	(1,960,923)
Public works	11,466,128	4,971,664	867,729	-	(5,626,735)	-	(5,626,735)
Parks and recreation	6,230,065	579,434	-	-	(5,650,631)	-	(5,650,631)
Total governmental activities	59,534,956	23,086,781	4,990,433	-	(31,457,742)	-	(31,457,742)
Business-type activities:							
Water and sewer	14,679,191	12,830,069	-	-	-	(1,849,122)	(1,849,122)
Stormwater	2,114,249	1,958,990	-	-	-	(155,259)	(155,259)
Total business-type activities	16,793,440	14,789,059	-	-	-	(2,004,381)	(2,004,381)
Total primary government	$ 76,328,396	$ 37,875,840	$ 4,990,433	$ -	(31,457,742)	(2,004,381)	(33,462,123)
General revenues:							
Taxes:							
Property taxes					17,824,191	-	17,824,191
Utility and other taxes					4,562,385	-	4,562,385
Franchise taxes					3,655,986	-	3,655,986
Grants and contributions not restricted to specific programs					5,745,023	1,195,577	6,940,600
Claims and settlements					-	1,526,005	1,526,005
Interest income					4,393,289	2,055,571	6,448,860
Miscellaneous revenues					207,190	-	207,190
Transfers, net					(1,000,000)	1,000,000	-
Total general revenues and transfers					35,388,064	5,777,153	41,165,217
Change in net position					3,930,322	3,772,772	7,703,094
Net position, beginning					123,332,742	63,905,149	187,237,891
Net position, ending					$ 127,263,064	$ 67,677,921	$ 194,940,985

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

City of North Lauderdale, Florida
Balance Sheet - Governmental Funds
September 30, 2025

	Major Governmental Funds						
	General Fund	Transportation Surtax Fund	Fire/Rescue Fund	North Lauderdale Water Control District Fund	Capital Projects Fund	Other Nonmajor Funds	Total Governmental Funds
Assets:							
Cash and equity in pooled cash	$ 3,075,916	$ 12,619	$ 1,448,699	$ 2,491,629	$ 7,582,346	$ 3,920,432	$ 18,531,641
Investments	68,457,357	-	406,522	2,140,489	11,912,035	-	82,916,403
Accounts receivable	2,060,101	27,328	1,863,715	-	-	359,779	4,310,923
Due from other funds	194,842	-	-	-	-	-	194,842
Prepaid items	11,733	-	-	-	-	-	11,733
Lease receivable	6,884,170	-	-	-	-	-	6,884,170
Total assets	$ 80,684,119	$ 39,947	$ 3,718,936	$ 4,632,118	$ 19,494,381	$ 4,280,211	$ 112,849,712
Liabilities:							
Accounts payable and accrued liabilities	$ 2,480,953	$ 36,042	$ 874,804	$ -	$ 128,179	$ 556,165	$ 4,076,143
Due to other funds	-	-	-	194,842	-	-	194,842
Unearned revenue	6,591,806	-	-	-	-	-	6,591,806
Total liabilities	9,072,759	36,042	874,804	194,842	128,179	556,165	10,862,791
Deferred Inflows of Resources:							
Leases	6,289,971	-	-	-	-	-	6,289,971
Fund Balances:							
Nonspendable for:							
Leases	594,199	-	-	-	-	-	594,199
Prepaid items	11,733	-	-	-	-	-	11,733
Restricted for:							
Street maintenance	-	3,905	-	-	-	2,866,209	2,870,114
Fire/Rescue	-	-	2,844,132	-	-	-	2,844,132
Water Control District	-	-	-	4,437,276	-	-	4,437,276
Law enforcement	-	-	-	-	-	270,041	270,041
Solid waste	-	-	-	-	-	512,923	512,923
Grants	-	-	-	-	-	74,873	74,873
Assigned for:							
Capital projects	14,166,874	-	-	-	19,366,202	-	33,533,076
Disaster assistance	5,000,000	-	-	-	-	-	5,000,000
General government	1,000,000	-	-	-	-	-	1,000,000
Unassigned	44,548,583	-	-	-	-	-	44,548,583
Total fund balances	65,321,389	3,905	2,844,132	4,437,276	19,366,202	3,724,046	95,696,950
Total liabilities, deferred inflows of resources and fund balances	$ 80,684,119	$ 39,947	$ 3,718,936	$ 4,632,118	$ 19,494,381	$ 4,280,211	$ 112,849,712

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

City of North Lauderdale, Florida
Reconciliation of the Balance Sheet of the Governmental Funds
to the Statement of Net Position
September 30, 2025

Total Fund Balances - Governmental Funds		$ 95,696,950
Amounts reported for governmental activities in the statement of net position are different because:		
The cost of capital assets acquired is reported as an expenditure in the governmental funds. The statement of net position includes those capital assets, net of accumulated depreciation among the assets of the governmental as a whole.		
Cost of capital assets	$ 88,407,776	
Accumulated depreciation	(47,614,101)	40,793,675
Deferred outflows of resources related to pensions and OPEB are recorded in the statement of net position.		5,899,307
Deferred inflows of resources related to pensions and OPEB are recorded in the statement of net position.		(5,572,487)
Liabilities not payable from current available resources are not reported as fund liabilities in the governmental fund financial statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.		
Total OPEB liability	$ (4,772,446)	
Net pension liability	(9,533,108)	
Compensated absences	(2,202,871)	(16,508,425)
Internal Service Funds are used by management to charge the costs of vehicle maintenance, information technology, and insurance to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the statement of net position.		6,954,044
Net Position of Governmental Activities		$ 127,263,064

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

City of North Lauderdale, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2025

	Major Governmental Funds						
	General Fund	Transportation Surtax Fund	Fire/Rescue Fund	North Lauderdale Water Control District Fund	Capital Projects Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues:							
Taxes	$ 22,386,576	$ -	$ -	$ -	$ -	$ -	$ 22,386,576
Franchise taxes	3,655,986	-	-	-	-	-	3,655,986
Licenses and permits	1,866,953	-	10,955	-	-	-	1,877,908
Intergovernmental	8,569,672	513,648	35,404	-	-	1,479,686	10,598,410
Charges for services	5,538,190	-	2,142,098	-	-	-	7,680,288
Special assessments	-	-	6,743,000	1,135,280	-	3,836,384	11,714,664
Fines and forfeitures	498,959	-	-	-	-	59,722	558,681
Interest income	3,438,410	-	79,745	98,109	676,195	100,830	4,393,289
Other revenues	1,435,475	-	16,940	-	-	147,061	1,599,476
Total revenues	47,390,221	513,648	9,028,142	1,233,389	676,195	5,623,683	64,465,278
Expenditures:							
Current:							
General government	8,657,878	-	-	-	-	-	8,657,878
Public safety	15,069,528	-	12,192,466	-	-	-	27,261,994
Community development	4,263,425	434,002	-	-	-	242,089	4,939,516
Public works	4,914,782	-	-	870,482	-	4,832,711	10,617,975
Parks and recreation	5,803,973	-	-	-	-	-	5,803,973
Capital outlay	1,857,033	75,990	308,500	-	3,075,841	122,954	5,440,318
Total expenditures	40,566,619	509,992	12,500,966	870,482	3,075,841	5,197,754	62,721,654
Excess (deficiency) of revenues over (under) expenditures	6,823,602	3,656	(3,472,824)	362,907	(2,399,646)	425,929	1,743,624
Other Financing Sources (Uses):							
Transfers in	-	20,000	3,891,742	111,168	715,000	418,000	5,155,910
Transfers out	(6,155,910)	-	-	-	-	-	(6,155,910)
Total other financing sources (uses)	(6,155,910)	20,000	3,891,742	111,168	715,000	418,000	(1,000,000)
Net change in fund balances	667,692	23,656	418,918	474,075	(1,684,646)	843,929	743,624
Fund Balances (Deficit), Beginning	64,653,697	(19,751)	2,425,214	3,963,201	21,050,848	2,880,117	94,953,326
Fund Balances, Ending	$ 65,321,389	$ 3,905	$ 2,844,132	$ 4,437,276	$ 19,366,202	$ 3,724,046	$ 95,696,950

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

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

Net Change in Fund Balances - Total Governmental Funds			$	743,624
Amounts reported for governmental activities in the statement of activities are different because:				
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of certain of those assets is depreciated over their estimated useful lives:				
Expenditures for capital assets	$	5,373,633		
Less: net book value of disposed capital assets		(96,110)		
Less: current year depreciation expense		(1,367,687)		3,909,836
Internal Service Funds are used by management to charge the costs of Vehicle Maintenance, Information Technology, and Insurance to individual funds. The net expenses of certain activities of Internal Service Funds are reported with governmental activities.				(371,345)
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds. The details of the differences are as follows:				
Change in compensated absences				(405,907)
Change in OPEB liability and other related deferral amounts				(579,850)
Change in net pension liability and other related deferral amounts				633,964
Change in Net Position of Governmental Activities			$	3,930,322

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

City of North Lauderdale, Florida
Statement of Net Position - Proprietary Funds
September 30, 2025

	Business-type Activities - Enterprise Funds			
	Major Fund Utilities Fund	Nonmajor Fund Stormwater Fund	Total	Internal Service Funds
Assets:				
Current assets:				
Cash and equity in pooled cash	$ 4,521,859	$ 3,044,909	$ 7,566,768	$ 478,079
Investments	40,932,839	2,637,989	43,570,828	6,796,812
Restricted cash and cash equivalents:				
Customer deposits	1,564,151	-	1,564,151	-
Accounts receivable, net of allowances for uncollectible accounts	2,018,807	270,585	2,289,392	-
Total current assets	49,037,656	5,953,483	54,991,139	7,274,891
Non-current assets:				
Capital assets:				
Land	86,365	-	86,365	-
Construction in progress	6,573,770	1,070,479	7,644,249	-
Improvements other than buildings	364,152	-	364,152	72,933
Machinery, equipment, furnishings and other	2,566,306	14,386	2,580,692	1,977,368
Infrastructure	25,842,287	2,986,744	28,829,031	-
Less: accumulated depreciation	(19,179,891)	(2,855,629)	(22,035,520)	(874,103)
Total capital assets, net	16,252,989	1,215,980	17,468,969	1,176,198
Total assets	65,290,645	7,169,463	72,460,108	8,451,089
Deferred Outflows of Resources:				
Other post employment benefits (OPEB)	410,502	-	410,502	-
Liabilities, Deferred Inflows of Resources and Net Position:				
Liabilities:				
Current liabilities:				
Accounts payable and other liabilities	$ 1,975,957	$ 791,516	$ 2,767,473	$ 864,130
Compensated absences	15,140	8,210	23,350	18,673
Deposits, payable from restricted assets	1,564,151	-	1,564,151	-
Total current liabilities	3,555,248	799,726	4,354,974	882,803
Long-Term liabilities				
Compensated absences	70,077	5,360	75,437	106,921
Total other post employment benefits (OPEB) liability	713,125	-	713,125	-
Total long-term liabilities	783,202	5,360	788,562	106,921
Total liabilities	4,338,450	805,086	5,143,536	989,724
Deferred Inflows of Resources:				
Other post employment benefits (OPEB)	556,474	-	556,474	-
Total deferred inflows of resources	556,474	-	556,474	-
Net Position:				
Investment in capital assets	16,252,989	1,215,980	17,468,969	1,176,198
Unrestricted	44,553,234	5,148,397	49,701,631	6,285,167
Total net position	$ 60,806,223	$ 6,364,377	$ 67,170,600	$ 7,461,365

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

City of North Lauderdale, Florida
Reconciliation of the Statement of Net Position - Proprietary Funds
to the Statement of Net Position
September 30, 2025

Total Net Position - Proprietary Fund Financial Statements	$	67,170,600
Internal Service Funds are used by management to charge the costs of vehicle maintenance, information technology, and insurance to individual funds. The position attributable to business-type activities is reflected here and the residual assets and liabilities are included in business activities in the statement of net position.		507,321
Net Position of Business-type Activities	$	67,677,921

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

City of North Lauderdale, Florida
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities - Enterprise Funds			
	Major Fund Utilities Fund	**Nonmajor Fund Stormwater Fund**	**Total**	**Internal Service Funds**
Operating Revenues:				
Charges for services:				
Water sales	$ 5,950,228	$ -	$ 5,950,228	$ -
Sewer sales	6,857,479	-	6,857,479	-
Other sales and services	-	1,958,990	1,958,990	3,574,195
Miscellaneous revenue	22,362	-	22,362	-
Total operating revenues	12,830,069	1,958,990	14,789,059	3,574,195
Operating Expenses:				
Personnel	1,468,950	322,674	1,791,624	743,902
Other operating expenses	11,097,368	1,751,153	12,848,521	3,569,511
General and administrative	1,479,962	-	1,479,962	-
Depreciation	552,774	33,454	586,228	83,461
Total operating expenses	14,599,054	2,107,281	16,706,335	4,396,874
Operating loss	(1,768,985)	(148,291)	(1,917,276)	(822,679)
Nonoperating Revenues:				
Interest income	1,884,114	171,457	2,055,571	335,711
Claims and settlements	1,526,005	-	1,526,005	-
Insurance recovery	-	-	-	3,625
Intergovernmental	803,886	391,691	1,195,577	24,893
Total nonoperating revenues	4,214,005	563,148	4,777,153	364,229
Income (Loss) Before Capital Contributions	2,445,020	414,857	2,859,877	(458,450)
Other Financing Sources:				
Transfers in	-	1,000,000	1,000,000	-
Change in net position	2,445,020	1,414,857	3,859,877	(458,450)
Net Position, Beginning	58,361,203	4,949,520	63,310,723	7,919,815
Net Position, Ending	$ 60,806,223	$ 6,364,377	$ 67,170,600	$ 7,461,365

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

City of North Lauderdale, Florida
Reconciliation of the Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds to the Statement of Activities
For the Year Ended September 30, 2025

Change in Net Position - Proprietary Fund Financial Statements	$	3,859,877
Internal Service Funds are used by management to charge the costs of vehicle maintenance, information technology, and insurance to individual funds. The portion of the net expense attributable to business-type activities is reflected here.		(87,105)
Change in Net Position of Business-type Activities	$	3,772,772

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

City of North Lauderdale, Florida
Statement of Cash Flows - Proprietary Funds
For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds			
	Major Fund Utilities Fund	Nonmajor Fund Stormwater Fund	Total	Internal Service Funds
Cash Flows From Operating Activities:				
Receipts from customers, users and other	$ 12,325,932	$ 1,717,564	$ 14,043,496	$ 3,574,195
Payments to suppliers	(12,949,986)	(1,151,140)	(14,101,126)	(3,028,293)
Payments to employees	(1,358,501)	(345,341)	(1,703,842)	(768,523)
Net cash provided by (used in) operating activities	(1,982,555)	221,083	(1,761,472)	(222,621)
Cash Flows From Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(4,684,743)	(568,115)	(5,252,858)	(78,129)
Proceeds from sale of capital asset	-	-	-	59,731
Insurance recovery	-	-	-	3,625
Net cash used in capital and related financing activities	(4,684,743)	(568,115)	(5,252,858)	(14,773)
Cash Flows From Non-Capital and Related Financing Activities:				
Claims and settlements	1,526,005	-	1,526,005	-
Intergovernmental	803,886	391,691	1,195,577	24,893
Transfer In	-	1,000,000	1,000,000	-
Net cash provided by noncapital and related financing activities	2,329,891	1,391,691	3,721,582	24,893
Cash Flows From Investing Activities:				
Purchase of investments	(5,479,548)	(651,799)	(6,131,347)	(718,707)
Sale of investments	8,638,332	543,216	9,181,548	662,992
Interest income	1,884,114	171,457	2,055,571	335,711
Net cash provided by investing activities	5,042,898	62,874	5,105,772	279,996
Net increase in cash and equity in pooled cash	705,491	1,107,533	1,813,024	67,495
Cash and Equity in Pooled Cash, Beginning	5,380,519	1,937,376	7,317,895	410,584
Cash and Equity in Pooled Cash, Ending	$ 6,086,010	$ 3,044,909	$ 9,130,919	$ 478,079
Reconciliation to the Statement of Net Position:				
Cash and equity in pooled cash	$ 4,521,859	$ 3,044,909	$ 7,566,768	$ 478,079
Restricted assets, cash	1,564,151	-	1,564,151	-
Cash and equity in pooled cash, ending	$ 6,086,010	$ 3,044,909	$ 9,130,919	$ 478,079

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

City of North Lauderdale, Florida
Statement of Cash Flows - Proprietary Funds
(Continued)
For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds			
	Major Fund Utilities Fund	**Nonmajor Fund Stormwater Fund**	**Total**	**Internal Service Funds**
Reconciliation of Operating Loss to Net Cash Provided By (Used In) Operating Activities:				
Operating loss	$ (1,768,985)	$ (148,291)	$ (1,917,276)	$ (822,679)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:				
Depreciation	552,774	33,454	586,228	83,461
Accounts receivable	(507,885)	(241,426)	(749,311)	-
Deferred outflows of resources	(30,905)	-	(30,905)	-
Accounts payable and other liabilities	(372,656)	600,013	227,357	541,218
Compensated absences	23,805	(22,667)	1,138	(24,621)
Total OPEB liability	26,368	-	26,368	-
Deferred inflows of resources	91,181	-	91,181	-
Deposits payables	3,748	-	3,748	-
Total adjustments	(213,570)	369,374	155,804	600,058
Net cash provided by (used in) operating activities	$ (1,982,555)	$ 221,083	$ (1,761,472)	$ (222,621)

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

Note 1 - Summary of Significant Accounting Policies

The City of North Lauderdale, Florida (the "City") was incorporated on July 15, 1963, under the provisions of Chapter 63-1675, Laws of Florida. The City operates under a commission/city manager form of government. The City provides the following full range of municipal services to its residents including police and fire protection; street construction and maintenance; building, licensing and code compliance; parks and recreation facilities and activities; water, wastewater, canal maintenance, and stormwater services; public records and general administrative services.

