


City of North Miami Beach

Annual Comprehensive Financial Report

FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2025





ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF NORTH MIAMI BEACH, FLORIDA

For the Fiscal Year Ended September 30, 2025

Prepared by the Finance Department

CITY OF NORTH MIAMI BEACH, FLORIDA

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I. INTRODUCTORY SECTION

June 30, 2026

To the Honorable Mayor, Vice Mayor, Commissioners and Citizens of North Miami Beach:

We are pleased to present the City of North Miami Beach (the City) Annual Comprehensive Financial Report (ACFR) for the fiscal year ending September 30, 2025. The ACFR is issued pursuant to Florida Statute 218.39(1) which requires municipalities meeting certain criteria to have an annual financial audit of its accounts and records by an independent certified public accountant in accordance with rules of the Auditor General within nine months of the close of each fiscal year. The financial statements included in this report conform to generally accepted accounting principles (GAAP) and are 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.

This report consists of management's representations concerning the finances of the City. Management assumes full responsibility for the accuracy of the data, and the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in accordance with GAAP. 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 will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

During completion of the fiscal year audit, management has undertaken additional reconciliation procedures and accounting reviews to ensure the accuracy and completeness of the City's financial records, Although these efforts have required additional time and resources, management has determined that producing a complete and accurate financial report is in the best interest of the City and its stakeholders. Concurrently, management has implemented additional internal control enhancements designed to improve future financial reporting timeliness, accuracy, and accountability.

The City's financial statements have been audited by CBIZ CPAs P.C., a licensed certified public accounting firm. The goal of the independent audit is to provide reasonable assurance that the City's financial statements for the fiscal year ended September 30, 2025, were free of material misstatement. An independent audit involves examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon their audit, the independent auditors concluded that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2025, are fairly presented in conformity with GAAP. The report of the independent certified public accountants is presented as the first component.

The ACFR is used to assist in making economic decisions, and to assist citizens in assessing accountability and transparency by:

- Assessing financial condition and results of operations
- Comparing actual financial results with legally adopted budgets, where appropriate
- Assisting in determining compliance with finance related laws, rules, and regulations; and
- Assisting in evaluating the efficiency and effectiveness of City operations.

This report includes all funds of the City as well as criteria for defining the financial reporting entity of the City as promulgated by the Governmental Accounting Standards Board (GASB). The GASB is the official standard setting body of the accounting principles generally accepted in the United States of America as it applies to local governmental units.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). 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 report of the independent certified public accountants.

PROFILE OF THE CITY

Incorporated on October 4, 1926, North Miami Beach approaches its Centennial under a Commission-Manager form of government. The City Commission is comprised of the Mayor and six Commission members. Together they are responsible for enacting ordinances, resolutions and regulations governing the City as well as appointing the members of various advisory boards, the City Manager, City Attorney and City Clerk. As Chief Administrative Officer, the City Manager is responsible for the enforcement of laws and ordinances; appointing and supervising the department directors of the City; submitting the proposed annual budget; advising Commission as to the financial condition of the City; and overseeing the day-to-day operations of the City.

The City is a first-tier suburb covering an area of five and one-third square miles located in northeastern Miami-Dade County, which is in the southeast part of Florida. The City is strategically located midway between Fort Lauderdale and Miami. 163rd Street is the most heavily traveled east to west corridor in Miami-Dade County as it is the gateway to both the Oleta River State Park and the beaches, and the Golden Glades Interchange: the convergence of five major roadways serving eastern and southern Florida, including Florida's Turnpike, the Palmetto Expressway (State Road 826), and Interstate 95 (I-95). 163rd Street also intersects with Biscayne Boulevard and U.S. Route 1 (US1). In the immediate vicinity of the City are two large higher education campuses: Florida International University's (FIU) Biscayne Bay Campus and Nova Southeastern University's Fischler Graduate School.

The City provides a full range of municipal services for its citizens. These services include public safety (fire protection is provided by Miami-Dade County), water, sewer, and stormwater utilities, public works, parks and recreation facilities, public library, code compliance, planning and zoning, economic development, and general and administrative services. A franchise contractor provides the City's sanitation services.

The **North Miami Beach Community Redevelopment Agency (the CRA)** was created by the Mayor and City Commission on December 21, 2004, by adoption of Resolution R2004-86 accepting a delegation of powers from the Miami-Dade Board of County Commissioners and declaring the Mayor and City Commission to be the Agency in accordance with Section 163.357 of the Florida Statutes under the Community Redevelopment Act of 1969, enacted by the Florida Legislature. Miami-Dade County retains the final authority to approve the annual CRA budget, redevelopment plan and amendments, and the issuance of long-term debt. The City Commission serves as the CRA's Board of Directors, the Mayor serves as Chairman, and Adam Old, from Florida Strategic Partners, a consulting company, serves in the capacity of Executive Director. The purpose of the CRA is the elimination and prevention of blight conditions within the designated community redevelopment area. The CRA is a special revenue fund of the City and, therefore, has been included as a blended component unit and integral part of the attached financial statements. Additional information on this component unit can be found in the notes to the financial statements.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City submit requests for appropriation to the City Manager and these requests are the starting point for developing a proposed budget. The City Manager, thereafter, proposes a budget to the Commission for review. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30th, the close of the City's fiscal year. The appropriated budget is prepared by fund and department (e.g., Police). No department may legally expend more than amounts appropriated for that department within an individual fund. The City Manager may make transfers of appropriations within a department and to a department from the contingency account. The City Commission approves supplemental appropriations; however, the City Manager is granted authority to amend, modify, or otherwise adjust the annual budget to a maximum limit of $50,000 per individual occurrence. Budget-to-actual comparisons are provided in this report for the general fund and for each non-major governmental fund for which an appropriate annual budget has been adopted. For the General Fund and CRA, this comparison is presented as part of the required supplementary information.

FACTORS AFFECTING FINANCIAL CONDITION

Although property tax revenues and property value appreciation have begun to level off, the City realized approximately $32 million in new construction added to the Fiscal Year 2025 tax roll. Over the past four fiscal years, taxable value has increased by 40.2 percent since Fiscal Year 2022, strengthening the City's long-term revenue base.

Fiscal Year 2025 marked a transformational investment in aging infrastructure through approximately $20 million financed under the federal Water Infrastructure Finance and Innovation Act (WIFIA) loan program. WIFIA provides long-term, low-cost financing for nationally significant water infrastructure projects. Utilizing WIFIA financing enables the City to preserve operating reserves while investing responsibly in long-lived utility infrastructure.

Management also initiated a comprehensive financial stabilization strategy during Fiscal Year 2026 focused on strengthening internal controls, modernizing financial reporting, improving budget monitoring, increasing departmental accountability, and aligning recurring expenditures with recurring revenues.

LONG-TERM FINANCIAL PLANNING

The Commission has adopted policies designed to strengthen the City's long-term fiscal position, including a revised Fund Balance Policy, while management continues to modernize financial reporting, strengthen internal controls, improve budget monitoring, and strategically invest in infrastructure. These efforts enhance financial flexibility, strengthen the City's credit profile, and support sustainable long-term growth.

RELEVANT FINANCIAL POLICIES

Fund Balance Policy: The city's fund balance policy, in accordance with GASB Statement No. 54, classifies fund balances into non-spendable, restricted, committed, assigned, and unassigned categories. During fiscal year 2024, the City implemented Resolution No. 2024-64, replacing the prior requirement of a minimum unassigned General Fund balance equal to 10 percent of budgeted revenues. The revised policy establishes a reserve ranging from 20 percent to 25 percent of operational expenditures, with 20 percent serving as the required minimum reserve and25 percent representing the City’s long-term target. The policy strengthens financial resilience, improves liquidity, and provides flexibility for one-time capital investments while reinforcing prudent fiscal stewardship.

Investment Policy: The City's investment program emphasizes preservation of principal, adequate liquidity, and prudent optimization of returns consistent with Florida law.

Millage Rate Policy: The City's millage rate policy balances taxpayer protection with the need to maintain high-quality municipal services and long-term fiscal stability.

ACKNOWLEDGMENTS

Preparation of this ACFR reflects the professionalism and dedication of the Finance Department, City staff, and the City's independent auditors. Fiscal Year 2025 represented meaningful progress through enhanced internal controls, improved financial oversight, strengthened reserve policies, and significant infrastructure investment. As North Miami Beach celebrates its Centennial, the City remains committed to transparency, accountability, fiscal integrity, and exceptional public service.

Respectfully submitted,

Darvin E. Williams, JD, MBA, MPH
City Manager, City of North Miami Beach

CITY OF NORTH MIAMI BEACH, FLORIDA

CITY OFFICIALS

For the Fiscal Year Ended September 30, 2025

MAYOR

Michael Joseph, Esq.

CITY COMMISSION

Jay R. Chernoff	Daniela Jean
Fotuna Smukler	McKenzie Fleurimond
Phyllis Smith	Lynn Su