The Annual Comprehensive Financial Report of the City includes all funds and component units. The financial statements of the City have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting and reporting policies and practices used by the City are described below.

A. Reporting Entity

The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City is financially accountable for a component unit if it appoints a voting majority of the organization's governing board, and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.

Blended component units, although legally separate entities, are, in substance, part of the City's operation. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The City reports two blended component units.

Blended component units: Established by Chapter 63-661, Laws of Florida in 1963, the North Lauderdale Water Control District (the "District") serves all the citizens of the City and is governed by a board comprised of the City's elected five-member Commission. The rates for user charges and bond issuance authorizations, when applicable, are approved by the City Commission. The District meets the financial accountability criteria under GASB. The District is reported as a special revenue fund of the City. The District does not issue separate financial statements.

The Housing Authority of the City of North Lauderdale, Florida, Inc. (the "Authority") was formed in June 1993 by Ordinance 93-6-850. The Authority's purpose is to address the shortage of safe or sanitary dwelling accommodations in the City available to persons of low income. The Housing Authority currently acts in an advisory capacity for the City of North Lauderdale to identify and oversee implementation of projects to improve the housing stock in North Lauderdale. The Authority is governed by a five-member board, one appointment from each of the City's elected five-member commission. At least one (1) member shall be a North Lauderdale rental tenant, living in a public housing project or a person of low-income who is receiving a rental subsidy through a program administered by the Authority's public housing agency within North Lauderdale.

Although the Authority is a legally separate entity from the City, the fact that the governing board is deemed to be the same as the City's defines the Authority as a blended component unit of the City of North Lauderdale.

Note 1 - Summary of Significant Accounting Policies (continued)

The Authority meets the financial accountability criteria under GASB. For the fiscal year ended September 30, 2025, the Authority has no financial transactions, assets, liabilities, equity and there are no contracts, agreements, grants, loans or other obligations. The Authority does not issue separate financial statements.

B. Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government and its component units. The effect of interfund activity, with the exception of those that are immaterial, has been eliminated from these statements. lnterfund services provided and used are not eliminated in the process of consolidation. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment 2) grants and contributions that are restricted to meeting the operating requirements of a particular function or segment and 3) grants and contributions that are restricted to meeting capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenue (property taxes, sales taxes, franchise taxes, intergovernmental revenues, interest income, etc.). The City applies eligible expenses against available restricted resources before the use of unrestricted resources.

Separate fund based financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. GASB sets forth minimum criteria (percentage of assets, liabilities, revenues, or expenditures/expenses of either fund category for the governmental and enterprise combined or funds that management deems major) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The nonmajor governmental funds are detailed in the combining section of the statements if they involve more than one fund.

Internal service funds, which traditionally provide services primarily to other funds of the government, are presented in the summary form as part of the proprietary fund financial statements. Because the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental activities and business-type activities columns when presented at the government-wide level. To the extent possible, the cost of these services is reflected in the appropriate functional activity (e.g., General Government, Public Safety, etc.).

Note 1 - Summary of Significant Accounting Policies (continued)

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories, (by category) and the component units. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

The following major governmental funds are used by the City:

General Fund - This fund is used to account for all financial transactions, except those required to be accounted for and reported in another fund. Revenue is derived primarily from property taxes, utility taxes, franchise taxes, state and federal distributions and other governmental revenue.

Transportation Surtax Fund - This fund is used to account for revenues and expenditures related to transportation projects intended to reduce traffic congestion, improve roads and bridges, and increase connectivity pursuant to interlocal agreements with Broward County. Broward County has a Penny for Transportation Program (transportation surtax). This local one-cent, 30 -year surtax, approved by voters in 2018, is used to fund transportation improvements to increase mobility and address transportation challenges in Broward County.

Fire/Rescue Fund - This fund is used to account for revenues and expenditures related to the operation of the City's fire/rescue services. These services are funded primarily through a combination of non-ad valorem special assessment revenue and transfers from the City's General Fund.

North Lauderdale Water Control District Fund - This fund is used to account for the provision of water control and drainage services, facilities and programs within the District's boundaries. When House Bill 1875 became law on May 30, 1997, the City's five Commissioners became the District's Board of Supervisors. Accordingly, the District became a Dependent Special District, as defined in Florida Statutes 189 and a blended component unit of the City.

Capital Projects Fund - This fund is used to account for and report financial resources that are assigned to expenditures for capital outlays, including acquisition or construction of major capital projects.

Other Governmental Funds - These funds are a summarization of all the nonmajor governmental funds.

The following major proprietary fund is used by the City:

Utilities Fund - This fund is used to account for the income and expenses of operating the City's water and sewer utilities system. Receipts may only be used for costs associated with operating the water and sewer system and for debt service.

Other Proprietary Fund - The nonmajor proprietary fund is the Stormwater Fund.

Note 1 - Summary of Significant Accounting Policies (continued)

Additionally, the government reports the following fund type:

Internal Service Funds - These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost reimbursement basis. The City operates three internal service funds: the Vehicle Maintenance Fund, the Information Technology Fund and the Insurance Fund.

C. Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues, expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year when an enforceable lien exists and when levied. Grants and similar items are recognized as revenues 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. 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for federal and state grants. Expenditures generally are recorded when liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when paid from expendable available financial resources.

Property taxes, franchise taxes, fire/rescue fund charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Revenue received in advance of the fiscal year to which they apply is presented as unearned on the balance sheet. Licenses and permits, all other charges for services, fines and forfeitures, contributions, miscellaneous revenues, and all other revenue items are considered measurable and available when cash is received by the government. Investment earnings are recorded as earned since they are measurable and available.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's Utilities and Stormwater Funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal services funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Note 1 - Summary of Significant Accounting Policies (continued)

D. New Accounting Standards Adopted

During fiscal year 2025, the City implemented below new accounting standards.

Statement No. 101- Compensated Absences, was issued in June 2022. This Statement will better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The provisions of this Statement are effective for fiscal year ending September 30, 2025. The Statement had no impact on the City's financial statements.

Statement No. 102 - Certain Risk Disclosures, was issued in December 2023. This Statement establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. The requirements of this Statement apply to the financial statements of all state and local governments. The provisions of this Statement are effective for the fiscal year ending September 30, 2025. The Statement had no impact on the City's financial statements.

E. Capital Assets

Government-Wide and Proprietary Funds:

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value at the time received. Capital assets received in a service concession arrangement are also recorded at acquisition value. Public domain (infrastructure) capital assets consisting of roads, sidewalks, signage, lighting systems, curbs, water mains and lines, canals, sewer lines and drainage systems have been recorded at estimated historical cost. Capital assets are defined by the government as assets with an initial, individual cost of more than $ 5,000 and an estimated useful life in excess of one year.

Major outlays for capital assets and improvements are capitalized as projects are constructed. In accordance with GASB interest incurred during the construction phase of capital assets is expensed as incurred.

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Capital Assets	Years
Buildings	50
Improvements other than buildings	20-40
Machinery and equipment	4-10
Drainage improvements/canals	50-75
Streets/roads/curbs	25-50
Water/sewer lines/mains/plants	50
System infrastructure	20-50

Governmental funds: Amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported within the fund financial statements.

Note 1 - Summary of Significant Accounting Policies (continued)

F. Cash, Equity in Pooled Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand and demand deposits. Cash of individual funds, except for those funds or accounts that must be segregated for legal or other reasons, is combined to form a pool of cash. Interest earned as a result of pooling is distributed to the appropriate fund based on the pooled cash balance of each fund during the period. The balances for "cash" reflected in the financial statements of each individual fund represent that fund's allocated share of the pooled cash account.

The City adopted an investment policy to establish guidelines for the efficient management of its cash reserves. Section XIII of the investment policy identifies permitted instruments as follows:

a) Intergovernmental Investment Pools as provided in Florida Statute 163.01.
b) Prime Institutional Money Market Funds (Variable Share Price) rated AAAm or AAAf by Standards & Poor's.
c) Money Market Funds (Fixed Share Price) rated AAAm by Standards & Poor's. Mutual Funds & Private Placement Funds rated above AA-f by Standard & Poor's.
d) Qualified Public Depositories as defined in Florida Statute 280.02.
e) FDIC Swapped Deposits - Interest-bearing time deposits or savings accounts in qualified public depositories as defined in Florida Statute 218.415(23).
f) Direct obligations of the United States Treasury, federal agencies and other instrumentalities of the United States.
g) Debt instruments issued by the States, their Subdivisions, the Territories, their subdivisions, of the United States with a minimum long-term credit rating of A- by Standard & Poor's.
h) Foreign Sovereign, Super Nationals and Debt of the State of Israel with a minimum long-term credit rating of A- by Standard & Poor's.
i) Corporate Debt, Securitized Bank Instruments, Asset-Backed & Mortgage-Backed Securities with a minimum long-term credit rating of A- by Standard & Poor's, or if the security purchased is a money market instrument than a minimum of an A2 credit rating by Standard & Poor's.
j) Repurchase Agreements with 102% collateralization.

The City records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or fair value as required by generally accepted accounting principles. Additional information regarding the fair value measurement of investments and amortized cost is disclosed in Note 6.

Cash and cash equivalents, for purposes of the statement of cash flows, includes pooled cash and investments which are defined as short-term, highly liquid investments with original maturities of three months or less.

G. Receivables and Payables

During the course of operations, the City has numerous transactions between funds to provide goods or render services. Transactions between funds that are representative of lending/borrowing arrangements outstanding at the fiscal year end are referred to as “due to/from other funds” or “advances to/from other funds”. Any residual outstanding balances between the governmental activities and business-type activities at year end are reported in the government-wide financial statements as “internal balances”.

Note 1 - Summary of Significant Accounting Policies (continued)

H. Prepaid Amounts

Expenditures and expenses for insurance and other administrative expenses extending over more than one accounting period are accounted for as prepaid items and allocated between accounting periods.

I. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

J. Compensated Absences

Employees are granted compensated absence pay for vacation leave in varying amounts based on length of service. Vacation leave is accrued as a liability when benefits are earned by the employees, that is, the employees have rendered services that give rise to the liability and it is probable that the City will compensate the employees, now or upon termination or retirement. Sick leave is accrued as a liability to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies and is based on length of service and date of hire.

Compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured. For the governmental funds, compensated absences are liquidated by the fund in which employees are compensated.

K. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as bond issuance costs, 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. Debt issuance costs are recognized as an expenditure in the period incurred.

L. Deferred Outflows/Inflows of Resources

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

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

Note 1 - Summary of Significant Accounting Policies (continued)

M. Fund Balance/Net Position

Net position of the government-wide financial statements is categorized as net investment in capital assets, restricted, or unrestricted. The first category represents capital assets, less accumulated depreciation and net of any outstanding debt and related unspent proceeds associated with the acquisition, construction or improvement of those assets. Restricted net position represents net position that is restricted by requirements of bond indentures or other externally imposed constraints. Unrestricted net position represents the net position of the City that does not meet the definition of the other categories. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City’s policy is to apply restricted net position first.

In the fund financial statements, governmental funds report fund balances according to the following classifications:

Nonspendable fund balance: Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. Examples of nonspendable fund balance include inventories, prepaid amounts, and the corpus (or principal) of a permanent fund.

Restricted fund balance: Amounts that can be spent only for specific purposes stipulated by external resource providers such as grantors, contributors, or laws and regulations.

Committed fund balance: Amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority (City Commission). Commitments may be changed or lifted only by the City Commission taking the same formal action that imposed the constraint originally.

Assigned fund balance: Amounts intended to be used for specific purposes that are neither considered restricted nor committed. Assignments of fund balance may be made by management based upon the direction of the City Commission annually through the budget process.

Unassigned fund balance: Amount of remaining fund balance within the General Fund that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

N. Deficit Fund Balance

As of September 30, 2025, the City did not report any deficit fund balances.

Note 1 - Summary of Significant Accounting Policies (continued)

O. Property Tax Information

Ad valorem taxes are based on the assessed values, determined by the Broward County Property Appraiser, as of January 1 of each year. Property taxes are levied on October 1 of each year and due as of November 1 (lien date) of each year. Broward County collects the taxes and remits the funds to the City, less a collection fee. Taxes may be paid upon receipt of such notice by Broward County, with a discount rate of four percent (4%) if paid in November, three percent (3%) if paid in December, two percent (2%) if paid in January, and one percent (1%) if paid in February. Revenue is recognized at the time monies are received from the County.

The millage rate levied by the City for the fiscal year ended September 30, 2025 was 7.4000.

P. Defined Benefit Pension Plan

In the government-wide statement of net position, liabilities are recognized for the City's proportionate share of the net pension liability for the Fire/Rescue Department. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Florida Retirement System defined benefit pension plan (FRS Pension Plan) and the Retiree Health Insurance Subsidy Program defined benefit pension plan (HIS Program), and additions to/deductions from the FRS Pension Plan's and the HIS Program's fiduciary net position have been determined on the same basis as they are reported by the FRS Pension Plan and the HIS Program Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Q. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Note 2 - Budget Information

The City prepares and adopts budgets for all of its governmental and proprietary fund types, except the Law Enforcement and Grants Special Revenue Funds.

Budgets are monitored at the activity level within each department; however, the legal level of budgetary control is at the department level. The City Manager has the authority to transfer amounts within department functions, however, only the City Commission can amend the adopted budget to transfer amounts between departments and/or appropriate additional funds.

Annual budgets are legally adopted on a basis consistent with GAAP, except for compensated absences in the governmental funds and principal payments in the proprietary funds. Compensated absences liabilities expected to be liquidated with expendable available resources are accrued as earned as opposed to being expended when paid. Principal payments on long-term debt within the proprietary funds are applied to outstanding liabilities in the financial statement as opposed to being expended on a budgetary basis.

Note 2 - Budget Information (continued)

The City established the following budgetary procedures reflected in the financial statements:

Not later than 75 days before the end of each fiscal year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing on October 1.

The budget proposal is made available for inspection in the Office of the City Clerk for a period of at least ten days preceding the first public hearing to adopt the budget. Additionally, the adopted budget is made available to the public on the City's website.

Prior to October 1, the budget is legally enacted through passage of an ordinance.

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Unexpended appropriations lapse at year-end; however, unexpended capital appropriations are simultaneously added to and re-appropriated in the subsequent year's budget.