CITY MANAGER

Darvin Williams

CITY ATTORNEY

Joseph Gellar, Greenspoon Mardar PA

CITY CLERK

Andrise Bernard, CMC

INTERIM CHIEF FINANCE OFFICER

Darvin Williams

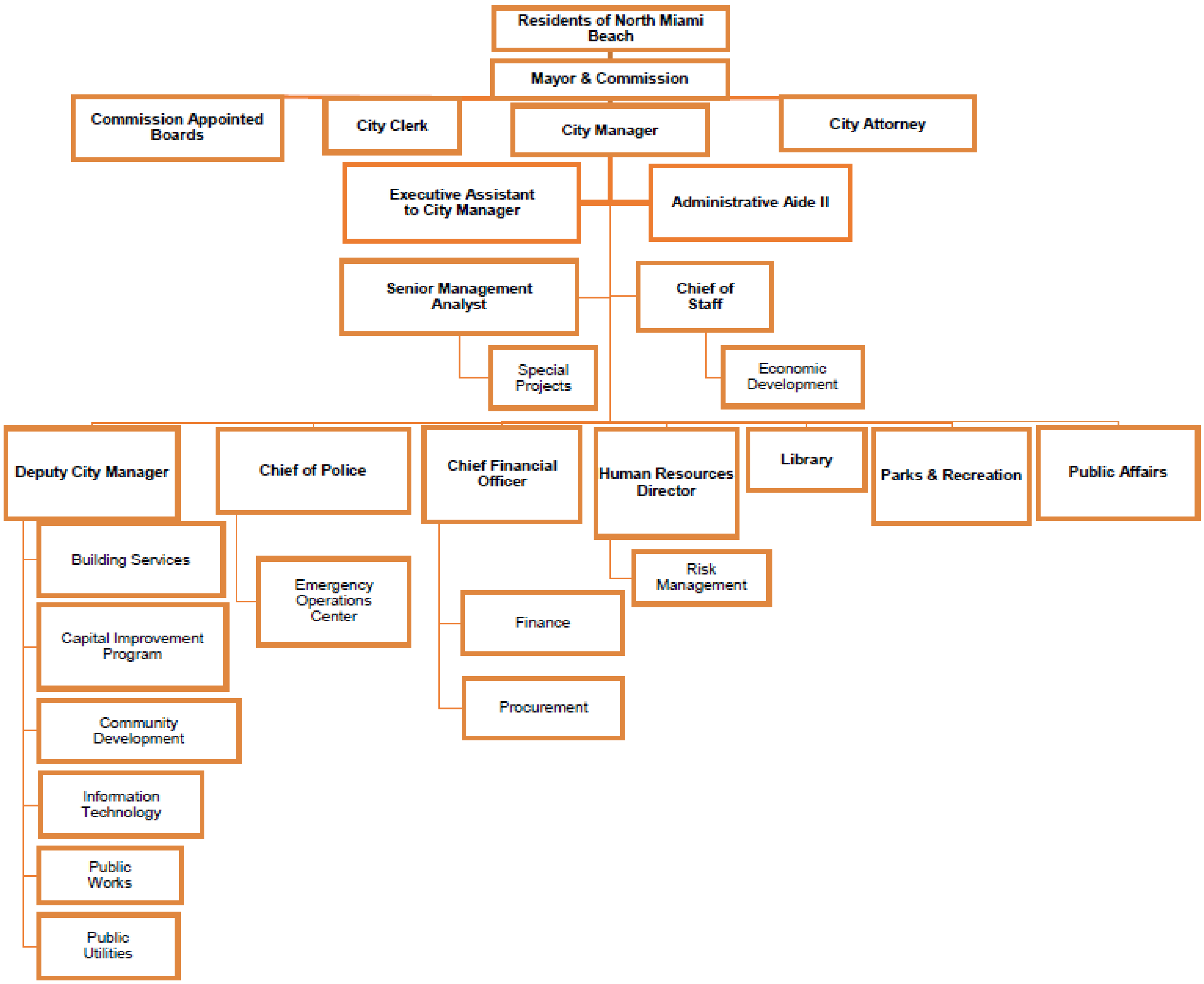
INDEPENDENT AUDITORS

CBIZ CPAs P.C.

CITY OF NORTH MIAMI BEACH, FLORIDA

ORGANIZATIONAL CHART

For the Fiscal Year Ended September 30, 2025



II. FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

CBIZ CPAs P.C.

2811 Ponce De Leon Blvd., Suite 1100
Coral Gables, FL 33134

P: 305.995.9600

Independent Auditors' Report

To the Honorable Mayor, City Commission and City Manager
City of North Miami Beach, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Miami Beach, Florida (the "City"), as of and for the fiscal 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, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, 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 fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Retirement Plan for Police Officers and Firefighters of the City of North Miami Beach, and the Retirement Plan for the General Employees of the City of North Miami Beach, component units of the City (the "Plans"), which collectively represent 79%, 86%, and 53%, respectively, of the assets, fund balance/net position, and revenues/additions of the aggregate remaining fund information of the City. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Plans, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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, budgetary comparison schedules, pension information and other postemployment benefits information on pages 11 through 25 and 107 through 123, 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 combining and individual fund financial statements and schedules, as listed in the table of contents, 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 GAAS. In our opinion, the combining and individual fund financial statements, as listed in the table of contents, 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 auditors' 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.

CBIZ CPAs P.C.

Coral Gables, Florida
June 30, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

As management of the City of North Miami Beach (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2025. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal, which can be found on pages 1 to 5 of this report.

Financial Highlights

Total net position of the City increased by $32.5 million, or 86% compared to the prior fiscal year net position to $275.6 million. The increase was primarily attributed to the result of the current year's operations as discussed in more detail below.

Total deferred outflows of resources decreased by $8.8 million or 31.9%. Deferred outflows of resources, as it relates to the pension plans, are a function of various factors, inclusive of investment income, plan experience and changes in assumptions between fiscal years as determined through the actuarial valuation. Refer to Note 11 for additional information.

Total liabilities increased by $27.9 million or 9.6% more than the prior fiscal year total liabilities to $318.2 million. The City obtained a Water Infrastructure Finance and Innovation Act (WIFIA) loan for infrastructure projects which primarily attributed to the increase in total liabilities. Refer to Note 9 for additional information.

Total Deferred inflows of resources increased by $11.5 million or 182.5%. Deferred inflows of resources, as it relates to the pension plans, are a function of various factors, inclusive of investment income, plan experience and changes in assumptions between fiscal years as determined through the actuarial valuation. Refer to Note 11 for additional information.

Overview of the Financial Statements

This annual report follows a format consisting of four parts – Management's Discussion and Analysis (this section), the Basic Financial Statements, Required Supplementary Information (RSI), and an additional section that presents combining statements for non-major governmental funds, non-major enterprise funds, internal service funds and fiduciary funds. The basic financial statements include two types of statements that present different views of the City.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.

- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

- The governmental fund statements show how general government services such as public safety, and parks and recreation were financed in the short-term, as well as what remains for future spending.

- Proprietary fund statements offer short and long-term financial information about the activities the government operates like businesses, such as the water and sewer utility.

- Fiduciary fund statements provide information about the financial relationships – such as the retirement plans for the City's employees, in which the City acts solely as trustee or agent for the benefit of others to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by the RSI section that further explains and supports the information in the financial statements. These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board (GASB).

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 similar manner to a private-sector business.

The statement of net position presents information on all the City's assets plus deferred outflows of resources, and liabilities plus deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (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 public safety, public services, parks and recreation services, code compliance, planning and zoning, economic development, and general and administrative services. The business-type activities of the city include water, sewer, and stormwater operations, sanitation services and building permitting.

The government-wide financial statements include not only the City (known as the primary government), but also a legally separate Community Redevelopment Agency (CRA) for which the City is financially accountable. This component unit functions for all practicable purposes as a department and special revenue fund of the City and has been included as an integral part of the primary government.

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. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental 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 the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate 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 General Fund, which is a major fund. Data from the other governmental funds is 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 elsewhere in this report.

The basic governmental fund financial statements can be found on pages 29-32 of this report.

Proprietary Funds

Proprietary funds are used when fees are charged to customers for the use of specific goods or services. The proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The City maintains two different types of proprietary funds:

Enterprise funds provide separate information for the water and wastewater operations and solid waste services, which are major funds of the City. Data from the other enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

Internal service funds are used to accumulate and allocate costs for goods and services provided internally among the City's various funds and functions. Any net increase or deficiency in net position in the internal service fund is allocated back to the participating funds.

The basic proprietary fund financial statements can be found on pages 33-35 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Fiduciary funds are accounted for in a manner like proprietary funds.

The basic fiduciary fund financial statements can be found on pages 36-37 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Note 15 includes information regarding the CRA.

The notes to the basic financial statements can be found on pages 38-106 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain RSI. The City adopts an annual appropriated budget for its General Fund and CRA. A budgetary comparison schedule has been provided for these funds to demonstrate compliance with this budget. Additional RSI displays the City's changes in net pension and OPEB liabilities and employer contributions to the various plans.

RSI can be found on pages 107-123 of this report.

The combining statements referred to earlier in connection with non-major funds are presented immediately following the RSI. Budgetary comparison schedules are included for non-major governmental funds that legally adopt budgets.

Combining statements and budgetary schedules can be found on pages 124-145 of this report.

Government-wide Financial Analysis

Net Investment in Capital Assets

The largest portion of the City's net position (70.0%) reflects its investment in capital assets (e.g., land, buildings, and equipment) less any outstanding debt used to acquire those assets. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

Restricted Net Position

Some of the City's net position (9.5%) is subject to external restrictions on how it may be used. These resources have been set aside for capital projects, debt service payments, and other contractual obligations.

Unrestricted Net Position

On September 30, 2025, the City's governmental activities reported a negative balance in the unrestricted category primarily due to the net pension liability for the City's General Employees, Police Officers and Firefighters Pension Plans. The city reports positive balances in the remaining categories of net position for its governmental activities and business-type activities.

The following chart provides a condensed statement of government-wide net position with comparative balances between the current and last fiscal year as restated (in millions).

Summary of Net Position

	2025			2024		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets and Deferred Outflows of Resources						
Cash and investments	$ 95.1	$ 150.1	$ 245.2	$ 85.7	$ 113.6	$ 199.3
Other assets	15.1	6.4	21.5	10.8	7.0	17.8
Capital assets, net	94.4	231.7	326.1	86.1	208.9	295.0
Total Assets	$ 204.6	$ 388.2	$ 592.8	$ 182.6	$ 329.5	$ 512.1
Deferred Outflows of Resources	$ 15.7	$ 3.1	$ 18.8	$ 23.5	$ 4.1	$ 27.6
Liabilities and Deferred Inflows of Resources						
Long-term liabilities	$ 124.7	$ 156.7	$ 281.4	$ 116.6	$ 123.1	$ 239.7
Other liabilities	13.9	22.9	36.8	26.1	24.5	50.6
Total Liabilities	$ 138.6	$ 179.6	$ 318.2	$ 142.7	$ 147.6	$ 290.3
Deferred Inflows of Resources	$ 13.8	$ 4.0	$ 17.8	$ 4.6	$ 1.7	$ 6.3
Net Position						
Net investment in capital assets	$ 78.6	$ 114.2	$ 192.8	$ 75.3	$ 110.1	$ 185.4
Restricted	16.0	10.1	26.1	14.8	19.9	34.7
Unrestricted	(26.7)	83.4	56.7	(31.3)	54.3	23.0
Total Net Position	$ 67.9	$ 207.7	$ 275.6	$ 58.8	$ 184.3	$ 243.1

The following table provides a summary comparison of the government-wide statement of changes in net position between the current and last fiscal year as restated (in millions).

Summary of Changes in Net Position

	2025			2024		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues						
Program Revenues:						
Charges for Services	$ 7.3	$ 65.6	$ 72.9	$ 6.0	$ 66.1	$ 72.1
Operating grants & contributions	1.9	--	1.9	5.6	--	5.6
Capital grants & contributions	6.1	4.1	10.2	2.9	--	2.9
General Revenues:						
Property taxes	32.4	--	32.4	32.0	--	32.0
Other taxes	27.9	2.9	30.8	26.3	3.4	29.7
Intergovernmental	5.0	--	5.0	3.2	--	3.2
Investment income	5.6	4.0	9.6	5.2	4.8	10.0
Other miscellaneous	0.5	1.3	1.8	0.2	1.2	1.4
Total Revenues	86.7	77.9	164.6	81.4	75.5	156.9
Expenses						
General government	30.1	--	30.1	36.5	--	36.5
Public safety	31.9	--	31.9	36.1	--	36.1
Parks and Recreation	7.7	--	7.7	6.8	--	6.8
Public services	12.1	--	12.1	8.8	--	8.8
Library	2.1	--	2.1	1.9	--	1.9
Interest on long-term debt	1.6	--	1.6	0.2	--	0.2
Water	--	20.6	20.6	--	30.7	30.7
Sewer	--	11.5	11.5	--	10.8	10.8
Solid Waste	--	6.1	6.1	--	5.7	5.7
Stormwater	--	3.4	3.4	--	2.4	2.4
Building permits	--	3.2	3.2	--	3.4	3.4
Total Expenses	85.5	44.8	130.3	90.3	53.0	143.3
Increase (Decrease) in Net Position Before Transfers	1.2	33.1	34.3	(8.9)	22.5	13.6
Transfers	9.4	(9.4)	--	7.9	(7.9)	--
Change in Net Position	10.6	23.7	34.3	(1.0)	14.6	13.6
Net Position - Beginning as Previously Reported	58.8	184.3	243.1	60.0	170.4	230.4
Restatement (GASB 101) (Note 16)	(1.5)	(0.3)	(1.8)	--	--	--
Restatement - Error Correction	--	--	--	(0.2)	(0.7)	(0.9)
Net Position - Beginning as Restated	57.3	184.0	241.3	59.8	169.7	229.5
Net Position - Ending	$ 67.9	$ 207.7	$ 275.6	$ 58.8	$ 184.3	$ 243.1

Governmental Activities

Total governmental activities revenue increased by approximately $5.3 million, or 6.5%, in fiscal year 2025. Charges for services in fiscal year 2025 showed a net increase of approximately $1.3 million mainly due to growth in billable assessed value. Capital grants and contributions increased by $3.2 million as a result of increased use of ARPA funds for capital projects.

Total governmental activities expenses decreased by $4.8 million, or 5.3%, in fiscal year 2025. The decrease is primarily due to the settlement of the Miami Gardens v. North Miami Beach lawsuit of $9.0 million in fiscal year 2024.

Business-type Activities

Total business-type activities revenues increased by $2.4 million, or 3.2%, in fiscal year 2025. $4.1 million is attributed to a net increase in capital grants for the sewer utility fund. The increase in capital grants was offset by a decrease in investment income and charges for services.

Total business-type activities expenses decreased by $8.2 million, or 15.5%, in fiscal year 2025. The decrease in expenses can be attributed to a fluctuations in operating expenses.

Financial Analysis of the City's Funds

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the fund financial statements is on major funds, rather than fund types. Traditional users of the fund financial statements will find the fund financial statements presentation more familiar.

Governmental funds: The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. The Governmental Funds presentation is designed to show the sources and uses of liquid resources. This is the way the budget is typically developed. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of the City's current financial resources available for discretionary spending.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances nonspendable, restricted, committed, assigned, and unassigned) of $92.6 million, an increase of $17.4 million more than the prior year.

Approximately 0.3% of the fund balance of the governmental funds was in nonspendable form. In other words, the assets are not cash and will not be converted into cash. This classification includes items such as prepaid costs and inventory. The use of 18.6% of fund balance is restricted by third parties such as grantors, creditors, or other governmental entities for specific types of expenditures and for mitigation of the effect of development on parks and public safety. The City Commission through ordinance or resolution has committed 3.5% of the fund balance to be used for the specific purposes of alley restoration and disaster recovery. The City Manager assigned approximately 42.6% of the fund balance to be used for capital projects and equipment, land acquisition, liability and workers' compensation claims and expenditures for the next fiscal year. Unassigned fund balance is the portion of fund balance that is available for spending at the City's discretion, 35.0% of fund balance ($32.4 million) constitutes unassigned fund balance.

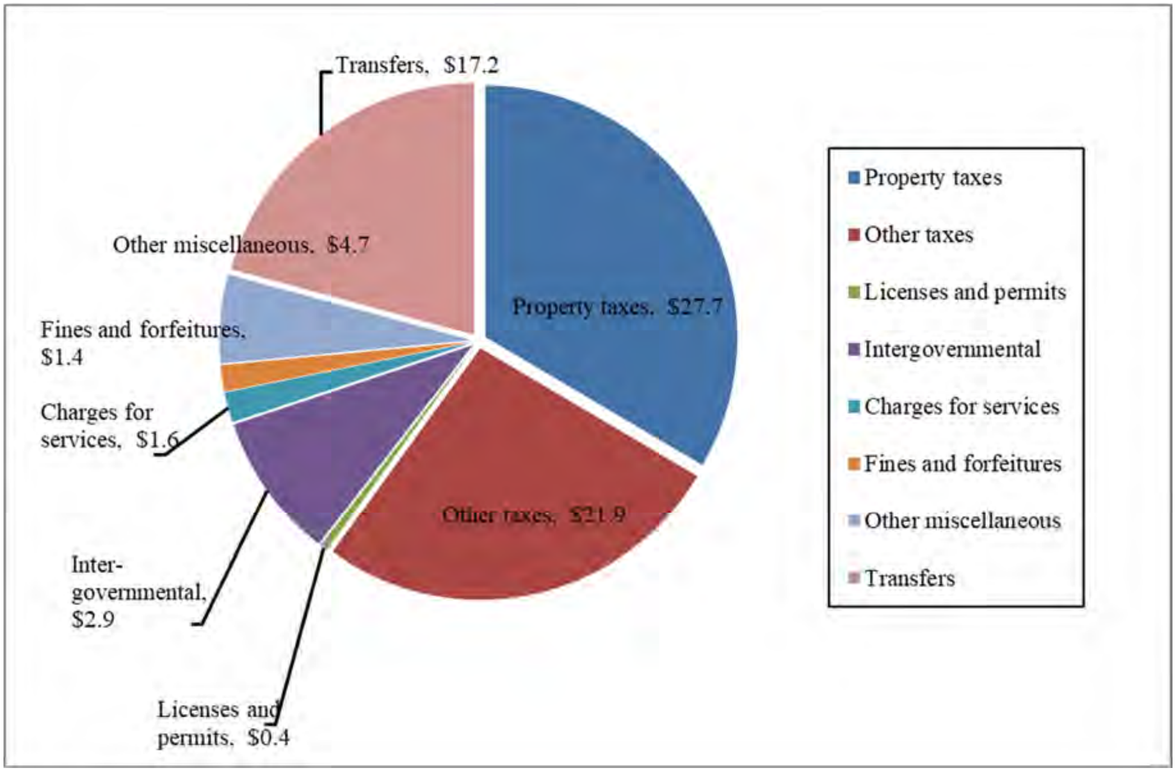
The General Fund is the chief operating fund of the City. All revenues and other receipts and expenditures, fixed charges and capital improvement costs that are not required by law or contractual agreement to be accounted for in another fund are accounted for in this fund. At the end of the current fiscal year, the fund balance in the General Fund is $55.9 million. The unassigned fund balance of $32.4 million constitutes 57.8% of total general fund balance.

The Unassigned Fund balance decreased by $2.1 million in comparison to the prior year. The difference is primarily attributed to a net increase in assigned fund balance of $4.4 million.

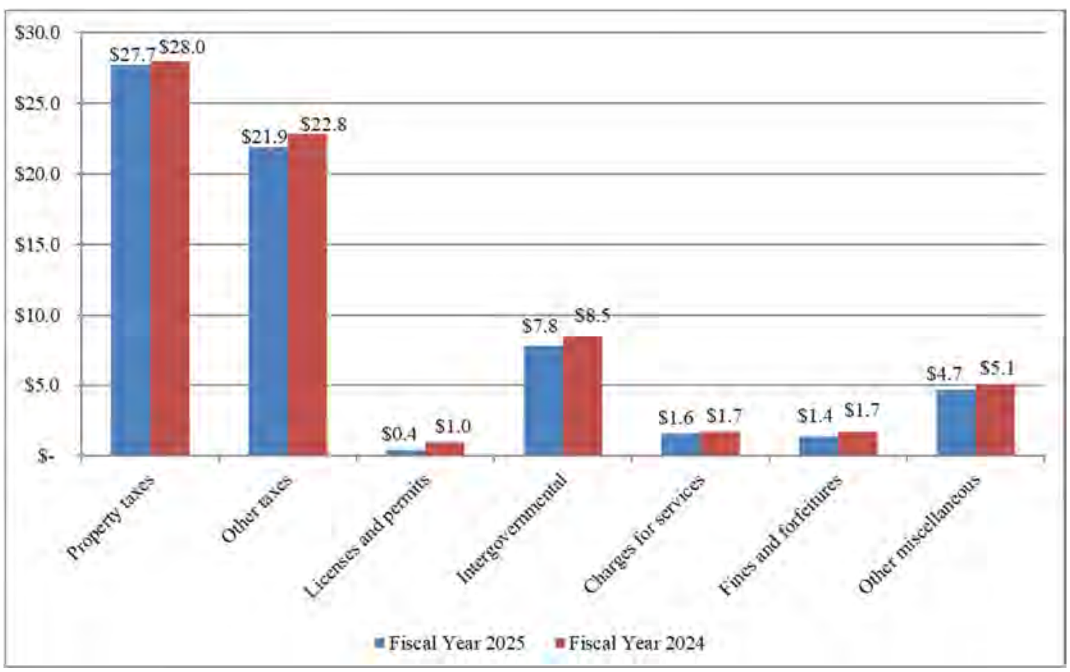
Total General Fund revenues including other financing sources increased $8.3 million or 11.0% above last fiscal year due to transfer of funds for the Miami Gardens Lawsuit in the amount of $9.0 million. The following graphics display (in millions) the classifications of revenues relative to the total fiscal year 2024 General Fund revenues and relative to the fiscal year 2025 General Fund revenues.

The CRA is a blended component unit. Its fund balance increased by $2 million which is attributed to a net surplus of funds in fiscal year 2025 due to rising TIF revenues.