Note 3 - Receivables

Receivables for the fiscal year ended September 30, 2025 for the City's major and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Transportation Surtax Fund	Fire/Rescue Fund	Other Nonmajor Funds	Total
Accounts receivable	$ 182,771	$ -	$ 4,560,233	$ -	$ 4,743,004
Taxes	407,428	-	-	-	407,428
Franchise	563,778	-	-	-	563,778
Intergovernmental	1,009,431	27,328	-	359,779	1,396,538
Interest	25,642	-	-	-	25,642
Gross receivables	2,189,050	27,328	4,560,233	359,779	7,136,390
Allowance	(128,949)	-	(2,696,518)	-	(2,825,467)
Net	$ 2,060,101	$ 27,328	$ 1,863,715	$ 359,779	$ 4,310,923

Receivables for the fiscal year ended September 30, 2025, for the City's major and nonmajor business-type activities are as follows:

	Major Fund Utilities Fund	Nonmajor Stormwater Fund	Total
Accounts receivable	$ 2,453,273	$ 270,585	$ 2,723,858
Allowance	(434,466)	-	(434,466)
Net	$ 2,018,807	$ 270,585	$ 2,289,392

Accounts receivable on the statement of net position are shown net of an allowance for uncollectible accounts. Management determines the allowance based on a review of accounts and their knowledge of the creditors and their ability to pay.

Note 4 - Interfund Receivables, Payables, and Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the governmental funds balance sheet and proprietary funds statement of net position. The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The composition of due to/from other funds as of September 30, 2025 is as follows:

	Due From Other Funds	Due To Other Funds	
General Fund	$ 194,842	$ -	
North Lauderdale Water Control District Fund	-	194,842	a
	$ 194,842	$ 194,842	

Reasons for the due to/from are:

a. This is an amount owed to the General Fund for fourth quarter expenditures.

Interfund transfers for the year ended September 30, 2025 were as follows:

	Transfers In		Transfers Out
General Fund	$ -		$ (6,155,910)
Transportation surtax fund	20,000	b	-
Fire/Rescue Fund	3,891,742	c	-
North Lauderdale Water Control District Fund	111,168	d	-
Capital Projects Fund	715,000	e	-
Other Nonmajor Funds	418,000	f	-
Stormwater Fund	1,000,000	g	-
	$ 6,155,910		$ (6,155,910)

Reasons for the transfers are:

b. The General Fund transferred resources to provide a subsidy to the Shuttle Transportation Program.
c. The Fire/Rescue Fund assessment revenue covers first responder and suppression operations. EMS and transport operations are therefore funded utilizing other general revenues by a transfer from the General Fund. In addition, properties that are exempt from the fire assessment are also funded from general revenues.
d. The General Fund transfers monies to the Water Control District (WCD) Special Revenue Fund for properties that are exempt from the WCD assessment.
e. Current year capital projects within the Capital Projects Fund are funded by a transfer from the General Fund.
f. The General Fund transferred solid waste activity to the Solid Waste Special Revenue Fund.
g. The General Fund transferred resources for a capital improvement project.

Transfers are used to move revenues from the fund that state statute or budget requires collecting them to the fund that state statute or budget requires to expend them.

Note 5 - Encumbrances

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Encumbrances as of September 30, 2025 are as follows:

Major funds:		
General Fund	$	11,207,753
Fire/Rescue Fund		864,274
Capital Projects Fund		46,457
Nonmajor Funds		166,953
Total	$	12,285,437

Note 6 - Deposits and Investments

Deposits - Deposits consist of interest and noninterest-bearing demand accounts. All of the City's deposits are entirely insured by federal depository insurance or collateralized by the multiple financial institution collateral pool pursuant to Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. As of September 30, 2025, the City's bank balance was $ 29,243,000 and $ 28,993,000 of that amount was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging institution.

Investments: The City's investments were held as follows at September 30, 2025:

			Maturities	
	Fair Value	Credit Risk Moody's/S&P	Less than 1 year	1-5 years
Corporate Bonds	$ 9,023,017	AAA	$ 2,954,907	$ 6,068,110
Federal National Mortgage Association	1,996,580	AA1	1,996,580	-
Federal Home Loan Bank	7,839,960	AA1, A+	5,880,855	1,959,105
United States Treasury Notes	47,825,814	AA1	8,115,880	39,709,934
Total investments measured at fair value	66,685,371		$ 18,948,222	$ 47,737,149
Investments measured at amortized cost:				
Money Market Funds	5,386,495	AAAm	Weighted average of the fund portfolio: 51 days	
Investment in Local Government Surplus Funds Trust Fund (Florida PRIME)	61,212,179	AAAm	Weighted average of the fund portfolio: 39 days	
Cash and cash equivalents	28,085,452			
Total unrestricted and restricted cash, cash equivalents and investments	$ 161,369,497			

Note 6 - Deposits and Investments (continued)

The State Board of Administration's ("SBA") Local Government Surplus Funds Trust Fund ("Florida PRIME") is a"2a-7 like" pool. A "2a-7 like" pool is an external investment pool that is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, which comprises the rules governing money market funds. Thus, the pool operates essentially as a money market fund. The City has reported its investment in Florida PRIME at amortized cost for financial reporting purposes.

Credit risk - Credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments. The City has no formal policy for managing credit risk.

Custodial credit risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The City shall only purchase securities from financial institutions that are qualified as public depositories by the Treasurer of the State of Florida; institutions designated as Primary Securities Dealers by the Federal Reserve Bank of New York, direct issuers of commercial paper and bankers' acceptances or approved non-primary securities dealers. All approved non-primary securities dealers that qualify under Security and Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule) must provide certain information prior to executing investment trades with the City. The City's investments are uninsured, unregistered, and held by the custodial bank in the City's name.

Concentration of credit risk - Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The City limits concentration of credit risk through diversification to control the risk of loss resulting from concentration of assets to a specific maturity, instrument, issue, dealer, or bank through which these securities are bought and sold. The investment policy has established maximum exposure parameters for each investment type.

Interest rate risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. To control this risk, the City limits the maturities of investments from five to ten years depending on the type of investment, unless the investment can be matched with a specific cash flow requirement.

Fair Value Measurement - When applicable, the City measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- Level 1: Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the City has the ability to access;
- Level 2: Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- Level 3: Investments whose inputs are unobservable.

Note 6 -Deposits and Investments (continued)

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, some of the City's investments have been reported at amortized cost above.

The following table summarizes the City's investments within the fair value hierarchy at September 30, 2025:

	Fair Value	Level 1	Level 2
Corporate Bonds	$ 9,023,017	$ -	$ 9,023,017
Federal National Mortgage Association	1,996,580	-	1,996,580
Federal Home Loan Bank	7,839,960	-	7,839,960
United States Treasury Notes	47,825,814	47,825,814	-
	$ 66,685,371	$ 47,825,814	$ 18,859,557

The investments were valued using the following approaches:

- U.S. Treasuries were valued using prices quoted in active markets by a third-party pricing service based on actual trades in the securities.
- U.S. Agencies (i.e., Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association) were valued using prices quoted in active markets by a third-party pricing service based on actual trades in very similar securities.
- Investment grade corporate and municipal bonds were valued by a third-party pricing service based on a combination of matrix pricing, actual observable trades in similar securities, and yield curve analysis.

External Investment Pool - With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states, "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures.

Note 6 -Deposits and Investments (continued)

If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days". With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2025, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

Note 7 - Capital Assets

Capital asset activity for the fiscal year ended September 30, 2025 was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 8,261,712	$ 2,828,700	$ -	$ -	$ 11,090,412
Construction in progress	6,743,460	1,327,274	(86,659)	(4,830,167)	3,153,908
Residual interest in assets, held by Broward County Sheriffs Office	489,626	-	-	-	489,626
Total capital assets, not being depreciated	15,494,798	4,155,974	(86,659)	(4,830,167)	14,733,946
Capital assets, being depreciated:					
Buildings	20,318,983	253,777	-	239,694	20,812,454
Improvement other than buildings	22,225,171	-	-	2,825,359	25,050,530
Machinery and equipment	8,126,121	1,042,011	(431,087)	1,765,114	10,502,159
Infrastructure	19,358,988	-	-	-	19,358,988
Total capital assets, being depreciated	70,029,263	1,295,788	(431,087)	4,830,167	75,724,131
Less accumulated depreciation for:					
Buildings	10,456,191	322,131	-	-	10,778,322
Improvement other than buildings	13,360,035	648,394	-	-	14,008,429
Machinery and equipment	6,277,460	299,860	(361,905)	-	6,215,415
Infrastructure	17,305,275	180,763	-	-	17,486,038
Total accumulated depreciation	47,398,961	1,451,148	(361,905)	-	48,488,204
Total capital assets, being depreciated, net	22,630,302	(155,360)	(69,182)	4,830,167	27,235,927
Governmental activities capital assets, net	$ 38,125,100	$ 4,000,614	$ (155,841)	$ -	$ 41,969,873

Included in the buildings classification above, is a school building, which is currently being leased as discussed in further detail in Note 17. The cost of the building was $ 7,412,016.

Note 7 - Capital Assets (continued)

In connection with an agreement with the Broward County Sheriff's Office ("BSO") to provide police services to the City (see Note 15), the City previously transferred certain vehicles and equipment with a book value of $ 489,626 to BSO for its operation and use. These assets, which are included under capital assets as "Residual interest in assets held by Broward County Sheriff's Office", are not being depreciated since the City has a reversionary interest in the transferred assets.

The North Lauderdale Water Control District maintains property, equipment and infrastructure with a cost of $ 4,471,404 and accumulated depreciation of $ 1,835,830 as of September 30, 2025. Net property, equipment and infrastructure in the amount of $ 2,635,574 are included in capital assets being depreciated.

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 86,365	$ -	$ -	$ -	$ 86,365
Construction in progress	3,220,354	5,008,532	-	(584,637)	7,644,249
Total capital assets, not being depreciated	3,306,719	5,008,532	-	(584,637)	7,730,614
Capital assets, being depreciated:					
Improvement other than buildings	364,152	-	-	-	364,152
Machinery and equipment	1,751,729	244,326	-	584,637	2,580,692
Infrastructure	28,829,031	-	-	-	28,829,031
Total capital assets, being depreciated	30,944,912	244,326	-	584,637	31,773,875
Less accumulated depreciation for:					
Improvement other than buildings	324,323	4,890	-	-	329,213
Machinery and equipment	706,163	95,419	-	-	801,582
Infrastructure	20,418,806	485,919	-	-	20,904,725
Total accumulated depreciation	21,449,292	586,228	-	-	22,035,520
Total capital assets, being depreciated, net	9,495,620	(341,902)	-	584,637	9,738,355
Business-type activities capital assets, net	$ 12,802,339	$ 4,666,630	$ -	$ -	$ 17,468,969

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

Governmental activities:	
General government	$ 324,287
Public safety	235,602
Public works, including depreciation of general infrastructure assets	597,533
Culture and recreation	210,265
Capital assets held by the government's internal service funds are charged to various functions based on their usage of the assets	83,461
Total depreciation expense, governmental activities	$ 1,451,148
Business-type activities:	
Utilities	$ 552,774
Stormwater	33,454
Total depreciation expense, business-type activities	$ 586,228

Note 8 - Restricted Assets/Payable from Restricted Assets

Restricted assets include cash that is restricted for the payment of customer security deposits recorded in the Utilities Fund in the aggregate amount of $ 1,564,151.

Note 9 - Long-Term Liabilities

At September 30, 2025, long-term liabilities consisted of the following for governmental and business-type activities:

The City had the following changes in long-term liabilities for the year ended September 30, 2025 for governmental activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	$ 1,947,179	$ 381,286	$ -	$ 2,328,465	$ 183,838

The change in compensated absences payable is presented on a net basis. For governmental activities, compensated absences are generally liquidated by the General Fund.

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	$ 97,649	$ 1,138	$ -	$ 98,787	$ 23,350

For business-type activities, compensated absences are generally liquidated by either the appropriate fund of Utilities or Stormwater.

Note 10 - Defined Contribution Pension Plan

All permanent full-time employees are covered by a defined contribution retirement plan. Vesting requirements, as well as contribution amounts, are determined by group classification within the plan. The plan was established, and the provisions of the plan, including contribution rates, may be amended by Resolution of the City Commission. Non-vested plan forfeitures, classified as investments with plan agent, are restricted by the plan and may only be used toward the City's payment of its future contributions. The plan is administered by Mission Square Retirement Corporation. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The City's policy is to fund the annual pension costs in the annual budget. The City has no fiduciary responsibility for the plan and therefore does not report the balances or activities in its financial statements. At September 30, 2025 there were 92 active plan members. The City's contributions to the plan was 14% of each eligible employee's regular base pay depending on group classification. Participating eligible employees' minimum contributions range from 3.5% to 5% of their base pay depending on group classification.

The City and eligible employees made their respective contributions during the fiscal year. The amount contributed by the City for the fiscal year ended September 30, 2025 was approximately $ 916,000. Eligible employees contributed approximately $ 427,000 during fiscal year ended September 30, 2025.

Note 11 - Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. In January 1997, the City executed a Trust Agreement with its plan agent transferring plan assets into a trust account for the sole and exclusive benefit of City employees. Except for the plan provisions related to loans, the deferred compensation is not available to the employees until termination, retirement, death or unforeseeable emergency. MissionSquare Retirement Corporation administers the plan. Except for the plan provisions related to loans, the City has no fiduciary responsibility for the plan and, therefore, the City does not report the balances and activities in its financial statements.

Note 12 - Defined Benefit Pension Plan

General Information - The Florida Retirement System (FRS) was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. Provisions relating to the FRS are also contained in Chapter 112, Florida Statutes that established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

On November 1, 2003, the City's full-time firefighters joined FRS. All of the City's full-time firefighters are eligible to enroll as members of the FRS. All rates, benefits and amendments are established by the State of Florida through its legislative body.

FRS Pension Plan

Plan Description - The FRS Pension Plan (Plan) is a state-administered retirement system that is a multiple-employer cost-sharing defined benefit pension plan. The FRS has various classes of memberships. The City's firefighters fall under the Special Risk Class. All certified firefighters/ paramedics and certified firefighters/emergency medical technicians are covered by this class.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division Department of Management Services, Division of Retirement, Bureau of Research and Member Communications, P.O. Box 9000, Tallahassee, Florida 32315-9000, by visiting the website: http://www.dms.myflorida.com/workforce_operations/retirement/publications, or by calling (850) 488-5706.

Employees enrolled in the Plan beginning July 1, 2001 through June 30, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. Members are eligible for normal retirement when they have met the requirements listed below. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5 percent benefit reduction for each year prior to the normal retirement age. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

Note 12 - Defined Benefit Pension Plan (continued)

- For members initially enrolled in the Pension Plan before July 1, 2011, six or more years of Special Risk Class service and age 55, or the age after completing six years of Special Risk Class service if after age 55. Twenty-five years of special risk service regardless of age before age 55. A total of 25 years of service including special risk service and up to four years of active-duty wartime service and age 52. Without six years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

- For members initially enrolled in the Pension Plan on or after July 1, 2011, eight or more years of Special Risk Class service and age 60, or the age after completing eight years of Special Risk Class service if after age 60. Thirty years of special risk service regardless of age before age 60. Without eight years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

The DROP is available under the FRS Pension Plan when the member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 96 months. While in the DROP, the member's retirement benefits accumulate in the FRS Trust Fund increased by a cost-of-living adjustment (COLA) each July and earn monthly interest equivalent to an annual rate of 1.3%. DROP participants with an effective DROP begin date before July 1, 2011, earn monthly interest equivalent to an annual rate of 6.5%. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Basis of Accounting - The FRS fiduciary financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Member contributions are recognized in the period of time for which the contributions are assessed. Employer contributions are recognized when due in the period in which employee services are performed and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

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

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

Class, Initial Enrollment, and Years of Service	% Value
Special Risk Class:	
Service from Dec 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

Note 12 - Defined Benefit Pension Plan (continued)

The benefits received by retirees and beneficiaries are increased by a COLA each July based on their June benefit amount (excluding the Retiree Health Insurance Subsidy benefit). For retirees who have been retired for less than 12 months on July 1, the first COLA increase is prorated. The COLA applies to all continuing monthly retirement benefits paid under the FRS Pension Plan. The COLA for retirements or DROP participation effective before Aug. 1, 2011, is 3% per year. The COLA formula for retirees with an effective retirement date or DROP begin date on or after Aug. 1, 2011, will be the sum of the pre-July 2011 service credit divided by the total service credit at retirement multiplied by 3%. Each pension plan member with an effective retirement date of Aug. 1, 2011, or after will have an individual COLA factor for retirement. FRS Pension Plan members initially enrolled on or after July 1, 2011 will not have a COLA after retirement.