General Fund Revenues by Source (in millions)

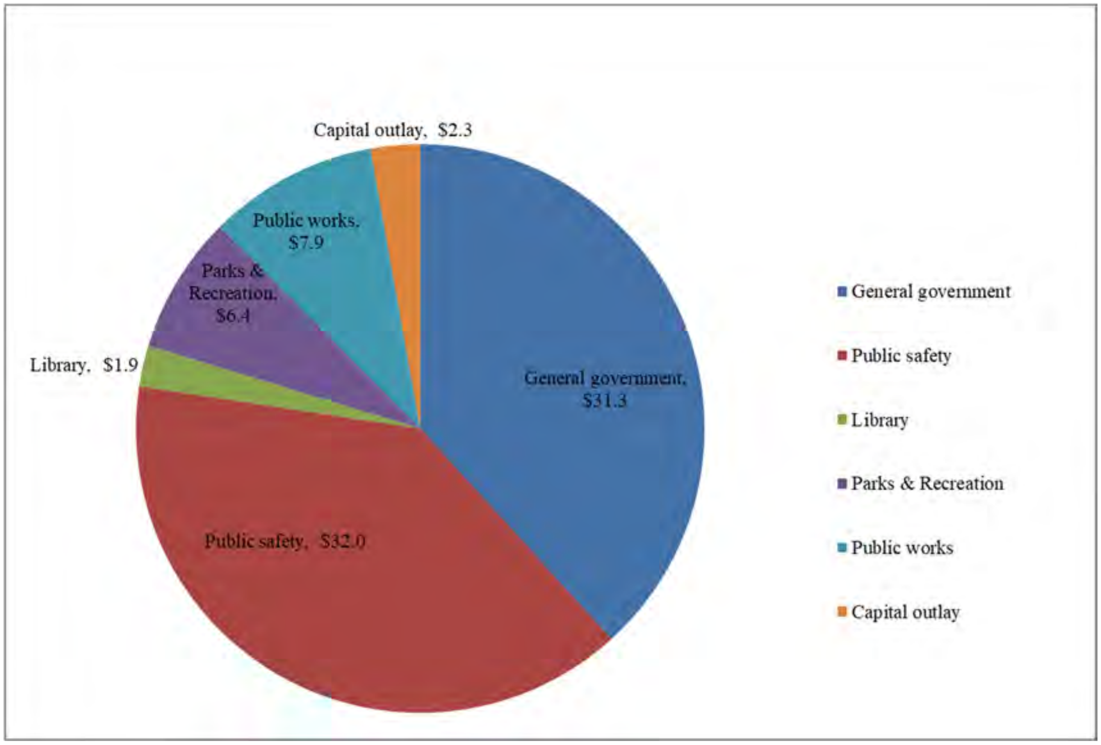


Current Year vs. Prior Year General Fund Revenues (in millions)



Total General Fund expenditures decreased by $11.8 million or 16.8% as compared to the prior year. The following graphic displays (in millions) the classifications of expenditures relative to the total fiscal year 2025 general fund expenditures.

General Fund Expenditures (in millions)

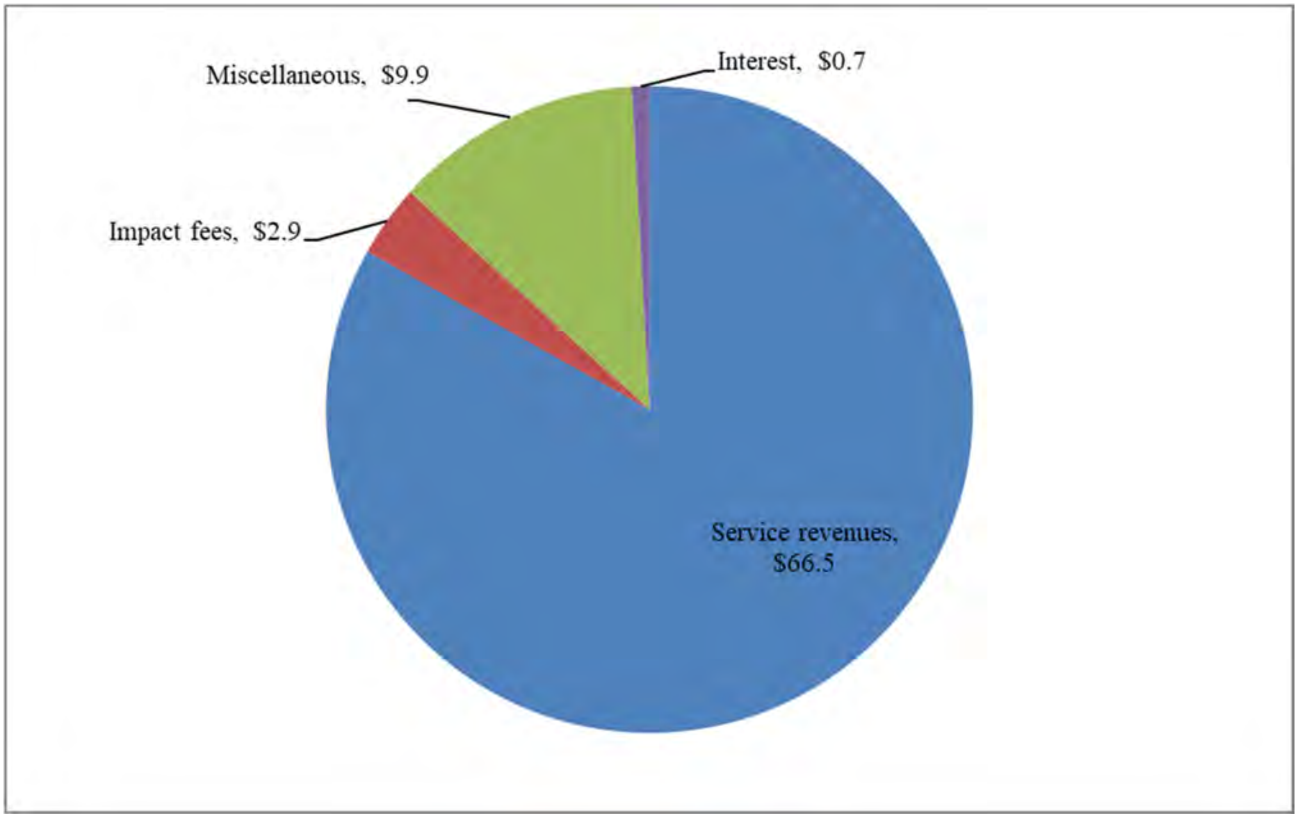


Proprietary Funds

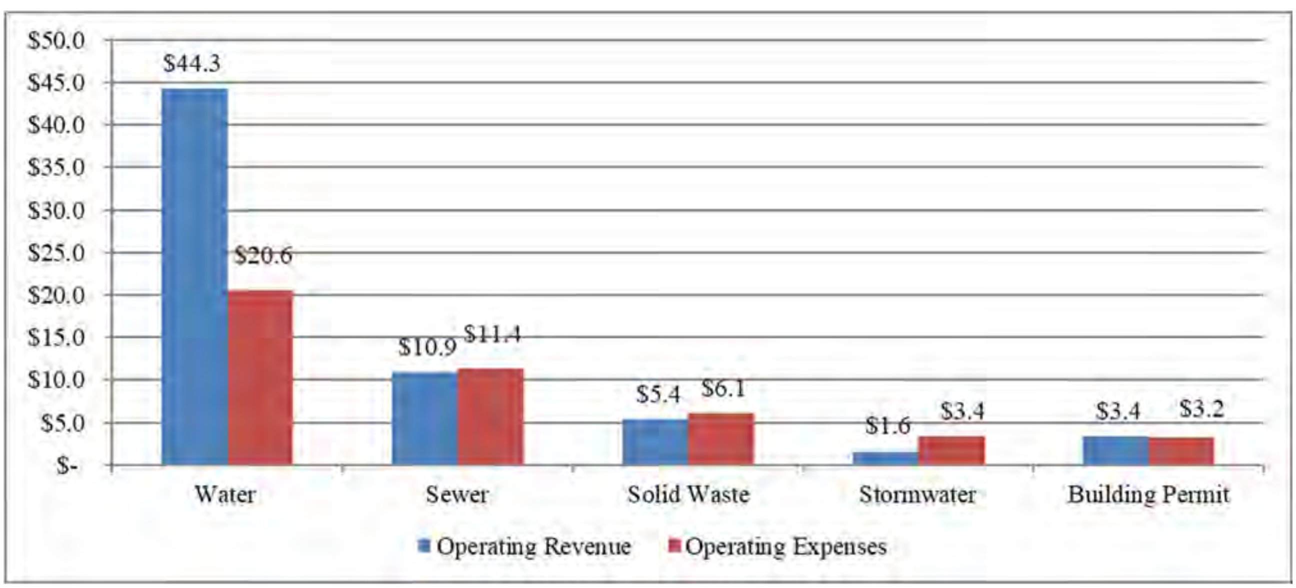
The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Proprietary funds account for services that are generally supported by user fees charged to customers. Proprietary funds are presented on a total economic resource basis. Proprietary fund statements, like government-wide statements, provide both short- and long-term financial information.

The following graphics display (in millions) the sources of proprietary fund revenues relative to the total fiscal year 2025 proprietary fund revenue and a comparison between operating revenues and expenses of each proprietary fund for the current fiscal year.

Proprietary Fund Revenues by Source (in millions)



Proprietary Fund Operating Revenues and Expenses (in millions)



Water Utility Fund operating revenues increased by $0.7 million during the fiscal year due mainly to increased bulk water sales to the City. The Sewer Utility Fund operating revenues remained stable with prior fiscal year amounts.

Water Utility Fund operating costs decreased by $1.5 million during the fiscal year primarily due to a decrease in personnel services costs. Sewer Utility Fund operating costs increased by $0.7 million primarily due to increase rates for sewage disposal.

General Fund Budgetary Highlights

A budgetary comparison schedule for the General Fund is part of the required supplementary information and can be found on pages 107-108 of this report.

Differences between the original budget and the final amended budget expenditures amounted to an increase of approximately $2.3 million during the current fiscal year. $1.5 million was in carryover from last year's unspent appropriation for capital projects and $0.8 million for professional services.

The differences in the actual revenues and expenditures as compared to the final amended budget are summarized as follows:

- Utility taxes, communications service taxes, and franchise fees were higher than the final budget. These are a function of current consumer spending patterns which were significantly higher than we had conservatively budgeted.
- Non-Departmental expenditures were higher than the final budget as a result of the Miami Gardens v. City of North Miami Beach settlement agreement in the amount of $9.0 million.
- Public safety expenditures were higher than the final budget as a result of higher personnel cost.
- All expenditures exhibited positive variances except debt service expenditures and law enforcement capital outlays. The negative variance is attributed to the adoption of GASBS 87, Leases, and 96, Subscriptions-Based Information Technology Arrangements (SBITAs).