Contributions - The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2025 fiscal year were as follows:

	Percent of Gross Salary July 1, 2024 to June 30, 2025		Percent of Gross Salary July 1, 2025 to June 30, 2026	
Class	Employee	Employer	Employee	Employer
FRS, Special Risk	3%	32.79%	3%	35.19%

An additional administrative/educational fee of 0.06 percent is also paid by the City, which has not been included in the contribution rates reported above. The City contributed 100% of its statutorily required contributions for the current year. The City's contributions to the Plan totaled $ 1,556,407 for the fiscal year ended September 30, 2025 and are funded by the Fire/Rescue Fund. This excludes the Retiree Health Insurance Subsidy Program defined benefit pension plan contributions.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2025, the City reported a liability of $8,038,083 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. At June 30, 2025, the City's proportionate share was .0258%, which was an increase of .0011% from its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2025 the City recognized pension expense of $ 1,004,121 related to the FRS Pension Plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 858,552	$ -
Change of assumptions	933,430	-
Net difference between projected and actual earnings on FRS Pension Plan investments	-	(1,342,039)
Changes in proportion and differences between City's FRS Pension Plan contributions and proportionate share of FRS Pension Plan contributions	788,000	(102,535)
City's FRS Pension Plan contributions subsequent to the measurement date	370,071	-
Total	$ 2,950,053	$ (1,444,574)

Note 12 - Defined Benefit Pension Plan (continued)

The deferred outflows of resources related to pensions, totaling $ 370,071, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,		Amount
2026	$	1,459,405
2027		(5,453)
2028		(138,335)
2029		(180,209)
Total	$	1,135,408

Actuarial Assumptions - The total pension liability in the July 1, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	July 1, 2025
Measurement date	June 30, 2025
Inflation	2.40%
Salary increases including inflation	3.50%
Mortality	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2021
Actuarial cost method	Individual Entry Age
Long-term expected rate of return, net of investment expense	6.70%

(1) The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The actuarial assumptions that determined the total pension liability as of June 30, 2025 were based on the results of an actuarial experience study completed in 2019 for the period July 1, 2018 through June 30, 2023. The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption.

Note 12 - Defined Benefit Pension Plan (continued)

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

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.2%	3.2%	1.1%
Fixed income	29.0%	5.5%	5.4%	4.0%
Global equity	45.0%	8.5%	6.9%	18.3%
Real estate	12.0%	8.4%	7.1%	16.8%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.5%	6.1%	8.7%
Total	100.0%			
Assumed inflation - mean			2.4%	1.5%

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

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.7%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.7%) or 1-percentage-point higher (7.7%) than the current rate:

	1% Decrease (5.7%)	Current Discount Rate (6.7%)	1% Increase (7.7%)
City's proportionate share of net pension liability	$ 15,774,614	$ 8,038,083	$ 1,551,887

Retiree Health Insurance Subsidy Program

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

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the HIS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, by calling (877) 377-1737 or by visiting the website: http://www.dms.myflorida.com/workforce_operations/retirement/publications.

Note 12 - Defined Benefit Pension Plan (continued)

Benefits Provided - For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by $ 7.50. The payments are at least $ 45 but not more than $ 225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Program benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions - The HIS Program is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. The HIS contribution was 2.00% for the periods October 1, 2024 through June 30, 2025 and July 1, 2025 through September 30, 2026. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Program contributions are deposited in a separate trust fund from which payments are authorized. HIS Program benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City's contributions to the HIS Program totaled $106,656 for the fiscal year ended September 30, 2025 and are funded by the Fire/Rescue Fund.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2025, the City reported a net pension liability of $ 1,495,025 for its proportionate share of the HIS Program's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. At June 30, 2025, the City's proportionate share was .0117%, which was an increase of .0005% from its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2025, the City recognized a pension expense of $ 70,824 related to the HIS Program. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 8,924	$ (2,372)
Change of assumptions	13,233	(361,608)
Net difference between projected and actual earnings on HIS Program pension plan investments	-	(1,244)
Changes in proportion and differences between City's HIS Program contributions proportionate share of HIS Program contributions	156,440	(38,589)
City's HIS Program contributions subsequent to the measurement date.	23,453	-
Total	$ 202,050	$ (403,813)

The deferred outflows of resources related to pensions, totaling $23,453, resulting from City contributions to the HIS Program subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026.

Note 12 - Defined Benefit Pension Plan (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,		Amount
2026	$	(32,926)
2027		(61,033)
2028		(61,526)
2029		(43,752)
2030		(25,979)
Total	$	(225,216)

Actuarial Assumptions - The total pension liability in the July 1, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	July 1, 2025
Measurement date	June 30, 2025
Inflation	2.40%
Salary increases including inflation	3.50%
Mortality	Generational PUB-2010 with Projection Scale MP-2021
Actuarial cost method	Individual Entry Age
Discount rate	5.20%

(1) In general, the discount rate for calculating the total pension liability under GASB 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference.

The following changes in actuarial assumptions occurred in 2025: The municipal bond rate used to determine total pension liability was increased from 3.93% to 5.20%.

The actuarial assumptions used in the 2025 valuation were based on the results of an actuarial experience study completed in 2019 for the period July 1, 2018 through June 30, 2023.

Note 12 - Defined Benefit Pension Plan (continued)

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 5.20%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.20%) or 1-percentage-point higher (6.20%) than the current rate:

	1% Decrease 4.20%	Current Discount Rate 5.20%	1% Increase 6.20%
City's proportionate share of net pension liability	$ 1,685,881	$ 1,495,025	$ 1,334,957

Aggregate amounts for all plans -

	FRS Pension Plan	HIS FRS Plan	Total
Net pension liability	$ 8,038,083	$ 1,495,025	$ 9,533,108
Deferred outflows of resources	$ 2,950,053	$ 202,050	$ 3,152,103
Deferred inflows of resources	$ 1,444,574	$ 403,813	$ 1,848,387
Pension expense	$ 1,004,121	$ 70,824	$ 1,074,945

Note 13 - FRS - Defined Contribution Pension Plan

The City contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida’s Annual Comprehensive Financial Report. Service retirement benefits are based upon the value of the member's account upon retirement.

Eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Special Risk Class), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

Allocations to the investment member's accounts during the 2025 fiscal year were 19.00%.

Note 13 - FRS - Defined Contribution Pension Plan (continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance.

Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of payroll and by forfeited benefits of Investment Plan members. The fee for the FRS Investment Plan was .06 percent.

After termination and applying to receive benefits, the member may roll over vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The City's Investment Plan pension expense totaled $ 104,342 for the fiscal year ended September 30, 2025.

Note 14 - Other Post-Employment Benefits

Pursuant to Section 112.0801, Florida Statutes, the City is required to offer eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. The City does not provide retirees with any subsidy for this benefit and the retiree must pay an amount determined by the insurance provider. Due to this fact and the cost associated with same, the City has not had any retirees on the Plan over the last several years. Therefore, a current portion of the OPEB liability has not been recorded.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Although the valuation results are based on values the actuarial consultant believes are reasonable assumptions, the valuation result is only an estimate of what future costs may actually be and reflect a long-term perspective. Deviations in any of several factors, such as future interest rate discounts, medical cost inflation, Medicare coverage risk, and changes in marital status, could result in actual costs being greater or less than estimated.

Note 14 - Other Post-Employment Benefits (continued)

Plan Description:

The City provides a single employer defined benefit health care plan (OPEB plan). The plan allows its employees and their beneficiaries, at their own cost and until the attainment of age 65, to continue to obtain medical, dental, vision, and life insurance benefits upon retirement under the same fully insured plan that covers active employees. No explicit subsidy is provided to retirees. The benefits of the plan conform to Florida Statutes, which are the legal authority of the plan. The plan has no assets accumulated in a GASB-compliant trust. The plan does not issue a separate financial report and required supplementary information. There are no minimum required employer contributions. The OPEB plan is funded on a pay-as-you-go basis and does not have a legally enforceable payment schedule; therefore, no portion is due within one year and the entire liability is reported as long-term. At September 30, 2025, the following employees were covered by benefit terms:

Inactive employee or beneficiaries currently receiving benefits	-
Inactive employee entitled to, not yet receiving benefits	-
Active employees	162
	162

Actuarial Assumptions

Significant actuarial assumptions used to calculate the total OPEB liability were as follows:

Measurement date	September 30, 2024
Actuarial valuation date	October 1, 2023
Actuarial assumptions:	
Discount rates	4.06% per year; this rate was used to discount all future benefit payments and is based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date.
Salary increases	3% per year
Healthcare cost trend rates	Increases in healthcare costs are assumed to be 8.00% for the 2023/24 fiscal year graded down by 0.50% per year to 5.00% for the 2029/30 and later fiscal years.
Age-related morbidity	Insurance premiums are assumed to increase with each year of age in accordance with the rates set forth in the Society of Actuaries report "Health Care Costs - From Birth to Death" prepared by Dale H. Yamamoto (June, 2013). Rates set forth in Chart 2 (Group Costs by Age for 2009/10) were used to develop the morbidity rates prior to age 65 and the rates set forth in Table 4 (Development of Plan Specific Medicare Age Curve) were used to develop the morbidity rates after age 65.
Mortality basis	Sex-distinct rates set forth in the PUB-2010 Mortality Table (without income adjustments) for general and public safety employees, with full generational improvements in mortality using Scale MP-2020.

Note 14 - Other Post-Employment Benefits (continued)

Retirement	Retirement is assumed to occur at age 60.
Health coverage election	50% of eligible employees are assumed to elect medical coverage upon retirement or disability; coverage is assumed to end at age 65.
Changes	Since the prior measurement date, the discount rate was decreased from 4.91% per annum to 4.06% per annum.

Changes in Total OPEB Liability

Sources of changes in the total OPEB liability were as follows:

	Total OPEB Liability
Beginning balance	$ 5,282,737
Changes due to:	
Service cost	620,729
Expected interest growth	235,526
Demographic gain/loss	(1,189,919)
Benefit payments and refunds	(206,734)
Assumption changes	743,232
Ending balance	$ 5,485,571

Other post-employment benefit obligations are liquidated by the General Fund and the Utilities Fund.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.06%) or 1-percentage-point higher (5.06%) than the current discount rate:

1% Decrease (3.06%)	Current Discount Rate (4.06%)	1% Increase (5.06%)
$ 6,057,321	$ 5,485,571	$ 4,981,196

Sensitivity of the Total OPEB Liability Using Alternative Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total 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 (7.00% decreasing to 4%)	Healthcare Cost Trend Rated (8.00% Graded Down to 5%)	1% Increase (9.00% Decreasing to 6%)
$ 4,779,096	$ 5,485,571	$ 6,349,717

Note 14 - Other Post-Employment Benefits (continued)

OPEB Expense and Deferred Outflows/Inflows of Resources

At September 30, 2025, the City reported deferred outflows/inflows of resources from the following sources:

		Deferred Outflows of Resources		Deferred Inflows of Resources
Balance at September 30, 2024:	$	2,919,972	$	(3,579,180)
Changes to:				
Amortization payments		(505,498)		488,525
Demographic gain/loss		-		(1,189,919)
Assumption		743,232		-
Balance at September 30, 2025:	$	3,157,706	$	(4,280,574)

Amounts reported as deferred inflows and outflows of resources will be recognized as OPEB expense as follows:

Year Ending September 30,		Amount
2026		16,973
2027		16,973
2028		16,973
2029		16,973
2030		(7,098)
Thereafter		(1,183,662)
Total	$	(1,122,868)

For the year ended September 30, 2025, the City recognized OPEB expense of $ 666,494.

Note 15 - Commitments and Contingencies

Interlocal agreement: The Utilities Fund is a party to a large user agreement with Broward County (the "County") for wastewater disposal. The City is responsible for all construction, operation and maintenance of facilities up to the point of connection with the County system. Under the agreement, the City pays the County for wastewater transmission, treatment and disposal services on a monthly basis. The monthly charges include operation and maintenance, repair and replacement and debt service. The charges for operation and maintenance are based on actual flow and debt service charges are computed based on the ratio of reserved capacity of facility usage by the City to the total usage by all customers or users. The County imposes a penalty charge to customers exceeding their reserved treatment capacity for three consecutive months. During fiscal year 2003, the City purchased .4 MGD of additional sanitary sewer capacity from Broward County to avoid any such penalties. In addition, a surcharge, limited to a maximum of 10% on each monthly bill, is assessed in order to contribute to a repair and replacement fund maintained by the County. Expenditures totaled approximately $ 3,860,000 related to the agreement for the fiscal year ended September 30, 2025.

Note 15 - Commitments and Contingencies (continued)

Agreement to provide police services: The City has an agreement with BSO to provide police services to the City through September 2026. The agreement requires monthly payments with increases up to 5% and 9% per year, for certain categories of expenses, through the end of the agreement. Under the agreement, BSO has assumed the obligation for accrued compensated absences relating to police officers of the City as of the effective date of the agreement and will administer and make retirement plan contributions on behalf of such employees. See Note 7 for assets transferred to BSO under the agreement. Expenditures totaled approximately $ 14,505,732 related to the agreement for the fiscal year ended September 30, 2025.

Agreement to provide utilities plant services: The City has an agreement with U.S. Water Services Corporation to provide operation and maintenance services for the City's Utilities plant and also to provide customer utility billing services. The agreement commenced January 1, 2014 for a term of five (5) years with an option for one (1) five (5) year renewal. The agreement provides for monthly payments with annual increases up to 5% per year and for the payment of certain categories of expenses. City expenditures totaled approximately $ 2,072,000 related to the agreement for the fiscal year ended September 30, 2025.

Construction commitments: At September 30, 2025, the City had in progress various uncompleted construction projects. The significant projects that are ongoing as of September 30, 2025 are as follows:

Project	Incurred To Date	Remaining Commitment
Fire station 44 Storage Room	$ -	$ 211,327
Roof replacement - City Hall and Champions Hall	1,523,676	132,321
Highland Park South Field - artificial turf	-	584,543
Total	$ 1,523,676	$ 928,191

Litigation: The City is a defendant in various lawsuits incidental to its operations. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City Attorney that resolution of these matters will not have a material adverse effect on the financial condition of the City.

Note 16 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 1995, the City established an Insurance Internal Service Fund (the "Insurance Fund") to account for and finance its insurance costs and uninsured risks of loss. Under the current program provided by the Florida Municipal Insurance Trust, the Insurance Fund purchases commercial insurance coverage for workers' compensation, general liability, cyber liability, auto liability/physical damage and property damage. Deductibles vary from $ 1,000 up to $ 25,000 dependent upon the type of damage incurred. Workers' compensation coverage does not require a deductible, and the entire allowable amount of each claim is covered under the policy.

Note 16 - Risk Management (continued)

Settled claims did not exceed this commercial coverage during the last three fiscal years.

All funds, except certain special revenue, debt service and capital projects funds, of the City participate in the program and make payments to the Insurance Fund based on management's estimate of amounts needed to pay the full cost of commercial insurance premiums, current year claims and payments to a reserve for catastrophic losses. The total net position balance was $ 2,538,335 at September 30, 2025. A liability for claims incurred but not reported is recognized when it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. Changes in the Insurance Fund's claims liability are as follows:

Fiscal Year Ended September 30,	Balance at Beginning of Fiscal Year	Claims and Changes in Estimates	Claim Payments	Balance at End of Fiscal Year
2022	$ 238,560	$ 64,993	$ (668)	$ 302,885
2023	302,885	39,985	-	342,870
2024	342,870	45,630	(204,000)	184,500
2025	184,500	134,136	(43,636)	275,000

Note 17 - Lease Receivable

The City adopted GASB Statement No. 87, *Leases*, in fiscal year 2022. The primary objective of this statement 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.

The City is reporting lease receivables of $ 6,884,170 at September 30, 2025. The lease receivables are measured as the present value of the future minimum rent payments expected to be received during the lease term at a discounted rate. For the year ended September 30, 2025, the City reported lease revenue of approximately $ 1,118,000 and interest revenue of approximately $ 223,000 related to lease payments received. The leases are for a building and land within the City.