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounts to $210.9 million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings, improvements other than buildings, and machinery and equipment, leases, and subscription arrangements. The City's investment in capital assets for the current fiscal year increased by $25.6 million or 13.7%.

A significant amount of construction projects was in progress during the fiscal year in both the governmental and business-type activities resulting in an increase in the construction in progress, infrastructure, leases, as well as an increase in overall assets. All other categories, except for land, which does not depreciate, have declined due to depreciation.

The following chart provides a condensed schedule of government-wide capital assets with comparative balances between the current and prior fiscal year.

Capital Assets, Net of Accumulated Depreciation and Amortization (in millions)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 6.3	$ 6.3	$ 5.9	$ 5.9	$ 12.2	$ 12.2
Buildings and plant	0.7	0.8	94.2	100.8	94.9	101.6
Improvements other than buildings	10.2	11.5	--	--	10.2	11.5
Furniture, fixtures, machinery and equipment	5.7	12.4	3.8	3.8	9.5	16.2
Infrastructure	11.7	5.4	--	--	11.7	5.4
Subscription assets	1.0	1.0	--	--	1.0	1.0
Lease assets	2.3	1.7	0.6	0.5	2.9	2.2
Construction in progress	56.5	47.0	127.2	97.9	183.7	144.9
Total Capital Assets, Net	$ 94.4	$ 86.1	$ 231.7	$ 208.9	$ 326.1	$ 295.0

Additional information on the City's capital assets can be found in Note 8 of this report.

Long-Term Debt

Fitch Ratings upgraded the bond rating to "AA-" with a stable outlook during 2016. S&P and Fitch affirmed the City's ratings in January 2020. On October 15, 2021, after the close of the fiscal year, the city received Fitch Ratings Services rating to 'A+ 'from 'AA- with an outlook to negative. The downgraded of the bond rating reflects unexpected weakening in fiscal year 2020 as revenues were impacted by the pandemic and related moratoriums and the city taking control back from the private management company. On September 28, 2023, Fitch Ratings affirmed the City of North Miami Beach (the city) obligations at an A+ rating for the following:

- Approximately $63.4 million water utility system revenue and refunding bonds.
- $44.2 million WIFIA loan.

In addition, Fitch has assessed the standalone credit profile (SCP) at 'A+'. The SCP represents the credit profile of the system on a stand-alone basis irrespective of its relationship with, and the credit quality of the City. The Rating Outlook is revised to stable from Negative Outlook.

At the end of the current fiscal year, the City had total debt outstanding, net of bond premiums of $193.1 million. This consisted of revenue bonds of $127.0 million, special obligation bonds of $34.7 million and state revolving loans outstanding of $12.7 million. Of this amount, $7.3 million was approved by referendum of the City's voters. The remaining $101.6 million of the bonds, notes and loans has been secured by specified revenue sources of the water and sewer utility operating income.

The following chart provides information on the City's outstanding long-term debt with comparative balances between the current and last fiscal year.

Long-term Debt Outstanding (in millions)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation note	$ 6.3	$ 7.3	$ --	$ --	$ 6.3	$ 7.3
Special obligation bond	34.7	9.1	--	--	34.7	9.1
Revenue bonds	--	--	127.0	87.5	127.0	87.5
Notes payable	--	--		8.5	--	8.5
State Revolving Loans	--	--	12.7	14.1	12.7	14.1
Leases	2.4	1.7	0.5	0.5	2.9	2.2
Subscriptions	9.5	0.9	--	0.1	9.5	1.0
Total	$ 52.9	$ 19.0	$ 140.2	$ 110.7	$ 193.1	$ 129.7

This chart indicates that the city continues to make steady progress in paying down its debt obligations. Additional information on the City's long-term debt can be found in Note 9 of this report.

Economic Factors and Next Year's Budgets and Rates

The City's property tax is levied every October 1st, on the assessed value listed as of the prior January 1, for all real and personal property located in the City. Property taxes are based on a millage rate (one mil is the equivalent of $1 per $1,000 of assessed value or 0.001), which is applied to the total taxable value of all real property and certain tangible personal property. The Miami-Dade County Property Appraiser establishes assessed values and delivers the Certified Taxable Value of each property to the City on or before July 1st of each year. The gross taxable value on January 1, 2025, upon which the 2025-2026 levy was based, is approximately $5.7 billion.

Depending upon policies established by the City Commission, revenue from Ad Valorem taxes may be used to fund both operating costs and capital projects. The City is permitted by state law to levy taxes up to 10 mils of assessed valuation for the General Fund. State constitutional provisions exist for raising the millage rate above the 10-mil cap by local referendum and for debt service or provision of municipal-type services within the City. The adopted operating millage rate for Fiscal Year 2026 is 6.1000 per $1,000 of taxable value. The adopted debt service millage rate is 0.2000 per $1,000 of taxable value which is a reduction of 0.0232 from Fiscal Year 2025 debt service millage rate of 0.2232.

The City was allocated a total of $10.78 million from the American Rescue Plan Act (ARPA) and in September 2021, the City Commission approved staff's ARPA allocation, which laid out the proposed major expenditure categories of the projected ARPA funding. The first distribution of the proceeds in the amount of $10.78 million was received in October 2021 and the second half in the amount of $10.78 was received in September 2022 and allocated in FY2023. As of the end of the fiscal year, the entire $21.56 million of ARPA funds have been allocated, and will be used towards economic stabilization, infrastructure and various other programs approved by the City Commission.

Requests for Information

This financial report is designed to provide a general overview of the City of North Miami Beach's finances for all those with an interest in the City's finances and to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Finance Department
City of North Miami Beach

17011 NE 19th Avenue
North Miami Beach, Florida 33162

BASIC FINANCIAL STATEMENTS

CITY OF NORTH MIAMI BEACH, FLORIDA

STATEMENT OF NET POSITION

September 30, 2025

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Pooled cash and investments	$ 92,548,080	$ 103,776,667	$ 196,324,747
Receivables	5,918,316	10,968,551	16,886,867
Internal balances	7,090,175	(7,090,175)	--
Prepaid costs	1,004,916	148,734	1,153,650
Inventory	136,047	1,420,119	1,556,166
Other assets	10,015	--	10,015
Restricted pooled cash and investments	2,515,528	46,279,315	48,794,843
Total Current Assets	109,223,077	155,503,211	264,726,288
Non-Current Assets			
Loan receivable	--	187,126	187,126
Lease receivable	545,443	283,343	828,786
Net pension asset	400,433	464,365	864,798
Capital assets, not being depreciated / amortized	62,847,092	133,062,453	195,909,545
Capital assets, net	31,574,705	98,667,543	130,242,248
Total Non-Current Assets	95,367,673	232,664,830	328,032,503
Total Assets	204,590,750	388,168,041	592,758,791
Deferred Outflows of Resources			
Pension	15,419,265	2,958,260	18,377,525
Other post-employment benefits (OPEB)	314,258	144,748	459,006
Total Deferred Outflows of Resources	$ 15,733,523	$ 3,103,008	$ 18,836,531

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

CITY OF NORTH MIAMI BEACH, FLORIDA

STATEMENT OF NET POSITION

September 30, 2025

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	$ 7,126,829	$ 17,674,665	$ 24,801,494
Customer/vendor deposits	990,342	5,180,978	6,171,320
Accrued interest payable	705,411	--	705,411
Unearned revenues	5,122,323	--	5,122,323
Noncurrent liabilities:			
Portion due within one year:			
Compensated absences	1,554,301	354,539	1,908,840
Leases	558,399	316,844	875,243
Subscriptions	419,591	--	419,591
Claims payable	1,272,000	--	1,272,000
Bonds payable	2,030,848	4,819,611	6,850,459
Revolving loans	--	4,642,165	4,642,165
Portion due in more than one year:			
Net OPEB liability	760,527	350,298	1,110,825
Net pension liability	69,099,031	14,664,732	83,763,763
Compensated absences	4,662,902	1,063,619	5,726,521
Leases	1,829,621	203,520	2,033,141
Subscriptions	528,163	--	528,163
Claims payable	3,385,000	--	3,385,000
Bonds payable	38,638,378	122,154,925	160,793,303
Revolving loans	--	8,098,856	8,098,856
Total Liabilities	138,683,666	179,524,752	318,208,418
Deferred Inflows of Resources			
Business license tax	289,970	--	289,970
Pension	11,122,416	2,893,191	14,015,607
Other post-employment benefits (OPEB)	1,798,586	828,426	2,627,012
Leases	550,362	298,749	849,111
Total Deferred Inflows of Resources	13,761,334	4,020,366	17,781,700
Net Position			
Net investment in capital assets	78,565,780	114,248,938	192,814,718
Restricted for:			
Community redevelopment	9,008,059	--	9,008,059
Debt service	1,524,023	--	1,524,023
Special taxing district	308,697	--	308,697
Public safety	3,473,838	--	3,473,838
Impact fees	1,290,456	2,884,925	4,175,381
Net pension asset	400,433	464,365	864,798
Building enforcement	--	6,798,853	6,798,853
Unrestricted (deficit)	(26,692,012)	83,328,850	56,636,838
Total Net Position	$ 67,879,274	$ 207,725,931	$ 275,605,205