As of September 30, 2025, future base minimum lease payments expected to be received are as follows:

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	1,101,707	190,754	1,292,461
2027	988,094	159,266	1,147,360
2028	1,023,415	129,481	1,152,896
2029	1,060,803	97,876	1,158,679
2030-2034	1,302,287	272,694	1,574,981
2035-2039	841,138	163,656	1,004,794
2040-2044	486,695	44,434	531,129
2045	80,031	1,470	81,501
	$ 6,884,170	$ 1,059,631	$ 7,943,801

Note 18 - Pronouncements Issued, But Not Yet Adopted

The GASB has issued several Statements not yet implemented by the City. The Statements which might impact the City are as follows:

Statement No. 103 - Financial Reporting Model Improvements, was issued in April 2024. The Statement requires improving key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The Statement also addresses certain application issues. The provisions of this Statement are effective for fiscal year ending September 30, 2026.

Statement No. 104 - Disclosure of Certain Capital Assets, was issued in September 2024. The Statement requires users of government financial statements be provided with essential information about certain types of capital assets. The Statement also requires certain types of capital assets be disclosed separately in the capital assets note disclosures. The provisions of this Statement are effective for fiscal years ending September 30, 2026.

Statement No. 105, Subsequent Events. The objective of this statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026. For the City, this Statement is effective for the fiscal year ending September 30, 2027.

The City's management has not yet determined the effect these Statements will have on the City's financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

City of North Lauderdale, Florida
Required Supplementary Information
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Seven Years*
(Unaudited)

	2025	2024	2023	2022	2021	2020	2019
Total OPEB liability:							
Beginning balance	$ 5,282,737	$ 5,777,638	$ 7,841,883	$ 6,348,681	$ 4,954,084	$ 1,875,404	$ 1,428,116
Service cost	620,729	515,911	572,474	858,912	675,172	463,266	175,401
Expected interest growth	235,526	308,710	396,773	172,176	118,185	80,208	57,076
Demographic experience	(1,189,919)	(1,044,129)	(1,387,701)	322,083	(27,823)	(35,978)	(232,802)
Benefit payments and refunds	(206,734)	(206,367)	(194,792)	(245,780)	(214,290)	(198,173)	(71,654)
Assumption changes	743,232	(69,026)	(1,450,999)	385,811	843,353	2,769,357	519,267
Ending balance	$ 5,485,571	$ 5,282,737	$ 5,777,638	$ 7,841,883	$ 6,348,681	$ 4,954,084	$ 1,875,404
Covered-employee payroll	$ 11,034,641	$ 9,636,386	$ 9,848,368	$ 9,341,368	$ 8,740,642	$ 7,923,805	$ 7,082,248
Total OPEB liability as a percentage of covered-employee payroll	49.71%	54.82%	58.67%	83.95%	72.63%	62.52%	26.48%

Notes:

Since the prior measurement date, the discount rate was decreased from 4.91% per annum to 4.06% per annum.

Plan Assets. No assets are accumulated in a trust that meets all of the criteria of GASB No 75, paragraph 4, to pay benefits.

* Information is only available for the years presented.

City of North Lauderdale, Florida
Required Supplementary Information
Schedule of Proportionate Share of Net Pension Liability - Defined Benefit Pension Plan
Last Ten Fiscal Years
(Unaudited)

Florida Retirement System Pension Plan (FRS)

Measured as of June 30:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's proportion of the FRS Pension Plan net pension liability	0.025899948%	0.024734122%	0.022569243%	0.022664881%	0.021801062%	0.024165233%	0.022711581%	0.023110300%	0.023706399%	0.023071422%
City's proportionate share of the FRS Pension Plan net pension liability	$ 8,038,083	$ 9,568,322	$ 8,993,129	$ 8,433,157	$ 1,646,822	$ 10,473,568	$ 7,821,552	$ 6,960,948	$ 7,012,194	$ 5,825,552
City's covered payroll	$ 5,332,810	$ 4,803,977	$ 4,322,186	$ 4,210,546	$ 3,817,156	$ 3,486,722	$ 2,984,586	$ 3,160,692	$ 3,066,064	$ 2,825,316
City's proportionate share of the FRS Pension Plan net pension liability as a percentage of its covered payroll	150.73%	199.18%	208.07%	200.29%	43.14%	300.38%	262.06%	220.23%	228.70%	206.19%
FRS Pension Plan fiduciary net position as a percentage of total pension liability	87.26%	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%

Retiree Health Insurance Subsidy Program (HIS)

Measured as of June 30:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's proportion of the HIS Pension Plan net pension liability	0.011663984%	0.011160425%	0.010909786%	0.011553755%	0.010783070%	0.010045223%	0.009551533%	0.009677062%	0.009619112%	0.009294624%
City's proportionate share of the HIS Pension Plan net pension liability	$ 1,495,025	$ 1,674,173	$ 1,732,619	$ 1,223,727	$ 1,322,706	$ 1,226,505	$ 1,068,721	$ 1,024,231	$ 1,028,520	$ 1,083,250
City's covered payroll	$ 5,332,810	$ 4,803,977	$ 4,322,186	$ 4,210,546	$ 3,817,156	$ 3,486,722	$ 2,984,586	$ 3,160,692	$ 3,066,064	$ 2,825,316
City's proportionate share of the HIS Pension Plan net pension liability as a percentage of its covered payroll	28.03%	34.85%	40.09%	29.06%	34.65%	35.18%	35.81%	32.41%	33.55%	38.34%
HIS Pension Plan fiduciary net position as a percentage of total pension liability	6.36%	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

City of North Lauderdale, Florida
Required Supplementary Information
Schedule of Pension Contributions - Defined Benefit Pension Plan
Last Ten Fiscal Years
(Unaudited)

Florida Retirement System Pension Plan (FRS)

As of September 30:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required FRS Pension contributions	$ 1,556,407	$ 1,383,009	$ 1,113,226	$ 914,463	$ 831,766	$ 781,705	$ 698,892	$ 689,004	$ 644,805	$ 601,955
FRS Pension Plan contributions in relation to the contractually required contributions	(1,556,407)	(1,383,009)	(1,113,226)	(914,463)	(831,766)	(781,705)	(698,892)	(689,004)	(644,805)	(601,955)
FRS Pension Plan contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 5,332,810	$ 4,639,343	$ 4,385,358	$ 4,109,823	$ 3,896,731	$ 3,572,278	$ 3,026,058	$ 3,142,626	$ 3,065,005	$ 2,938,839
FRS Pension Plan contributions as a percentage of covered payroll	29.19%	29.81%	25.39%	22.25%	21.35%	21.88%	23.10%	21.92%	21.04%	20.48%

Retiree Health Insurance Subsidy Program (HIS)

As of September 30:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required HIS Program contributions	106,656	$ 96,080	$ 76,115	$ 68,221	$ 64,685	$ 59,300	$ 50,232	$ 52,168	$ 50,879	$ 48,785
HIS Program contributions in relation to the contractually required contributions	(106,656)	(96,080)	(76,115)	(68,221)	(64,685)	(59,300)	(50,232)	(52,168)	(50,879)	(48,785)
HIS Program contribution deficiency (excess)	-	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's covered payroll	5,332,810	$ 4,639,343	$ 4,385,358	$ 4,109,823	$ 3,896,731	$ 3,572,278	$ 3,026,058	$ 3,142,626	$ 3,065,005	$ 2,938,839
HIS Program contributions as a percentage of covered payroll	2.00%	2.07%	1.74%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%

OTHER SUPPLEMENTARY INFORMATION

City of North Lauderdale, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget to Actual - General Fund
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Property taxes	$ 17,600,000	$ 17,600,000	$ 17,824,191	$ 224,191
Utility service taxes	4,000,000	4,000,000	4,562,385	562,385
Franchise taxes	3,370,000	3,370,000	3,655,986	285,986
Intergovernmental	16,383,654	16,383,654	8,569,672	(7,813,982)
Charges for services	6,549,221	6,549,221	5,538,190	(1,011,031)
Fines and forfeitures	428,500	428,500	498,959	70,459
Licenses and permits	1,775,300	1,775,300	1,866,953	91,653
Interest income	1,100,000	1,100,000	3,438,410	2,338,410
Other revenues	1,471,800	1,471,800	1,435,475	(36,325)
Total revenues	52,678,475	52,678,475	47,390,221	(5,288,254)
Expenditures:				
Departmental:				
City Commission	1,078,913	1,078,913	1,093,178	(14,265)
City Manager	790,795	790,795	775,957	14,838
City Attorney	555,645	555,645	414,642	141,003
City Clerk	436,724	436,724	252,626	184,098
Human Resources	860,230	860,230	678,044	182,186
Finance	1,594,814	1,594,814	1,382,019	212,795
Public safety	15,306,659	15,306,659	15,069,528	237,131
Public Works	12,957,948	12,957,948	4,914,782	8,043,166
Parks and Recreation	6,658,606	6,658,606	5,803,973	854,633
Capital outlay	2,856,375	2,856,375	1,857,033	999,342
Community Development	4,635,983	4,635,983	4,263,425	372,558
Total departmental	47,732,692	47,732,692	36,505,207	11,227,485
Nondepartmental:				
General Fund nondepartmental	6,177,936	6,177,936	4,061,412	2,116,524
Total expenditures	53,910,628	53,910,628	40,566,619	13,344,009
Excess (deficiency) of revenues over (under) expenditures	(1,232,153)	(1,232,153)	6,823,602	8,055,755
Other Financing Sources (Uses):				
Use of fund balance	9,484,798	9,484,798	-	(9,484,798)
Transfers out	(6,155,910)	(6,155,910)	(6,155,910)	-
Total other financing sources (uses)	3,328,888	3,328,888	(6,155,910)	(9,484,798)
Net change in fund balance	$ 2,096,735	$ 2,096,735	667,692	$ (1,429,043)
Fund Balance, Beginning			64,653,697	
Fund Balance, Ending			$ 65,321,389	

City of North Lauderdale, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget to Actual - Special Revenue Fund - Fire/Rescue Fund
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues:				
Licenses and permits	$ 16,000	$ 16,000	$ 10,955	$ (5,045)
Intergovernmental	19,920	19,920	35,404	15,484
Charges for services	1,220,500	1,220,500	2,142,098	921,598
Special assessments	6,612,770	6,612,770	6,743,000	130,230
Interest income	15,000	15,000	79,745	64,745
Operating grants and contribution	93,750	93,750	-	(93,750)
Other revenues	10,000	10,000	16,940	6,940
Total revenues	7,987,940	7,987,940	9,028,142	1,040,202
Expenditures:				
Public safety:				
Operating division	9,685,277	9,685,277	9,965,705	(280,428)
Administrative	1,813,235	1,813,235	1,954,091	(140,856)
Non-Departmental	676,170	676,170	272,670	403,500
Capital outlay	155,000	155,000	308,500	(153,500)
Total expenditures	12,329,682	12,329,682	12,500,966	(171,284)
Excess (deficiency) of revenues over (under) expenditures	(4,341,742)	(4,341,742)	(3,472,824)	868,918
Other Financing Sources (Uses):				
Use of fund balance	450,000	450,000	-	(450,000)
Transfers in	3,891,742	3,891,742	3,891,742	-
Total other financing sources (uses)	4,341,742	4,341,742	3,891,742	(450,000)
Net change in fund balance	$ -	$ -	418,918	$ 418,918
Fund Balance, Beginning			2,425,214	
Fund Balance, Ending			$ 2,844,132	

City of North Lauderdale, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget to Actual - Special Revenue Fund - North Lauderdale Water Control District Fund
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues:				
Special assessments	$ 1,127,720	$ 1,127,720	$ 1,135,280	$ 7,560
Interest income	60,000	60,000	98,109	38,109
Total revenues	1,187,720	1,187,720	1,233,389	45,669
Expenditures:				
Public works:				
Contractual services	1,898,888	1,898,888	870,482	1,028,406
Excess (deficiency) of revenues over (under) expenditures	(711,168)	(711,168)	362,907	1,074,075
Other Financing Sources:				
Use of fund balance	600,000	600,000	-	(600,000)
Transfers in	111,168	111,168	111,168	-
Total other financing sources (uses)	711,168	711,168	111,168	(600,000)
Net change in fund balance	$ -	$ -	474,075	$ 474,075
Fund Balance, Beginning			3,963,201	
Fund Balance, Ending			$ 4,437,276	

City of North Lauderdale, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget to Actual - Special Revenue Fund - Transportation Surtax Fund
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	**Final**	**Amounts**	**Final Budget**
Revenues:				
Intergovernmental	$ 11,955,297	$ 11,955,297	$ 513,648	$ (11,441,649)
Expenditures:				
Community development	420,630	420,630	434,002	(13,372)
Other operating expenses	2,914,575	2,914,575	-	2,914,575
Public works	2,600,000	2,600,000	-	2,600,000
Capital Outlay	6,040,092	6,040,092	75,990	5,964,102
Total expenditures	11,975,297	11,975,297	509,992	11,465,305
Excess (deficiency) of revenues over (under) expenditures	(20,000)	(20,000)	3,656	23,656
Other Financing Sources:				
Transfers in	20,000	20,000	20,000	-
Total other financing sources (uses)	20,000	20,000	20,000	-
Net change in fund balance	$ -	$ -	23,656	$ 23,656
Fund Balance (Deficit), Beginning			(19,751)	
Fund Balance, Ending			$ 3,905	

City of North Lauderdale, Florida

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for resources legally restricted for the financing of particular activities or projects.

Street Maintenance Fund - This fund is used to account for street and sidewalk maintenance and rehabilitation programs.

Law Enforcement Fund - This fund is used to account for assets acquired pursuant to the “Florida Contraband Forfeiture Act.” Proceeds may only be expended for law enforcement purposes that are not considered to be normal operating expenditures.

Grants Fund - This fund is used to account for various Federal, State and local grants awarded to the City.

Solid Waste Fund - The fund is used to separately account for the revenues and expenditures associated with the provision of solid waste collection and disposal services.

City of North Lauderdale, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025

	Special Revenue Funds				Total
	Street Maintenance Fund	**Law Enforcement Fund**	**Grants Fund**	**Solid Waste Fund**	**Total Nonmajor Governmental Funds**
Assets:					
Cash and equity in pooled cash	$ 2,844,368	$ 237,115	$ -	$ 838,949	$ 3,920,432
Accounts receivable	61,324	32,926	265,529	-	359,779
Total assets	$ 2,905,692	$ 270,041	$ 265,529	$ 838,949	$ 4,280,211
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable and accrued liabilities	$ 39,483	$ -	$ 190,656	$ 326,026	$ 556,165
Fund Balances:					
Restricted for:					
Street maintenance	2,866,209	-	-	-	2,866,209
Law enforcement	-	270,041	-	-	270,041
Solid waste		-	-	512,923	512,923
Grants	-	-	74,873	-	74,873
Total fund balances	2,866,209	270,041	74,873	512,923	3,724,046
Total liabilities and fund balances	$ 2,905,692	$ 270,041	$ 265,529	$ 838,949	$ 4,280,211

City of North Lauderdale, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Special Revenue Funds				
	Street Maintenance Fund	**Law Enforcement Fund**	**Grants Fund**	**Solid Waste Fund**	**Total Nonmajor Governmental Funds**
Revenues:					
Intergovernmental	$ 1,237,596	$ -	$ 242,090	$ -	$ 1,479,686
Fines and forfeitures	-	59,722	-	-	59,722
Special assessments	-	-	-	3,836,384	3,836,384
Other revenue	-	-	-	147,061	147,061
Interest income	45,075	3,897	-	51,858	100,830
Total revenues	1,282,671	63,619	242,090	4,035,303	5,623,683
Expenditures:					
Current:					
Public works	892,331	-	-	3,940,380	4,832,711
Community development	-	-	242,089	-	242,089
Capital outlay	122,954	-	-	-	122,954
Total expenditures	1,015,285	-	242,089	3,940,380	5,197,754
Other Financing Sources:					
Transfers in	-	-	-	418,000	418,000
Net change in fund balances	267,386	63,619	1	512,923	843,929
Fund Balances, Beginning	2,598,823	206,422	74,872	-	2,880,117
Fund Balances, Ending	$ 2,866,209	$ 270,041	$ 74,873	$ 512,923	$ 3,724,046

City of North Lauderdale, Florida

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost reimbursement basis.

Vehicle Maintenance Fund - This fund is used to account for accumulation and allocation of costs associated with the acquisition and maintenance of the City's vehicle fleet and the maintenance of light and heavy equipment.

Information Technology Fund - This fund is used to account for the accumulation and allocation of costs associated with electronic data processing.

Insurance Fund - This fund is used to account for the accumulation and allocation of costs associated with, but not limited to, general liability, automobile, property and workers' compensation premiums.

City of North Lauderdale, Florida
Combining Statement of Net Position
Internal Service Funds
Septermber 30, 2025

	Vehicle Maintenance Fund	Information Technology Fund	Insurance Fund	Total
Assets:				
Current Assets:				
Cash and equity in pooled cash	$ 129,971	$ 306,491	$ 41,617	$ 478,079
Investments	1,174,857	2,353,527	3,268,428	6,796,812
Total current assets	1,304,828	2,660,018	3,310,045	7,274,891
Capital Assets:				
Improvements other than buildings	-	72,933	-	72,933
Machinery, equipment, furnishings and other	-	1,977,368	-	1,977,368
Less accumulated depreciation	-	(874,103)	-	(874,103)
Net capital assets	-	1,176,198	-	1,176,198
Total assets	$ 1,304,828	$ 3,836,216	$ 3,310,045	$ 8,451,089
Liabilities and Net Position:				
Liabilities:				
Current Liabilities:				
Accounts payable and other liabilities	$ 8,588	$ 83,832	$ 771,710	$ 864,130
Compensated absences	-	18,673	-	18,673
Total current liabilities	8,588	102,505	771,710	882,803
Long-Term Liabilities:				
Compensated absences	-	106,921	-	106,921
Total liabilities	8,588	209,426	771,710	989,724
Net Position:				
Investment in capital assets	-	1,176,198	-	1,176,198
Unrestricted	1,296,240	2,450,592	2,538,335	6,285,167
Total net position	$ 1,296,240	$ 3,626,790	$ 2,538,335	$ 7,461,365

City of North Lauderdale, Florida
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended September 30, 2025

	Vehicle Maintenance Fund	Information Technology Fund	Insurance Fund	Total
Operating Revenues:				
Charges for services	$ 84,300	$ 2,054,554	$ 1,435,341	$ 3,574,195
Operating Expenses:				
Personnel	-	743,902	-	743,902
Other operating expenses	185,337	1,172,047	2,212,127	3,569,511
Depreciation	-	83,461	-	83,461
Total operating expenses	185,337	1,999,410	2,212,127	4,396,874
Operating income (loss)	(101,037)	55,144	(776,786)	(822,679)
Nonoperating Revenues:				
Interest income	55,369	124,496	155,846	335,711
Intergovernmental	-	24,893	-	24,893
Insurance recovery	-	-	3,625	3,625
Total nonoperating revenues	55,369	149,389	159,471	364,229
Change in net position	(45,668)	204,533	(617,315)	(458,450)
Net Position, Beginning	1,341,908	3,422,257	3,155,650	7,919,815
Net Position, Ending	$ 1,296,240	$ 3,626,790	$ 2,538,335	$ 7,461,365

City of North Lauderdale, Florida
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2025

	Vehicle Maintenance Fund	Information Technology Fund	Insurance Fund	Total
Cash Flows from Operating Activities:				
Receipts from customers, users and other	$ 84,300	$ 2,054,554	$ 1,435,341	$ 3,574,195
Payments to suppliers	(179,189)	(1,188,141)	(1,660,963)	(3,028,293)
Payments to employees	-	(768,523)	-	(768,523)
Net cash provided by (used in) operating activities	(94,889)	97,890	(225,622)	(222,621)
Cash Flows From Non-Capital and Related Financing Activities:				
Intergovernmental	-	24,893	-	24,893
Net cash provided by noncapital and related financing activities	-	24,893	-	24,893
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets, net	-	(78,129)	-	(78,129)
Proceeds from sale of capital asset	-	59,731	-	59,731
Insurance recovery	-	-	3,625	3,625
Net cash provided by (used in) capital and related financing activities	-	(18,398)	3,625	(14,773)
Cash Flows from Investing Activities:				
Purchase of investments	(52,482)	(105,134)	(561,091)	(718,707)
Sale of investments	-	-	662,992	662,992
Interest received	55,369	124,496	155,846	335,711
Net cash provided by investing activities	2,887	19,362	257,747	279,996
Net increase (decrease) in cash and equity in pooled cash	(92,002)	123,747	35,750	67,495
Cash and Equity in Pooled Cash, Beginning	221,973	182,744	5,867	410,584
Cash and Equity in Pooled Cash, Ending	$ 129,971	$ 306,491	$ 41,617	$ 478,079

City of North Lauderdale, Florida
Combining Statement of Cash Flows
Internal Service Funds
(Continued)
For the Year Ended September 30, 2025

	Vehicle Maintenance Fund	Information Technology Fund	Insurance Fund	Total
Reconciliation of Operating Income (Loss) to Net Cash Used In Operating Activities:				
Operating income (loss)	$ (101,037)	$ 55,144	$ (776,786)	$ (822,679)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:				
Depreciation	-	83,461	-	83,461
Accounts payable and other liabilities	6,148	(16,094)	551,164	541,218
Compensated absences	-	(24,621)	-	(24,621)
Total adjustments	6,148	42,746	551,164	600,058
Net cash provided by (used in) operating activities	$ (94,889)	$ 97,890	$ (225,622)	$ (222,621)

City of North Lauderdale, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Street Maintenance Fund
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	**Final**	**Amounts**	**Final Budget**
Revenues:				
Intergovernmental	$ 1,290,000	$ 1,290,000	$ 1,237,596	$ (52,404)
Interest income	25,000	25,000	45,075	20,075
Total revenues	1,315,000	1,315,000	1,282,671	(32,329)
Expenditures:				
Public works	$ 1,153,915	1,153,915	892,331	261,584
Capital outlay	4,000,000	4,000,000	122,954	3,877,046
Total expenditures	5,153,915	5,153,915	1,015,285	4,138,630
Excess (deficiency) of revenues over (under) expenditures	(3,838,915)	(3,838,915)	267,386	4,106,301
Other Financing Sources (Uses):				
Use of fund balance	3,838,915	3,838,915	-	(3,838,915)
Net change in fund balance	$ -	$ -	267,386	$ 267,386
Fund Balance, Beginning			2,598,823	
Fund Balance, Ending			$ 2,866,209	

City of North Lauderdale, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Capital Projects Fund
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	**Final**	**Amounts**	**Final Budget**
Revenues:				
Intergovernmental	$ 288,000	$ 288,000	$ -	$ (288,000)
Interest income	60,000	60,000	676,195	616,195
Total revenues	348,000	348,000	676,195	328,195
Expenditures:				
Parks and recreation	565,000	565,000	-	565,000
Capital outlay	6,237,701	6,237,701	3,075,841	3,161,860
Total expenditures	6,802,701	6,802,701	3,075,841	3,726,860
Excess (deficiency) of revenues over (under) expenditures	(6,454,701)	(6,454,701)	(2,399,646)	4,055,055
Other Financing Sources (Uses):				
Use of fund balance	5,739,701	5,739,701	-	(5,739,701)
Transfers in	715,000	715,000	715,000	-
Total other financing sources (uses)	6,454,701	6,454,701	715,000	(5,739,701)
Net change in fund balance	$ -	$ -	(1,684,646)	$ (1,684,646)
Fund Balance, Beginning			21,050,848	
Fund Balance, Ending			$ 19,366,202	

City of North Lauderdale, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Solid Waste Fund
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues:				
Interest income	$ -	$ -	$ 51,858	$ 51,858
Miscellaneous	147,000	147,000	147,061	61
Special assessments	3,778,100	3,778,100	3,836,384	58,284
Total revenues	3,925,100	3,925,100	4,035,303	110,203
Expenditures:				
Public works	4,014,270	4,342,836	3,940,380	402,456
Total expenditures	4,014,270	4,342,836	3,940,380	402,456
Excess (deficiency) of revenues over (under) expenditures	(89,170)	(417,736)	94,923	512,659
Other Financing Sources (Uses):				
Transfers in	105,000	418,000	418,000	-
Total other financing sources (uses)	105,000	418,000	418,000	-
Net change in fund balance	$ 15,830	$ 264	512,923	$ 512,659
Fund Balance, Beginning			-	
Fund Balance, Ending			$ 512,923	

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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City of North Lauderdale, Florida
Net Position by Components
Last Ten Fiscal Years (accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities:										
Net investment in capital assets	$ 28,289,783	$ 27,952,548	$ 27,872,339	$ 27,930,636	$ 28,014,537	$ 28,318,165	$ 31,146,615	$ 35,379,495	$ 38,043,286	$ 41,969,873
Restricted	2,643,475	2,455,906	2,673,281	2,853,219	4,141,541	5,693,712	6,561,783	8,441,059	9,268,532	11,009,359
Unrestricted	43,608,846	48,235,719	50,602,568	55,454,301	57,969,635	60,956,331	71,980,094	72,378,792	76,020,924	74,283,832
Total governmental activities net position	$ 74,542,104	$ 78,644,173	$ 81,148,188	$ 86,238,156	$ 90,125,713	$ 94,968,208	$ 109,688,492	$ 116,199,346	$ 123,332,742	$ 127,263,064
Business-type Activities:										
Net investment in capital assets	$ 12,632,221	$ 11,990,542	$ 11,369,400	$ 10,780,920	$ 11,123,338	$ 11,276,373 [2]	$ 11,243,610	$ 10,860,533	$ 12,592,376	$ 17,468,969
Unrestricted	28,077,282	31,714,006	35,431,935	39,378,952	43,499,613	44,829,726	46,125,442	49,863,285	51,312,773	50,208,952
Total business-type activities net position	$ 40,709,503	$ 43,704,548	$ 46,801,335	$ 50,159,872	$ 54,622,951	$ 56,106,099	$ 57,369,052	$ 60,723,818	$ 63,905,149	$ 67,677,921
Primary Government:										
Net investment in capital assets	$ 40,922,004	$ 39,943,090	$ 39,241,739 [1]	$ 38,711,556	$ 39,137,875	$ 39,594,538	$ 42,390,225	$ 46,240,028	$ 50,635,662	$ 59,438,842
Restricted	2,643,475	2,455,906	2,673,281	2,853,219	4,141,541	5,693,712	6,561,783	8,441,059	9,268,532	11,009,359
Unrestricted	71,686,128	79,949,725	86,034,503	94,833,253	101,469,248	105,786,057	118,105,536	122,242,077	127,333,697	124,492,784
Total primary government net position	$ 115,251,607	$ 122,348,721	$ 127,949,523	$ 136,398,028	$ 144,748,664	$ 151,074,307	$ 167,057,544	$ 176,923,164	$ 187,237,891	$ 194,940,985

(1) The City's beginning net position was restated for the effect of adoption of GASB No. 75, the restatement increased beginning net position by $174,413.

(2) The City's net position was restated due to an adjustment of customer deposits by $737,081.

City of North Lauderdale, Florida
Changes in Net Position
Last Ten Fiscal Years (accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses:										
Governmental activities:										
General government	$ 4,131,349	$ 3,243,229	$ 3,277,951	$ 3,563,904	$ 4,821,862	$ 4,117,810	$ 5,173,649	$ 8,086,380	$ 10,002,776	$ 9,514,011
Public safety	15,933,483	16,303,184	17,278,440	18,428,800	19,480,855	18,354,559	22,010,646	23,825,624	25,427,484	26,902,681
Community development	2,710,887	2,339,440	3,127,596	2,810,500	3,210,311	4,178,267	3,400,580	4,507,737	4,671,384	5,422,071
Public works	5,443,427	5,261,889	8,225,783	7,538,774	5,974,212	6,570,210	8,050,360	9,381,043	11,517,389	11,466,128
Parks and recreation	4,620,787	4,802,940	4,880,094	4,984,801	4,517,059	5,138,878	5,812,821	5,618,559	5,725,557	6,230,065
Interest	116,555	87,784	57,632	26,029	2,343	3,390	-	-	-	-
Total governmental activities expenses	32,956,488	32,038,466	36,847,496	37,352,808	38,006,642	38,363,114	44,448,056	51,419,343	57,344,590	59,534,956
Business-type activities:										
Water and wastewater	10,452,429	10,291,080	10,830,623	11,645,852	10,259,875	11,087,450	11,677,720	12,370,809	13,759,431	14,679,191
Stormwater	829,416	975,223	898,841	901,975	886,163	1,123,983	982,459	579,598	1,110,143	2,114,249
Total business-type activities expenses	11,281,845	11,266,303	11,729,464	12,547,827	11,146,038	12,211,433	12,660,179	12,950,407	14,869,574	16,793,440
Total primary government expenses	$ 44,238,333	$ 43,304,769	$ 48,576,960	$ 49,900,635	$ 49,152,680	$ 50,574,547	$ 57,108,235	$ 64,369,750	$ 72,214,164	$ 76,328,396
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	$ 6,861,483	$ 6,825,007	$ 6,929,849	$ 7,282,234	$ 6,360,400	$ 6,941,274	$ 9,288,679	$ 8,694,327	$ 10,692,845	$ 6,689,913
Public safety	4,857,471	4,591,936	5,141,606	5,235,057	5,463,109	5,644,504	6,833,981	6,754,926	7,869,950	8,896,053
Community development	1,256,543	1,668,909	1,829,095	1,811,370	1,498,495	1,829,509	2,152,382	2,169,731	1,878,114	1,949,717
Public works	674,820	626,954	622,529	1,126,714	1,132,000	1,129,459	1,129,186	1,132,838	1,133,813	4,971,664
Parks and recreation	581,489	618,530	587,196	606,504	256,782	265,278	593,431	668,353	603,786	579,434
Operating grants and contributions	2,137,553	1,669,300	2,516,979	2,449,163	3,592,007	3,089,613	12,980,152	5,354,383	5,407,211	4,990,433
Capital grants and contributions	-	-	-	86,675	249,596	114,966	375,713	40,248	-	-
Total governmental activities program revenues	16,369,359	16,000,636	17,627,254	18,597,717	18,552,389	19,014,603	33,353,524	24,814,806	27,585,719	28,077,214
Business-type activities:										
Charges for services:										
Water and sewer	12,474,499	13,096,724	13,562,922	13,705,531	12,816,447	13,137,332	13,172,163	13,411,386	13,641,237	12,830,069
Stormwater	715,438	1,046,130	1,196,784	1,161,208	1,233,379	1,143,363	1,147,805	1,139,725	1,575,438	1,958,990
Operating grants and contributions	-	-	2,792	-	363,796	-	-	-	-	-
Capital grants and contributions	-	-	-	-	548,152	105,799	136,646	45,589	13,925	-
Total business-type activities program revenues	13,189,937	14,142,854	14,762,498	14,866,739	14,961,774	14,386,494	14,456,614	14,596,700	15,230,600	14,789,059
Total primary government program revenues	$ 29,559,296	$ 30,143,490	$ 32,389,752	$ 33,464,456	$ 33,514,163	$ 33,401,097	$ 47,810,138	$ 39,411,506	$ 42,816,319	$ 42,866,273