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

CITY OF NORTH MIAMI BEACH, FLORIDA

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2025

		Program Revenue			Net Revenue (Expense) and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General government	$ 30,054,807	$ 3,852,528	$ 882,388	$ 157,095	$ (25,162,796)	$ --	$ (25,162,796)
Public safety	31,930,179	2,792,520	364,055	354,028	(28,419,576)	--	(28,419,576)
Parks & recreation	7,597,493	599,210	532,389	362,826	(6,103,068)	--	(6,103,068)
Physical Environment	--	37,500	--	--	37,500	--	37,500
Public works	12,098,014	40,991	7,839	5,186,652	(6,862,532)	--	(6,862,532)
Library	2,129,907	5,149	--	--	(2,124,758)	--	(2,124,758)
Transportation	--	--	108,024	--	108,024	--	108,024
Interest on long-term debt	1,645,258	--	--	--	(1,645,258)	--	(1,645,258)
Total Governmental Activities	85,455,658	7,327,898	1,894,695	6,060,601	(70,172,464)	--	(70,172,464)
Business-Type Activities							
Stormwater	3,409,823	1,597,644	--	--	--	(1,812,179)	(1,812,179)
Water	20,591,737	44,270,615	--	4,064,568	--	27,743,446	27,743,446
Sewer	11,438,769	10,871,183	--	--	--	(567,586)	(567,586)
Building permits	3,211,693	3,398,934	--	--	--	187,241	187,241
Solid waste	6,061,096	5,449,764	--	--	--	(611,332)	(611,332)
Total Business-Type Activities	$ 44,713,118	$ 65,588,140	$ --	$ 4,064,568	--	24,939,590	24,939,590
			General Revenues				
			Property taxes, levied for general purposes		31,152,824	--	31,152,824
			Property taxes, levied for debt service purposes		1,236,438	--	1,236,438
			Utility taxes		4,905,093	--	4,905,093
			Communication service taxes		2,060,044	--	2,060,044
			Gas tax		823,043	--	823,043
			Premium insurance tax		844,471	--	844,471
			Franchise fees		4,891,272	--	4,891,272
			Sales taxes		4,367,093	--	4,367,093
			Intergovernmental (unrestricted)		4,990,712	--	4,990,712
			Investment income (unrestricted)		5,568,957	3,971,087	9,540,044
			User surcharges		10,026,034	2,884,924	12,910,958
			Miscellaneous		485,974	1,303,177	1,789,151
			Transfers		9,369,077	(9,369,077)	--
			Total General Revenues and Transfers		80,721,032	(1,209,889)	79,511,143
			Change in Net Position		10,548,568	23,729,701	34,278,269
			Net Position - Beginning as Previously Reported		58,844,548	184,306,089	243,150,637
			Restatement (Note 16)		(1,513,842)	(309,859)	(1,823,701)
			Net Position - Beginning as Restated		57,330,706	183,996,230	241,326,936
			Net Position - Ending		$ 67,879,274	$ 207,725,931	$ 275,605,205

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

CITY OF NORTH MIAMI BEACH, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS

September 30, 2025

	Major funds			
	General Fund	CRA Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Pooled cash and investments	$ 44,260,493	$ 9,054,209	$ 37,129,604	$ 90,444,306
Accounts receivable	5,102,697	--	815,619	5,918,316
Due from other funds	10,834,542	--	182,014	11,016,556
Prepaid costs	95,500	16,867	7,107	119,474
Inventory	136,047	--	--	136,047
Lease receivable	545,443	--	--	545,443
Other Assets	10,016	--	--	10,016
Restricted pooled cash and investments	2,510,532	--	4,996	2,515,528
Total Assets	$ 63,495,270	$ 9,071,076	$ 38,139,340	$ 110,705,686
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable and accrued liabilities	5,599,776	46,150	1,273,290	6,919,216
Vendor deposits	990,342	--	--	990,342
Due to other funds	182,014	--	3,744,367	3,926,381
Unearned revenue	4,178	--	5,118,145	5,122,323
Total Liabilities	6,776,310	46,150	10,135,802	16,958,262
Deferred Inflows of Resources				
Business tax receipts	289,970	--	--	289,970
Lease	550,362	--	--	550,362
Unavailable revenue	--	--	286,796	286,796
Total Deferred Inflows of Resources	840,332	--	286,796	1,127,128
Fund Balances				
Nonspendable				
Inventory	136,047	--	--	136,047
Prepaid costs	95,500	16,867	7,107	119,474
Restricted				
Community redevelopment	--	9,008,059	--	9,008,059
Debt service	--	--	1,524,023	1,524,023
Impact fees	1,290,456	--	--	1,290,456
Interlocal agreements	--	--	1,645,444	1,645,444
Public safety	--	--	3,473,838	3,473,838
Special taxing districts	--	--	308,697	308,697
Committed				
Alley restoration	--	--	220,961	220,961
Disaster recovery	3,000,000	--	--	3,000,000
Assigned				
Capital projects and encumbrances	747,714	--	20,402,552	21,150,266
Liability claims	2,598,509	--	--	2,598,509
Workers' compensation claims	3,481,219	--	--	3,481,219
Subsequent year's appropriation	12,213,739	--	--	12,213,739
Unassigned	32,315,444	--	134,120	32,449,564
Total Fund Balances	55,878,628	9,024,926	27,716,742	92,620,296
Total Liabilities and Fund Balances	$ 63,495,270	$ 9,071,076	$ 38,139,340	$ 110,705,686

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

CITY OF NORTH MIAMI BEACH, FLORIDA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

GOVERNMENTAL FUNDS

September 30, 2025

Fund Balances - Total Governmental Funds (See Page 29)	$	92,620,296
Amounts reported for governmental activities in the statement of net position are different as a result of:		
Capital assets, (excluding those reported in the internal service funds) used in governmental activities are not current financial resources and therefore are not reported in the funds		92,832,005
In the governmental fund, deferred outflows and inflows of resources relating to pensions and other post employment benefit plans are not reported because they are applicable for future periods. In the statement of net position, deferred outflows and inflows of resources related to pensions and other employment benefit plans are reported.		
Deferred outflows of resources - pension		15,169,773
Deferred inflows of resources - pension		(10,928,214)
Deferred outflows of resources - OPEB		297,701
Deferred inflows of resources - OPEB		(1,703,826)
Long-term liabilities, (excluding those reported in the internal service funds) including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences		(5,972,579)
Leases		(2,330,923)
Subscriptions		(541,311)
Revenue bonds payable		(40,669,226)
Claims payable		(4,657,000)
Accrued interest on long term debt		(705,411)
Net pension liability		(67,862,246)
Net pension asset		400,433
Net OPEB liability		(720,458)
The internal service funds are used by management to charge the cost of information technology to other funds. The assets and liabilities of the internal service funds are included in governmental activities in the Government-wide Statement of Net Position.		2,363,464
Revenue collected outside of the period of availability is not available to pay for current period expenditures and therefore, is a deferred inflow in the funds.		286,796
Net Position of Governmental Activities (See Page 27)	$	67,879,274

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

CITY OF NORTH MIAMI BEACH, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2025

	Major Funds			
	General Fund	CRA Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	$ 27,713,401	$ 3,439,423	$ 1,236,438	$ 32,389,262
User surcharges	10,026,034	--	--	10,026,034
Franchise fees	4,891,272	--	--	4,891,272
Utility taxes	4,905,093	--	--	4,905,093
Impact fees	43,312	--	--	43,312
Communication service taxes	2,060,044	--	--	2,060,044
Licenses and permits	399,416	--	--	399,416
Intergovernmental revenue	7,803,777	2,620,534	4,151,072	14,575,383
Charges for services	1,538,396	--	--	1,538,396
Fines and forfeitures	1,433,447	--	300,532	1,733,979
Non-ad valorem assessments	--	--	1,026,148	1,026,148
Grant revenue	--	--	4,401,958	4,401,958
Investment income (loss)	4,232,793	69,194	1,266,970	5,568,957
Miscellaneous revenue	485,664	--	--	485,664
Total Revenues	65,532,649	6,129,151	12,383,118	84,044,918
Expenditures				
Current:				
General government	31,211,272	1,948,493	1,172,991	34,332,756
Public safety	31,974,481	--	1,295,552	33,270,033
Library	1,948,455	--	145,032	2,093,487
Parks & recreation	6,420,222	--	361,498	6,781,720
Public works	7,897,098	--	3,052,896	10,949,994
Debt Service:				
Principal	351,090	--	1,354,613	1,705,703
Interest and other charges	53,381	--	937,579	990,960
Capital outlay	2,349,930	97,140	9,989,523	12,436,593
Total Expenditures	82,205,929	2,045,633	18,309,684	102,561,246
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,673,280)	4,083,518	(5,926,566)	(18,516,328)
Other Financing Sources (Uses)				
Issuance of debt	--	--	25,294,226	25,294,226
Issuance of lease	1,087,515	--	--	1,087,515
Transfers in	19,963,905	--	3,494,430	23,458,335
Transfers out	(2,759,402)	(2,054,395)	(9,153,127)	(13,966,924)
Total Other Financing Sources (Uses)	18,292,018	(2,054,395)	19,635,529	35,873,152
Net Change in Fund Balances	1,618,738	2,029,123	13,708,963	17,356,824
Fund Balances - Beginning	54,259,890	6,995,803	14,007,779	75,263,472
Fund Balances - Ending	$ 55,878,628	$ 9,024,926	$ 27,716,742	$ 92,620,296

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

CITY OF NORTH MIAMI BEACH, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2025

Net Change in Fund Balances - Total Government Funds (See Page 31)	$ 17,356,824
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures while the Statement of Activities reports depreciation and amortization expense on capital assets. This is the amount by which capital outlays exceeded depreciation and amortization in the current period. The details of the difference (excluding the internal service fund) are as follows:	
Expenditures for capital outlay	12,194,063
Less current year depreciation and amortization	(4,414,689)
Net Adjustment	7,779,374
The issuance of long-term debt provides current financial resources to governmental funds. Repayment of the principal consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The details of the difference (excluding the internal service fund) are as follows:	
Issuance of debt	(25,294,226)
Issuance of lease	(1,087,515)
Principal and long term liability payments:	
Settlement liability	9,000,000
General obligation and capital improvement bonds	985,000
Lease liability	394,293
Subscription liability	326,410
	(15,676,038)
Under the modified accrual basis of accounting used in the governmental funds, revenues are not recognized until funds are measurable and available to finance current expenditures. In the statement of activities, however, which is presented on the accrual basis, revenues are reported when earned.	3,274
Internal service funds are used by management to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	720,425
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in:	
Compensated absences	(858,043)
Estimated claims	(138,000)
Accrued interest	(651,823)
Net pension liability	18,950,414
Net pension asset	(344,889)
Deferred outflow of resources - pension	(7,782,772)
Deferred inflow of resources - pension	(9,689,127)
Net OPEB liability	(11,694)
Deferred outflow of resources - OPEB	70,275
Deferred inflow of resources - OPEB	820,368
	364,709
Change in Net Position of Governmental Activities (See Page 28)	$ 10,548,568

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

CITY OF NORTH MIAMI BEACH, FLORIDA

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

September 30, 2025

	Enterprise Funds				
	Major Funds				
	Water Utility	Sewer Utility	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets					
Current Assets					
Pooled cash and investments	$ 70,838,773	$ 18,003,540	$ 11,080,290	$ 99,922,603	$ 5,957,838
Accounts receivable, net	7,503,846	3,030,505	434,200	10,968,551	--
Prepaid costs	146,960	--	1,774	148,734	885,442
Inventory	1,420,119	--	--	1,420,119	--
Restricted pooled cash and investments	41,954,382	4,129,363	195,570	46,279,315	--
Total Current Assets	121,864,080	25,163,408	11,711,834	158,739,322	6,843,280
Non-Current Assets					
Loan receivable	--	187,126	--	187,126	--
Lease receivable	283,343	--	--	283,343	--
Net pension asset	92,201	23,964	348,200	464,365	--
Capital assets:					
Capital assets, not being depreciated / amortized	116,014,563	15,294,896	1,555,848	132,865,307	944,368
Capital assets, net	78,586,722	15,715,775	4,269,923	98,572,420	937,693
Total Non-Current Assets	194,976,829	31,221,761	6,173,971	232,372,561	1,882,061
Total Assets	316,840,909	56,385,169	17,885,805	391,111,883	8,725,341
Deferred Outflows of Resources					
Pension	1,295,993	486,850	718,900	2,501,743	706,009
Other post-employment benefits (OPEB)	71,142	19,081	37,888	128,111	33,194
Total Deferred Outflows of Resources	1,367,135	505,931	756,788	2,629,854	739,203
Liabilities					
Current Liabilities					
Accounts payable and accrued liabilities	14,560,467	2,414,596	622,946	17,598,009	284,269
Due to other funds	--	2,329,032	4,761,143	7,090,175	--
Customer deposits	4,472,639	512,770	195,569	5,180,978	--
Total Current Liabilities	19,033,106	5,256,398	5,579,658	29,869,162	284,269
Non-Current Liabilities					
Portion due within one year:					
Compensated absences	159,386	39,846	126,019	325,251	90,444
Leases	183,285	--	133,559	316,844	43,059
Subscriptions	--	--	--	--	97,565
Revenue bonds payable	4,129,611	690,000	--	4,819,611	--
Revolving loans	903,175	3,738,990	--	4,642,165	--
Portion due in more than one year:					
Net OPEB liability	172,169	46,177	91,690	310,036	80,331
Net pension liability	6,424,513	2,413,422	3,563,744	12,401,679	3,499,838
Compensated absences	478,156	119,538	378,059	975,753	271,334
Leases	59,180	--	144,340	203,520	14,038
Subscriptions	--	--	--	--	308,878
Revenue bonds payable	115,014,925	7,140,000	--	122,154,925	--
Revolving loans	8,098,856	--	--	8,098,856	--
Total Non-Current Liabilities	135,623,256	14,187,973	4,437,411	154,248,640	4,405,487
Total Liabilities	154,656,362	19,444,371	10,017,069	184,117,802	4,689,756
Deferred Inflows of Resources					
Pension	1,126,034	409,433	1,002,376	2,537,843	549,550
Other post-employment benefits (OPEB)	407,165	109,205	216,840	733,210	189,976
Leases	298,749	--	--	298,749	--
Total Deferred Inflows of Resources	1,831,948	518,638	1,219,216	3,569,802	739,526
Net Position					
Net investment in capital assets	89,402,041	19,006,756	5,547,872	113,956,669	1,418,521
Restricted for:					
Capital improvements	13,971,130	2,388,045	--	16,359,175	--
Net pension asset	92,201	23,964	348,200	464,365	--
Unrestricted	58,254,362	15,509,326	1,510,236	75,273,924	2,616,741
Total Net Position	$ 161,719,734	$ 36,928,091	$ 7,406,308	206,054,133	$ 4,035,262
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				1,671,798	
Net Position of Business-Type Activities				$ 207,725,931	

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

CITY OF NORTH MIAMI BEACH, FLORIDA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

For the Fiscal Year Ended September 30, 2025

	Enterprise Funds				
	Major Funds				
	Water Utility	Sewer Utility	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating Revenues					
Service revenues	$ 44,265,613	$ 10,883,639	$ 11,343,089	$ 66,492,341	$ 10,102,814
Total Operating Revenues	44,265,613	10,883,639	11,343,089	66,492,341	10,102,814
Operating Expenses					
Personal services	5,097,055	2,631,121	5,031,189	12,759,365	3,687,311
Other operating costs	16,405,977	7,639,398	7,107,628	31,153,003	4,650,617
Depreciation and amortization	6,190,298	850,396	511,384	7,552,078	357,466
Total Operating Expenses	27,693,330	11,120,915	12,650,201	51,464,446	8,695,394
Operating Income (Loss)	16,572,283	(237,276)	(1,307,112)	15,027,895	1,407,420
Non-Operating Revenues (Expenses)					
Impact fees	2,575,606	309,319	--	2,884,925	--
Investment income (losses)	2,778,458	725,849	466,783	3,971,090	--
State grant	--	4,064,568	--	4,064,568	--
Miscellaneous income	380,071	15,783	3,122	398,976	--
Interest and other fiscal charges	(2,941,430)	(317,855)	(32,411)	(3,291,696)	(4,542)
Total Non-Operating Revenues (Expenses)	2,792,705	4,797,664	437,494	8,027,863	(4,542)
Income Before Special Item and Transfers	19,364,988	4,560,388	(869,618)	23,055,758	1,402,878
Transfers in	400,000	--	--	400,000	--
Transfers out	(5,900,133)	(1,612,227)	(2,242,919)	(9,755,279)	(136,132)
Special item - PFAS Settlement (Note 15)	9,482,901	--	--	9,482,901	--
Change in Net Position	23,347,756	2,948,161	(3,112,537)	23,183,380	1,266,746
Net Position - Beginning	138,541,040	33,979,930	10,649,446	183,170,416	2,779,052
Restatement (Note 16)	(169,062)	--	(130,601)	(299,663)	(10,536)
Net Position - Beginning as Restated*	138,371,978	33,979,930	10,518,845	182,870,753	2,768,516
Net Position - Ending	$ 161,719,734	$ 36,928,091	$ 7,406,308	206,054,133	$ 4,035,262
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				546,321	
Change in Net Position of Business-Type Activities				$ 23,729,701	

* Beginning net position restated due to implementation of GASB 101

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

CITY OF NORTH MIAMI BEACH, FLORIDA

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Fiscal Year Ended September 30, 2025

	Water Fund	Sewer Utility	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash Flows From Operating Activities					
Cash received from customers	$ 42,325,806	$ 13,144,390	$ 11,331,537	$ 66,801,733	$ 10,102,816
Cash payments to suppliers	(20,561,571)	(5,053,958)	(5,180,246)	(30,795,775)	(5,142,235)
Cash payments to employees	(8,205,653)	(2,139,536)	(4,452,110)	(14,797,299)	(3,595,399)
Proceeds from settlement	9,482,901	--	--	9,482,901	--
Net Cash Provided by Operating Activities	23,041,483	5,950,896	1,699,181	30,691,560	1,365,182
Cash Flows From Non-Capital Financing Activities					
Transfers from other funds	400,000	--	--	400,000	--
Transfers to other funds	(5,900,133)	(1,612,227)	(2,242,919)	(9,755,279)	(136,132)
Net Cash Provided by (Used in) Non-Capital Financing Activities	(5,500,133)	(1,612,227)	(2,242,919)	(9,355,279)	(136,132)
Cash Flows From Capital Related Financing Activities					
Acquisition and construction of capital assets	(20,725,317)	(6,008,412)	(15,808)	(26,749,537)	(449,724)
Impact fees	2,575,606	309,319	--	2,884,925	--
Proceeds from debt issuance	44,204,486	--	--	44,204,486	--
Principal paid on long-term debt	(4,703,835)	(1,105,212)	(271,514)	(6,080,561)	(290,144)
Interest paid on long-term debt	(3,416,589)	(317,855)	(32,411)	(3,766,855)	(4,542)
Cash Flows Provided by (Used in) Capital Related Financing Activities	17,934,351	(7,122,160)	(319,733)	10,492,458	(744,410)
Cash Flows From Investing Activities					
Interest received from leases	71,589	--	--	71,589	--
Investment income	2,778,458	725,849	466,783	3,971,090	--
Cash Flows From Investing Activities	2,850,047	725,849	466,783	4,042,679	--
Net Increase (Decrease) in Pooled Cash and Investments	38,325,748	(2,057,642)	(396,688)	35,871,418	484,640
Pooled Cash and Investments, Beginning	74,467,407	24,190,545	11,672,548	110,330,500	5,473,198
Pooled Cash and Investments, Ending	$ 112,793,155	$ 22,132,903	$ 11,275,860	$ 146,201,918	$ 5,957,838
Reported in Statement of Net Position as Follows					
Pooled cash and investments	$ 70,838,773	$ 18,003,540	$ 11,080,290	$ 99,922,603	$ 5,957,838
Restricted pooled cash and investments	41,954,382	4,129,363	195,570	46,279,315	--
	$ 112,793,155	$ 22,132,903	$ 11,275,860	$ 146,201,918	$ 5,957,838
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating income (loss)	$ 16,572,283	$ (237,276)	$ (1,307,112)	$ 15,027,895	$ 1,407,420
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	6,190,298	850,396	511,384	7,552,078	357,466
Other income	301,890	4,080,351	3,122	4,385,363	--
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:					
(Increase) decrease in:					
Accounts receivable	(2,288,956)	(1,824,405)	(8,399)	(4,121,760)	--
Inventory	370,732	--	--	370,732	--
Prepaid expenses	(39,622)	--	(591)	(40,213)	(446,884)
Net pension asset	(23,094)	(15,937)	(248,000)	(287,031)	--
Deferred outflows of resources pension	948,636	(3,417)	35,354	980,573	120,707
Deferred outflows of resources opeb	(14,994)	(4,833)	(14,396)	(34,223)	(10,156)
Increase (decrease) in:					
Accounts payable and accrued liabilities	(4,486,705)	256,408	(416,753)	(4,647,050)	(44,732)
Compensated Absences	(84,349)	159,384	132,218	207,253	111,944
Customer deposits	47,260	4,805	(6,275)	45,790	--
Due to other funds	--	2,329,032	2,344,726	4,673,758	--
Net pension liability	(4,756,978)	4,003	(179,780)	(4,932,755)	(622,946)
Net OPEB liability	(2,815)	1,771	18,477	17,433	8,534
Deferred inflows of resources pension	1,041,019	399,558	879,110	2,319,687	549,550
Deferred inflows of resources opeb	(216,023)	(48,944)	(43,904)	(308,871)	(65,721)
Total Adjustments	(3,013,701)	6,188,172	3,006,293	6,180,764	(42,238)
Net Cash Provided by Operating Activities	$ 13,558,582	$ 5,950,896	$ 1,699,181	$ 21,208,659	$ 1,365,182
Noncash Investing, Capital and Financing Activities					
Lease and subscription acquisition	$ --	$ --	$ 537,175	$ 537,175	$ 515,043
Capital asset additions financed by accounts payable	2,880,709	85,445	--	2,966,154	--
Total Noncash Investing, Capital and Financing Activities	$ 2,880,709	$ 85,445	$ 537,175	$ 3,503,329	$ 515,043