City of North Lauderdale, Florida
Changes in Net Position
Last Ten Fiscal Years (accrual basis of accounting) (continued)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense)/Revenue:										
Governmental activities	$ (16,587,129)	$ (16,037,830)	$ (19,220,242)	$ (18,755,091)	$ (19,454,253)	$ (19,348,511)	$ (11,094,532)	$ (26,604,537)	$ (29,758,871)	$ (31,457,742)
Business-type activities	1,908,092	2,876,551	3,033,034	2,318,912	3,815,736	2,175,061	1,796,435	1,646,293	361,026	(2,004,381)
Total primary government net expense	$ (14,679,037)	$ (13,161,279)	$ (16,187,208)	$ (16,436,179)	$ (15,638,517)	$ (17,173,450)	$ (9,298,097)	$ (24,958,244)	$ (29,397,845)	$ (33,462,123)
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Taxes:										
Property	$ 8,126,482	$ 8,948,443	$ 9,640,147	$ 10,560,846	$ 11,389,772	$ 12,347,101	$ 13,269,391	$ 14,549,937	$ 16,248,093	$ 17,824,191
Utility and other taxes	3,707,452	3,734,991	3,830,133	3,736,442	3,714,045	3,875,260	3,928,068	4,427,499	4,496,906	4,562,385
Franchise fee tax	2,603,229	2,743,815	2,743,555	2,881,043	2,804,191	2,850,009	3,119,978	3,530,673	3,636,915	3,655,986
Unrestricted grants and contributions	4,216,995	4,372,585	4,581,594	4,680,139	4,214,198	4,989,367	5,988,718	6,211,493	6,107,786	5,745,023
Interest income (loss)	295,715	239,107	485,820	1,975,621	1,201,684	100,392	(731,049)	4,115,907	6,130,787	4,393,289
Miscellaneous	235,812	100,958	100,039	10,968	17,920	28,877	239,710	279,882	271,780	207,190
Transfers	-	-	-	-	-	-	-	-	-	(1,000,000)
Total governmental activities	19,185,685	20,139,899	21,381,288	23,845,059	23,341,810	24,191,006	25,814,816	33,115,391	36,892,267	35,388,064
Business-type activities:										
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	31,885	1,195,577
Claims and settlements	-	-	-	-	-	-	-	-	-	1,526,005
Interest income	145,510	118,494	232,309	1,039,625	647,343	45,168	(533,482)	1,708,473	2,788,420	2,055,571
Transfers	-	-	-	-	-	-	-	-	-	1,000,000
Total business-type activities	145,510	118,494	232,309	1,039,625	647,343	45,168	(533,482)	1,708,473	2,820,305	5,777,153
Total primary government	$ 19,331,195	$ 20,258,393	$ 21,613,597	$ 24,884,684	$ 23,989,153	$ 24,236,174	$ 25,281,334	$ 34,823,864	$ 39,712,572	$ 41,165,217
Change in Net Position:										
Governmental activities	$ 2,598,556	$ 4,102,069	$ 2,161,046	$ 5,089,968	$ 3,887,557	$ 4,842,495	$ 14,720,284	$ 6,510,854	$ 7,133,396	$ 3,930,322
Business-type activities	2,053,602	2,995,045	3,265,343	3,358,537	4,463,079	2,220,229	1,262,953	3,354,766	3,181,331	3,772,772
Total change in net position	$ 4,652,158	$ 7,097,114	$ 5,426,389	$ 8,448,505	$ 8,350,636	$ 7,062,724	$ 15,983,237	$ 9,865,620	$ 10,314,727	$ 7,703,094

City of North Lauderdale, Florida
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years (accrual basis of accounting)

Fiscal Year Ended September 30	Tax Roll Year	Property Tax	Utility and Other Taxes	Franchise Fee Tax	Total
2016	2015	$ 8,126,482	3,707,452	$ 2,603,229	14,437,163
2017	2016	8,948,443	3,734,991	2,743,815	15,427,249
2018	2017	9,640,147	3,830,133	2,743,555	16,213,835
2019	2018	10,560,846	3,736,442	2,881,043	17,178,331
2020	2019	11,389,772	3,714,045	2,804,191	17,908,008
2021	2020	12,347,101	3,875,260	2,850,009	19,072,370
2022	2021	13,269,391	3,928,068	3,119,978	20,317,437
2023	2022	14,549,937	4,427,499	3,530,673	22,508,109
2024	2023	16,248,093	4,496,906	3,636,915	24,381,914
2025	2024	17,824,191	4,562,385	3,655,986	26,042,562

City of North Lauderdale, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund:										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ 232,187	$ 534,270	$ 536,056	$ 605,932
Restricted	-	-	-	-	-	609,769	-	-	-	-
Assigned	3,677,100	5,082,630	9,038,670	5,580,388	26,375,000	26,375,000	33,653,577	27,450,768	27,001,043	20,166,874
Unassigned	37,892,325	40,369,567	37,891,212	40,752,459	23,737,059	27,088,776	32,733,752	33,586,468	37,116,598	44,548,583
Total general fund	$ 41,569,425	$ 45,452,197	$ 46,929,882	$ 46,332,847	$ 50,112,059	$ 54,073,545	$ 66,619,516	$ 61,571,506	$ 64,653,697	$ 65,321,389
All Other Governmental Funds:										
Restricted	$ 2,643,675	$ 2,455,906	$ 2,673,281	$ 2,853,219	$ 4,141,541	$ 5,083,943	$ 6,561,783	$ 8,441,059	$ 9,268,532	$ 11,009,359
Committed	89,515	50,870	32,320	13,413	-	-	-	-	-	-
Assigned	2,395,462	3,477,165	4,518,930	10,245,787	11,840,012	11,749,090	11,003,017	18,775,481	21,050,848	19,366,202
Unassigned	-	-	-	-	-	-	-	-	(19,751)	-
Total all other governmental funds	$ 5,128,652	$ 5,983,941	$ 7,224,531	$ 13,112,419	$ 15,981,553	$ 16,833,033	$ 17,564,800	$ 27,216,540	$ 30,299,629	30,375,561

City of North Lauderdale, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Taxes	$ 11,833,934	$ 12,683,434	$ 13,470,280	$ 14,297,288	$ 15,103,817	$ 16,222,361	$ 17,197,459	$ 18,977,436	$ 20,744,999	$ 22,386,576
Franchise taxes	2,603,229	2,743,815	2,743,555	2,881,043	2,804,191	2,850,009	3,119,978	3,530,673	3,636,915	3,655,986
Licenses and permits	1,137,756	1,558,156	1,720,838	1,707,318	1,418,615	1,729,756	2,064,625	2,112,051	1,808,211	1,877,908
Intergovernmental	6,360,644	6,102,081	7,087,557	6,468,899	8,219,884	8,021,847	19,154,710	11,406,641	11,349,031	10,598,410
Charges for services	5,028,494	4,847,116	4,959,352	5,587,443	4,317,362	5,026,353	6,169,392	5,321,906	6,709,536	7,680,288
Special assessments	6,162,793	6,003,188	6,437,800	6,961,610	7,234,802	7,380,619	10,001,942	10,174,873	11,598,363	11,714,664
Fines and forfeitures	1,049,231	777,024	889,874	590,155	573,312	642,408	456,195	525,671	936,097	558,681
Interest income (loss)	283,438	228,935	464,077	1,812,569	1,201,684	100,392	(731,049)	4,115,907	6,130,787	4,393,289
Other revenues	1,158,247	1,186,614	1,213,466	1,284,382	1,654,205	1,259,622	1,735,088	1,765,039	1,564,047	1,599,476
Total revenues	35,617,766	36,130,363	38,986,799	41,590,707	42,527,872	43,233,367	59,168,340	57,930,197	64,477,986	64,465,278
Expenditures:										
General government	2,802,833	2,906,125	2,907,097	3,088,690	4,034,779	3,573,855	4,545,837	8,016,783	9,025,096	8,657,878
Public safety	15,437,503	15,634,072	16,412,656	17,020,814	17,722,582	19,710,091	21,584,783	23,200,055	25,041,178	27,261,994
Community development	2,711,150	2,362,485	3,127,522	2,782,998	3,081,340	3,944,025	3,151,301	4,157,100	4,573,724	4,939,516
Public works	4,520,053	4,520,250	7,303,497	6,619,771	5,106,931	6,536,261	11,312,641	12,246,906	10,231,557	10,617,975
Parks and recreation	4,483,137	4,536,221	4,541,384	4,628,618	4,100,656	4,797,283	5,296,040	5,705,623	5,310,383	5,803,973
Capital Outlay	1,089,441	718,005	1,261,224	1,443,819	1,474,016	-	-	-	4,130,768	5,440,318
Debt service:										
Principal	585,834	613,992	643,503	674,432	349,276	16,348	-	-	-	-
Interest and other	129,309	101,152	71,641	40,712	9,946	3,390	-	-	-	-
Total expenditures	$ 31,759,260	$ 31,392,302	$ 36,268,524	$ 36,299,854	$ 35,879,526	$ 38,581,253	$ 45,890,602	$ 53,326,467	$ 58,312,706	$ 62,721,654
Excess of revenues over/ (under) expenditures	$ 3,858,506	$ 4,738,061	$ 2,718,275	$ 5,290,853	$ 6,648,346	$ 4,652,114	$ 13,277,738	$ 4,603,730	$ 6,165,280	$ 1,743,624
Other Financing Sources (Uses):										
Leases	-	-	-	-	-	160,852	-	-	-	-
Transfers in	3,180,839	4,005,257	4,496,040	9,545,550	4,893,393	3,062,530	3,554,683	13,931,142	5,423,787	5,155,910
Transfers out	(3,180,839)	(4,005,257)	(4,496,040)	(9,545,550)	(4,893,393)	(3,062,530)	(3,554,683)	(13,931,142)	(5,423,787)	(6,155,910)
Total other financing sources (uses)	-	-	-	-	-	160,852	-	-	-	(1,000,000)
Net change in fund balance	$ 3,858,506	$ 4,738,061	$ 2,718,275	$ 5,290,853	$ 6,648,346	$ 4,812,966	$ 13,277,738	$ 4,603,730	$ 6,165,280	$ 743,624
Debt service as a percentage of non-capital expenditures	2.33%	2.33%	2.04%	2.05%	1.04%	0.05%	0.00%	0.00%	0.00%	0.00%

City of North Lauderdale, Florida
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Tax Year	Real Property	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Total Estimated Actual Market Value	Total Assessed Value as a Percentage Actual Value
2016	2015	$ 1,539,363,010	$ 64,151,122	472,672,718	$ 1,130,841,414	7.5000	$ 1,865,914,551	60.605%
2017	2016	1,645,792,050	67,004,890	472,391,232	1,240,405,708	7.5000	1,992,045,311	62.268%
2018	2017	1,765,076,040	68,529,127	480,655,801	1,352,949,366	7.4000	2,130,366,640	63.508%
2019	2018	1,915,048,060	72,786,827	498,735,161	1,489,099,726	7.4000	2,308,530,663	64.504%
2020	2019	2,049,809,430	73,606,488	518,467,133	1,604,948,785	7.4000	2,463,158,876	65.158%
2021	2020	2,198,809,730	80,096,316	546,467,184	1,732,438,862	7.4000	2,644,277,086	65.517%
2022	2021	2,334,989,230	92,773,498	559,088,086	1,868,674,642	7.4000	2,822,075,940	66.216%
2023	2022	2,551,574,630	87,836,179	596,804,839	2,042,605,970	7.4000	3,059,218,769	66.769%
2024	2023	2,802,922,880	88,915,263	614,861,379	2,276,976,764	7.4000	3,346,803,751	68.034%
2025	2024	3,038,514,590	96,755,886	636,050,771	2,499,219,705	7.4000	3,628,777,281	68.872%

Source: Broward County Property Appraiser Form DR-403.

Note: Property in the County is re-assessed annually. The County assesses property at approximately 88% and 55% of actual value for real and personal property respectively.
Estimated actual taxable value is calculated by dividing assessed value by those percentages. Tax rates are per $ 1,000 of assessed value.

City of North Lauderdale, Florida
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years (rate per $1,000 of assessed value)

		City of North Lauderdale			Overlapping Rates						
Fiscal Year	Tax Roll Year	Operating Millage	Debt Service Millage	Total City Millage	Broward County Millage	Broward County School District Millage	Water Management District	North Broward Hospital District	Children's Services Council	Florida Inland Navigation District	Total Direct and Overlapping Rates
2016	2015	7.5000	-	7.5000	5.7230	7.2740	0.3551	1.4425	0.4882	0.0320	22.8148
2017	2016	7.5000	-	7.5000	5.6690	6.9063	0.3307	1.3462	0.4882	0.0320	22.2724
2018	2017	7.4000	-	7.4000	5.6690	6.5394	0.3100	1.2483	0.4882	0.0320	21.6869
2019	2018	7.4000	-	7.4000	5.6690	6.4029	0.2936	1.0855	0.4882	0.0320	21.3712
2020	2019	7.4000	-	7.4000	5.6690	6.7393	0.2795	1.0324	0.4882	0.0320	21.6404
2021	2020	7.4000	-	7.4000	5.6690	6.5052	0.2675	1.1469	0.4882	0.0320	21.5088
2022	2021	7.4000	-	7.4000	5.6690	6.4621	0.2572	1.2770	0.4699	0.0320	21.5672
2023	2022	7.4000	-	7.4000	5.6690	6.1383	0.2301	1.6029	0.4500	0.0320	21.5223
2024	2023	7.4000	-	7.4000	5.6690	6.6156	0.2301	1.4307	0.4500	0.0288	21.8242
2025	2024	7.4000	-	7.4000	5.6690	6.4655	0.2301	1.3261	0.4500	0.0288	21.5695

City of North Lauderdale, Florida
Principal Property Taxpayers
Current Year and Nine Years Ago

		2025			2016		
Taxpayer	**Type of Business**	**Taxable Assessed Value (1)**	**Rank**	**Percentage of Total Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Assessed Value**
North Lauderdale 408 Owner LLC	Commercial	$ 68,005,770	1	2.72%	$ -	-	-
Florida Power & Light Company	Public Utility Company	49,574,423	2	1.98%	25,015,455	4	2.21%
Hampton Lakes Associates	Rental Apartments	49,563,210	3	1.98%	24,625,399	5	2.18%
1700 S State Road 7 Owner, LLC	Commercial	49,449,860	4	1.98%	-	-	-
Asher AL, LP	Rental Apartments	45,512,505	5	1.82%	-	-	-
SCI Funeral Services of FL, LLC	Commercial	35,773,420	6	1.43%	-	-	-
One Park Plaza, LLC	Rental Apartments	33,592,829	7	1.34%	-	-	-
Hampton Place Joint Venture	Rental Apartments	26,535,366	8	1.06%	22,493,352	6	1.99%
TPUSA, Inc.	Telecommunications	26,476,210	9	1.06%	-	-	-
Atlas Cypress Lakes, LLC	Rental Apartments	22,364,620	10	0.89%	17,950,000	10	1.59%
Parrots Landing, LLC	Rental Apartments	-	-	-	41,768,354	1	3.69%
GS North Lauderdale, LLC	Rental Apartments	-	-	-	36,511,404	2	3.23%
PRCP-Lauderdale, LLC	Rental Apartments	-	-	-	25,850,490	3	2.29%
WAL-MART Stores East LP	Commercial	-	-	-	20,616,750	7	1.82%
Answer Group, Inc.	Call Service Center	-	-	-	20,497,350	8	1.81%
Village Mobile Home Park, LLC	Mobile Home Park	-	-	-	20,312,200	9	1.80%
Total		$ 406,848,213		16.28%	$ 255,640,754		22.61%

City of North Lauderdale, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended September 30	Tax Roll Year	Total Tax Levy for Fiscal Year (1)(2)	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2016	2015	$ 8,484,311	$ 8,122,122	95.73%	$ 13,171	$ 8,135,293	95.89%
2017	2016	9,318,608	8,935,273	95.89%	13,568	8,948,841	96.03%
2018	2017	10,054,003	9,626,579	95.75%	14,948	9,641,527	95.90%
2019	2018	11,034,954	10,545,898	95.57%	12,929	10,558,827	95.69%
2020	2019	11,905,771	11,376,843	95.56%	43,901	11,420,744	95.93%
2021	2020	12,821,595	12,303,200	95.96%	16,851	12,320,051	96.09%
2022	2021	13,820,035	13,237,436	95.78%	18,215	13,255,651	95.92%
2023	2022	15,147,240	14,531,722	95.94%	32,334	14,564,056	96.15%
2024	2023	16,888,418	16,215,759	96.02%	36,430	16,252,189	96.23%
2025	2024	18,504,796	17,782,855	96.10%	-	17,782,855	96.10%

(1) Source: Florida Department of Revenue DR-420s.

(2) Includes general and debt service funds net of an allowable discount of approximately 4% for early payment
However, not all collections include available early payment 4% discount.

City of North Lauderdale, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended September 30	Governmental Activities: General Obligation Bonds	Governmental Activities: Capital Improvement Bonds	Governmental Activities: Leases	Business-Type Activities: Water and Sewer Revenue Bonds	Business-Type Activities: Leases	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2016	$ -	$ 2,281,203	-	$ -	-	$ 2,281,203	0.33%	55.61
2017	-	1,667,211	-	-	-	1,667,211	0.24%	40.64
2018	-	1,023,708	-	-	-	1,023,708	0.15%	24.95
2019	-	349,276	-	-	-	349,276	0.05%	8.51
2020	-	-	-	-	-	-	0.00%	-
2021	-	-	144,504	-	111,077	255,581	0.03%	5.71
2022	-	-	-	-	-	-	0.00%	-
2023	-	-	-	-	-	-	0.00%	-
2024	-	-	-	-	-	-	0.00%	-
2025	-	-	-	-	-	-	0.00%	-

(1) See page S16 for Schedule of Demographics and Economic Statistics for personal income and population data.

City of North Lauderdale, Florida
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Population (1)	Assessed Value (in thousands)	General Bonded Debt Outstanding: General Bonded Debt (2)	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2016	43,232	$ 1,130,841	-	$ -	$ -	0.00%	-
2017	44,064	1,240,406	-	-	-	0.00%	-
2018	44,408	1,352,949	-	-	-	0.00%	-
2019	44,841	1,489,100	-	-	-	0.00%	-
2020	45,207	1,604,949	-	-	-	0.00%	-
2021	45,549	1,732,439	-	-	-	0.00%	-
2022	44,855	1,868,675	-	-	-	0.00%	-
2023	44,971	2,042,606	-	-	-	0.00%	-
2024	44,853	2,276,977	-	-	-	0.00%	-
2025	44,888	2,499,220	-	-	-	0.00%	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Source: Florida Legislative Office of Economic and Demographic Research - as of 4/1/25 (estimate)

(2) Includes all long-term debt pledged by the City's property taxes (General Obligation Bonded Debt)

City of North Lauderdale, Florida
Direct and Overlapping Governmental Activity Debt
As of September 30, 2025

Governmental Unit		Net Bonded Debt Outstanding		Estimated Percentage Applicable to City of North Lauderdale	(3)	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes:						
Broward County	$	-	(1)	0.83%	$	-
Broward County School District		703,405,000	(2)	0.75%		5,296,405
Subtotal, Overlapping Debt						5,296,405
City of North Lauderdale Direct Debt		-	(4)	-	$	-
Total direct and overlapping debt					$	5,296,405

(1) Source: Broward County Accounting Division
(2) Source: School Board of Broward County Financial Reporting Division. As of June 30, 2025.
(3) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using net assessed valuation of the City and dividing it by the County's and the School District's net assessed valuation, as applicable.
(4) Paid from non-ad valorem revenue sources.

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the taxpayers of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the property tax payers should be taken into account.

City of North Lauderdale, Florida
Legal Debt Margin Information
Last Ten Fiscal Years

	September 30, 2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	$ 160,351,413	$ 171,279,694	$ 183,360,517	$ 198,783,489	$ 212,341,592	$ 227,890,605	$ 242,776,273	$ 263,941,081	$ 289,183,814	$ 313,527,048
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 160,351,413	$ 171,279,694	$ 183,360,517	$ 198,783,489	$ 212,341,592	$ 227,890,605	$ 242,776,273	$ 263,941,081	$ 289,183,814	$ 313,527,048
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

	Legal Debt Margin Calculation
Assessed Value	$ 2,499,219,705
Add back: exempt real property	636,050,771
	$ 3,135,270,476
Debt limit (10% of total assessed value)	$ 313,527,048
Debt applicable to limit:	
General obligation bonds	-
Less: Amounts set aside for repayment of general obligation debt	-
Total net debt applicable to limit	-
Legal debt margin	$ 313,527,048

Note: Under state financial law, the City of North Lauderdale's outstanding general obligation debt should not exceed 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

City of North Lauderdale, Florida
Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year Ended September 30	Revenue Bonds: Water and Sewer Charges and Other (1)	Less Operating Expenses (2)	Net Available Revenue	Principal	Interest	Coverage
2016	$ -	$ -	$ -	$ -	$ -	N/A
2017	-	-	-	-	-	N/A
2018	-	-	-	-	-	N/A
2019	-	-	-	-	-	N/A
2020	-	-	-	-	-	N/A
2021	-	-	-	-	-	N/A
2022	-	-	-	-	-	N/A
2023	-	-	-	-	-	N/A
2024	-	-	-	-	-	N/A
2025	-	-	-	-	-	N/A

(1) Total revenue of the Utilities Fund as reported in the Basic Financial Statements (inclusive of investment earnings).
(2) Total operating expenses of the Utilities Fund as reported in the Basic Financial Statements (exclusive of interest expense and depreciation).

City of North Lauderdale, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended September 30	Population (1)	Personal Income (amounts expressed in thousands) (2)	Per Capita Personal Income (2)	Median Age (2)	School Enrollment (3)	Broward County Unemployment Rate (4)
2016	41,023	$ 687,587	$ 16,667	30.9	5	4.60%
2017	41,023	687,587	16,667	30.9	5	3.30%
2018	41,023	687,587	16,667	30.9	5	2.80%
2019	41,023	687,587	16,667	30.9	5	2.80%
2020	41,023	687,587	16,667	30.9	5	7.80%
2021	44,794	976,151	21,792	33.9	5	4.40%
2022	44,794	976,151	21,792	33.9	5	2.60%
2023	44,971	1,129,851	25,124	35.9	5	3.00%
2024	44,853	1,199,504	26,743	37.1	5	3.40%
2025	44,888	1,251,433	27,879	37.5	5	4.00%

(1) Source: Florida Bureau of Economic and Business Research (BEBR) - as of 4/1/25 (estimate)
(2) Source: US Census Bureau
(3) Source: School Board of Broward County
(4) Source: Bureau of Labor Statistics
(5) Information not available

Note: Population, median age information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

City of North Lauderdale, Florida
Principal Employers
Current Year and Nine Years Ago

Employer	Type of Business	2025 Employees	2025 Rank	2025 Percentage of Total County Employment	2016 Employees	2016 Rank	2016 Percentage of Total County Employment
Broward County School Board	Government	31,472	1	2.87%	32,600	1	3.19%
Memorial Healthcare Systems	Healthcare	16,927	2	1.55%	11,500	3	1.12%
Broward County Government	Government	13,081	3	1.20%	11,679	2	1.14%
Broward Health	Healthcare	9,151	4	0.84%	8,234	4	0.81%
Nova Southeastern University	Education	5,313	5	0.48%	7,610	5	0.74%
FirstService Residential	Service	4,869	6	0.44%	-	-	-
City of Fort Lauderdale	Government	3,003	7	0.27%	2,479	9	0.24%
Spirit Airlines	Service	2,700	8	0.25%	-	-	-
American Express	Financial	2,600	9	0.24%	3,500	6	0.34%
AutoNation	Service	2,469	10	0.23%	3,381	7	0.33%
Ultimate Software	Service	-	-	-	2,550	8	0.25%
Interbond Corp of America dba Brandsmart	Service	-	-	-	2,400	10	0.24%
Total		91,585		8.37%	85,933		8.40%

*Information for the City of North Lauderdale not available. Information presented is for Broward County, Florida.
Source: Broward County Annual Comprehensive Financial Report for 2025.

City of North Lauderdale, Florida
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Legislative*	8	8	8	8	8	10	9	10	14	14
Administrative**	12	12	15	16	16	15	15	18	20	21
Public Works/Utilities	42	42	39	40	41	36	33	36	38	37
Parks & Recreation	26	25	25	25	26	25	23	21	29	27
Part-time/Seasonal	8	9	11	14	12	14	20	32	45	51
Community Development	17	18	19	20	20	18	19	23	28	20
Police***	63	63	65	65	65	65	68	73	73	73
Fire/Rescue	44	43	43	43	43	45	51	47	44	43
Fire/Rescue Part-Time	2	1	1	3	3	3	3	5	6	7
Total	222	221	226	234	234	231	241	265	297	293

* Legislative includes City Commission, City Manager, City Clerk and City Attorney (Contract).
** Administrative includes Human Resources and Finance Departments and Information Technology Division.
***Police includes BSO (Contract).

City of North Lauderdale, Florida
Operating Indicators by Function
Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police:										
Physical arrests	1,052	857	864	765	561	433	595	639	769	1,159
Parking violations	6	12	9	16	31	45	60	26	9	5
Traffic violations	6,442	7,178	7,336	4,374	2,567	3,263	5,441	5,573	5,338	6,137
Fire:										
Number of calls answered	5,399	5,532	5,528	5,479	4,618	5,702	5,601	5,904	5,833	5,590
Inspections	1,249	1,252	1,503	1,198	1,254	1,433	1,622	1,325	1,389	1,400
Community development:										
Building permits issued	2,155	2,495	3,108	3,149	2,610	2,573	3,013	2,791	2,403	2,138
Culture and Recreation:										
Athletic programs (participants)	810	810	871	859	384	289	620	743	953	738
Youth camps (participants)	2,555	2,641	2,701	2,846	809	518	2,177	2,858	2,537	2,060
Club memberships	70	73	89	92	97	40	71	60	101	61
Facility rentals	870	881	918	901	104	53	99	441	368	275
Pool admissions	37,895	37,548	36,028	38,855	8,754	8,255	20,022	19,432	17,008	10,094
Water:										
Number of meters operating	8,226	8,254	8,290	8,332	8,274	8,388	8,388	8,403	8,408	8,408
Average daily consumption (in thousands of gallons)	2,180	2,220	2,230	2,204	2,980	2,321	2,981	2,950	2,374	2,754
Sewer:										
Average daily consumption (in thousands of gallons)	1,992	2,073	2,085	2,023	3,568	2,349	3,240	3,620	3,708	3,165

Note: Indicators not available for the general government function.

Source: Information obtained from various Departments within the City of North Lauderdale.

City of North Lauderdale, Florida
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety:										
Police stations (1)	1	1	1	1	1	1	1	1	1	1
Fire stations	2	2	2	2	2	2	2	2	2	2
Highway and streets										
Streets (miles)	54	54	54	54	54	54	54	54	54	54
Number of street lights	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,361
Culture and Recreation:										
Number of parks (2)	18	18	18	18	18	18	18	18	18	18
Number of libraries (3)	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Community Centers	3	3	3	3	3	3	3	3	3	2
Water:										
Water mains (miles)	58	58	58	58	58	58	58	58	58	58
Fire hydrants	796	796	796	776	776	776	778	778	778	800
Maximum daily capacity (in thousands of gallons)	7.48	7.48	7.48	7.48	7.48	7.48	7.48	7.48	7.48	7.48
Sewer:										
Sanitary sewers (miles)	56	56	56	56	56	56	56	56	56	56
Storm sewers (miles)	25	25	25	25	25	25	25	25	25	25
Maximum daily treatment capacity (in millions of gallons per day - MGD)	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	3.46

Note: Indicators not available for the general government function.

(1) During fiscal year 2002, the City contracted with the Broward County Sheriff's Office to provide policing services on behalf of the City.

(2) The City has a 99 year lease agreement with Broward County for approximately 16.2 acres of Hamptons Pines Park, the land is adjacent to that owned by the City.

(3) Broward County Library-North Lauderdale Branch.

Source: Information obtained from various Departments within the City of North Lauderdale.

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

To the Honorable Mayor, Members of
the City Commission and City Manager
City of North Lauderdale, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Lauderdale, 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 City's basic financial statements, and have issued our report thereon dated June 30, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Citrin Cooperman & Company, LLP

Fort Lauderdale, Florida
June 30, 2026

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

To the Honorable Mayor, Members of
the City Commission and City Manager
City of North Lauderdale, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of North Lauderdale, Florida's (the "City"), compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City's major federal programs for the year ended September 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Citrin Cooperman & Company, LLP

Fort Lauderdale, Florida
June 30, 2026

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

To the Honorable Mayor, Members of
the City Commission and City Manager
City of North Lauderdale, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of North Lauderdale, Florida (the "City"), as of and for the year ended September 30, 2025, and have issued our report thereon dated June 30, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Florida Auditor General.* Disclosures in those reports and schedule, which are dated June 30, 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 annual financial audit report. There were no findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in the notes to the financial statements, Note 1.

Financial Condition

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, the City is required to include a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did operate within the City's geographical boundaries during the fiscal year under audit.

As required by Section 10.554(1)(i)6.b., *Rules of the Auditor General*, if a PACE program was operating within the geographical areas of the City, a list of all program administrators and third-party administrators that administered the program is required. A list of program and third-party administrators can be found here:

- https://www.broward.org/Sustainability/Pages/PACE.aspx

As required by Section 10.554(1)(i)6.c., *Rules of the Auditor General*, if a PACE program was operating within the geographical areas of the City, the full names and contact information of each such program administrator and third-party administrator is required. The full names and contact information for such program and third-party administrators can be found here:

- https://www.broward.org/Sustainability/Documents/PACEProviderList_2025.pdf

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the City reported the specific information in Exhibit 1 accompanying this report. The information for compliance with Section 218.39(3)(c), Florida Statutes and Section 10.554(1)(i)6, *Rules of the Auditor General*, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion 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 fraud, waste, or abuse, that has occurred or is likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

Citrin Cooperman & Company, LLP

Fort Lauderdale, Florida
June 30, 2026

City of North Lauderdale, Florida
Exhibit 1
Data Elements Required By Section 218.39(3)(c), Florida Statutes and
Sections 10.554(1)(i)6, *Rules of the Auditor General*
(Unaudited)

Data Element		**Water Control District**		**Housing Authority**
Number of district employees compensated at 9/30/2025		-		-
Number of independent contractors compensated in September 2025		-		-
Employee compensation for FYE 9/30/2025 (paid/accrued)	$	-	$	-
Independent contractor compensation for FYE 9/30/2025 (paid/accrued)	$	-	$	-
Each construction project to begin on or after October 1; (>$65K): N/A	$	-	$	-
Budget variance report		Page 27		N/A

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415 FLORIDA STATUTES

To the Honorable Mayor, Members of
the City Commission and City Manager
City of North Lauderdale, Florida

We have examined the City of North Lauderdale, Florida's (the "City"), compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies* (the "specified requirements"), during the year ended September 30, 2025. Management is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the City complied, in all material respects, with the specified requirements for the year ended September 30, 2025.

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

Citrin Cooperman & Company, LLP

Fort Lauderdale, Florida
June 30, 2026

City of North Lauderdale, Florida
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2025

Federal Agency, Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Provided to Sub-recipients
Federal Awards:				
Direct programs:				
United States Department of Treasury				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	$ 1,891,321	-
Total United States Department of Treasury			1,891,321	
United States Department of Justice				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	16,734	-
Public Safety Partnership and Community Policing	16.710	N/A	749,878	
Total United States Department of Justice			766,612	
United States Environmental Protection Agency				
Passed through: State of Florida Department of Environmental Protection				
Drinking Water State Revolving Fund Planning & Designing	66.468	DW061500	803,886	-
Total United States Environmental Protection Agency			803,886	
Total expenditures of federal awards			$ 3,461,819	$ -

See notes to schedule of expenditures of federal awards.

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the City of North Lauderdale, Florida (the "City"). The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, as well as other applicable provisions of contracts and grant agreements, wherein certain types of expenditures are not allowable or are limited as to reimbursement, as applicable.

Note 3 - Indirect Cost Rate

The City did not elect to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

SECTION I - SUMMARY OF AUDITOR'S RESULTS

<u>Financial Statements</u>

Type of auditor's report issued:	*Unmodified Opinion*	
Internal control over financial reporting:		
Material weakness(es) identified?	____ yes	X no
Significant deficiency(ies) identified?	____ yes	X none reported
Noncompliance material to financial statements noted?	____ yes	X no

<u>Federal Programs</u>

Internal control over major programs:		
Material weakness(es) identified?	____ yes	X no
Significant deficiency(ies) identified?	____ yes	X none reported
Type of auditor's report issued on compliance for major programs:	*Unmodified Opinion*	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ yes	X no

Identification of major federal program(s):

Assistance Listing No.	Federal Program(s)
21.027	United States Department of the Treasury - COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: Federal	$1,000,000	
Auditee qualified as low-risk auditee?	X yes	____ no

SECTION II - FINANCIAL STATEMENT FINDINGS

None Reported.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None Reported.

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North Lauderdale, FL 33068

North Lauderdale
A Fun City In The Heart of Broward

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IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared MICHAEL SARGIS, who being duly sworn, deposes and says on oath that:

1. I am the Chief Executive Officer of the City of North Lauderdale which is a local governmental entity of the State of Florida;

2. The governing body of the City of North Lauderdale adopted Ordinance No. 03-06-1085 implementing an impact fee; and

3. To the best of my knowledge the City of North Lauderdale has complied with for the Fiscal Year Ending on September 30, 2025 and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

____
City Manager of the City of North Lauderdale

STATE OF FLORIDA
COUNTY OF BROWARD

SWORN TO AND SUBSCRIBED before me this 30 day of June, 2026

____
NOTARY PUBLIC
Print Name Brittany Bomentre

BRITTANY BOMENTRE
MY COMMISSION # HH 697192
EXPIRES: August 27, 2029

Personally known ✓ or produced identification _______

Type of identification produced: ______________________________

My Commission Expires: August 27, 2029