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

CITY OF NORTH MIAMI BEACH, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

September 30, 2025

	Trust Funds	Police Holding Account Custodial Fund
Assets		
Cash	$ 44,446	$ 883,128
Investments		
Equity securities	145,668,762	--
Money market funds	6,259,073	--
Government securities	48,318,439	--
Corporate bonds	9,505,266	--
Real estate	13,802,094	--
Infrastructure fund	13,085,499	--
Mutual funds	29,498,782	--
Hedge funds	25,032	--
Total Investments	266,162,947	--
Accrued interest receivable	493,991	--
Other receivables	177,138	--
Total Assets	$ 266,878,522	$ 883,128
Liabilities		
Accounts payable	$ 488,986	$ --
Net Position		
Restricted for:		
Pension benefits	259,638,295	--
OPEB benefits	6,751,241	--
Police custodial funds	--	883,128
Total Net Position	$ 266,389,536	$ 883,128

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

CITY OF NORTH MIAMI BEACH, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

For the Fiscal Year Ended September 30, 2025

	Trust Funds	Police Holding Account Custodial Fund
Additions		
Contributions		
Employer	$ 14,778,961	$ --
Employee	2,155,975	--
State of Florida	987,793	--
Total Contributions	17,922,729	--
Investment Income (Expense)		
Net appreciation in fair value of investments	19,450,861	--
Interest and dividends	5,190,451	--
Investment expenses	(1,218,144)	--
Net Investment Income	23,423,168	--
Police funds received into custody	--	276,388
Other income	1,650	--
Total Additions	41,347,547	276,388
Deductions		
Pension benefit payments	22,115,869	--
DROP distributions	3,028,660	--
Administrative expenses	490,495	--
Police funds released from custody	--	9,000
Total Deductions	25,635,024	9,000
Change in Net Position	15,712,523	267,388
Net Position, Beginning	250,677,013	615,740
Net Position, Ending	$ 266,389,536	$ 883,128

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

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of North Miami Beach (the "City") was incorporated in 1926. The city operates under a Commission-Manager form of government. In addition to general government services including police, library, parks and recreation, code compliance and public works provided to its residents, the City operates water, sewer, stormwater and solid waste utilities, provides building permitting and inspection services and maintains various trust, agency, and custodial funds in a fiduciary capacity. The city does not provide educational, fire or hospital facilities. Those services are provided by the Miami-Dade County School Board and Miami-Dade County, respectively.

FINANCIAL REPORTING ENTITY

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Those standards establish definitions for reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the primary government, organizations for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City 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 can 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.

The North Miami Beach Community Redevelopment Agency ("CRA") was created by the Mayor and City Commission on December 21, 2004, by adoption of Resolution R2004-86 accepting a delegation of powers from the Miami-Dade Board of County Commissioners and declaring the Mayor and City Commission to be the Agency in accordance with Section 163.357 of the Florida Statutes under the Community Redevelopment Act of 1969, enacted by the Florida Legislature. Miami-Dade County retains the final authority to approve the annual CRA budget, redevelopment plan and amendments, and the issuance of long-term debt. The purpose of the CRA is the elimination and prevention of blight conditions within the designated community redevelopment area. Since the CRA area is entirely within City limits, CRA activities benefit the city almost exclusively. The City Commission acts as the CRA's Board of Directors, the Mayor is the Chairman, and the Executive Director is appointed by the CRA Board. The governance structure allows the city to exert significant influence over the activities of the CRA. Considering these parameters, the CRA meets the criteria of a blended component unit and has been included as an integral part of the attached financial statements as a special revenue fund of the City. Additional information on the CRA can be found in Note 15 to the financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements consist of the government-wide and fund financial statements. Each set of statements distinguishes between the governmental and business-type activities of the city. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the non-fiduciary activities of the primary government and its component units. The statement of net position reports financial and capital resources of the City's governmental and business-type activities. 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 services provided. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. The primary exception is charges between the City's various utility functions and administrative functions of the city.

Elimination of these charges would distort the costs reported for the business-type activities and incurred by the administrative departments.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining non-major funds are aggregated and reported as other governmental or other enterprise funds.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting,* as are the proprietary fund and fiduciary fund financial statements. Agency funds are fiduciary funds that are also reported using the economic resources measurement focus. 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 for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Fund Financial Statements

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 deemed available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the city considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Taxes, non-ad valorem assessments, intergovernmental revenues, and franchise fees are susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are deemed measurable and available only when cash is received by the city.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major governmental funds:

- The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for separately.

- The Community Redevelopment Agency is used to account for the operations of the CRA as a blended component unit. The agency is funded by tax increment financing from the City and Miami-Dade County.

The City reports the following major proprietary funds:

- The Water Utility System Fund accounts for the activities of providing water treatment and distribution service to the utility's customers.

- The Wastewater (Sewer) Utility System Fund accounts for the operation of the sewage pumping stations and collection systems to customers both inside and outside the City's boundaries.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Fund Financial Statements (Continued)
Additionally, the City reports the following fund types:

- Internal Service Funds – The *Information Technology Fund* is classified as a governmental activity because it provides City-wide services on a cost reimbursement basis. The *Customer Service Fund* provides services specifically for the Enterprise Funds and is therefore included with the Business-type activities for reporting purposes.

- Fiduciary Funds – The City acts in a fiduciary capacity within regard to the *Pension Trust Funds, OPEB Trust Fund and Police Holding Account Custodial Fund,* which is used to segregate, and hold seized assets until adjudication orders are received and distribution is determined by the courts.

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Pooled Cash and Investments
Resources of all funds, except for the fiduciary funds and certain other investment accounts, have been combined into a pooled cash and investment system for the purpose of maximizing earnings. Interest earned on pooled cash and investments is allocated monthly based upon equity balances of the participating funds. Cash and cash equivalents include pooled cash and investments and are defined as short-term, highly liquid investments with original maturities of three (3) months or less. Restricted assets include resources subject to externally imposed restrictions such as creditors, grantors, laws and regulations. Assets are restricted for customer deposits, debt covenants, impact fees, and funds provided by debt issuance to finance projects.

Surplus funds are invested in accordance with the provisions of the City’s adopted investment policy. City investments are recorded in accordance with GASB Statement No. 72, *Fair Value Measurement and Application,* which establishes a hierarchy based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are based on quoted prices in active markets for identical assets; Level 2 inputs are based on significant other observable inputs; Level 3 inputs are based on unobservable inputs.

Receivables and Payables
Activities between funds that represent lending and borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to or due from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES AND DEFERRED INFLOWS OF RESOURCES (CONTINUED)

Inventories and Prepaid Items

Inventories are stated at average cost on a specific identification basis and are recorded as an asset when purchased and as an expense when consumed (consumption method). Prepaid costs are payments that are applicable to future accounting periods and are recorded as an asset when purchased and as an expense when consumed (consumption method) in both government-wide and fund financial statements.

Capital Assets

Capital assets, including property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks) are reported in the applicable government or business-type activities columns in the government-wide financial statements. Capital assets are defined by the city as assets with an initial, individual cost of more than $1,000 for tangible capital assets, $30,000 for software, and $75,000 for easements, and an estimated useful life in excess of one year.

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

Asset	Years
Buildings and utility plant	30-50
Improvements other than buildings	20
Furniture, fixtures, machinery and equipment	5-10
Infrastructure	30

Deferred Inflows and Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES AND DEFERRED INFLOWS OF RESOURCES (CONTINUED)

Deferred Inflows and Deferred Outflows of Resources (Continued)

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

For the City, deferred inflows of resources include business tax receipts, pension, OPEB, leases, and unavailable revenue. Business tax receipts represent amounts for which business tax receipt payments received in advance. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. The deferred inflow for leases is related to the leases receivable and is being amortized to leases revenue in a systematic and rational manner over the term of the lease. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

Unearned Revenues

Unearned revenue represents grants and similar items received in advance for which the City has not met all eligibility requirements imposed by the provided to allow for revenue recognition.

Pensions

Net pension liability, deferred outflows and inflows of resources, pension expense, fiduciary net position and changes to fiduciary net position have been determined and reported on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Liability liquidation occurs in the CRA, Transit Surtax and General Fund.

Compensated Absences

It is the City's policy to permit full-time employees to accumulate limited amounts of earned vacation and sick leave. Upon separation from service, employees receive payment for a portion of unused vacation time and sick leave subject to length of service and contract classification. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The fund in which the employee's payroll expense has been recorded is used to liquidate such amounts. Typically, the General Fund, Transit Surtax Fund and the Community Redevelopment Agency are used for liquidation of the liability in the governmental funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES AND DEFERRED INFLOWS OF RESOURCES (CONTINUED)

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

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

Leases

The City recognizes a lease liability and an intangible right-to-use lease asset in the proprietary fund statements and the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs to place the asset in service. Subsequently, the lease asset is amortized on a straight- line basis over the life of the lease.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES AND DEFERRED INFLOWS OF RESOURCES (CONTINUED)

Subscription-Based Technology Arrangements (SBITAs)
The City has entered into a contract that conveys control of the right to use information technology software. The City has recognized an IT subscription liability and an intangible right-to-use IT subscription asset in the government-wide financial statements.

At the commencement of the IT subscription term, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the IT subscription liability is reduced by the principal portion of payments made. The right-to-use an IT subscription asset is initially measured as the sum of the initial IT subscription liability, adjusted for payments made at or before the commencement date, plus capitalization implementation costs less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Subsequently, the right-to-use IT subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to IT subscription arrangements include how the City determines the discount rate it uses to discount the expected payments to present value, term, and payments.

The City uses the interest rate charged by the IT subscription vendor as the discount rate. When the interest rate charged by the vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate.

The IT subscription term includes the noncancellable period of the subscription. Payments included in the measurement of the liability are composed of fixed payments.

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

Right-to-use IT subscription assets are reported with other capital assets and IT subscription liabilities are reported with long-term debt on the statement of net position.

EQUITY CLASSIFICATIONS

Government-Wide Statements
Equity is classified as net position and displayed in three components:

- <u>Net Investment in Capital Assets:</u> Consists of capital assets including restricted capital assets, net of accumulated depreciation and amortization and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

EQUITY CLASSIFICATIONS (CONTINUED)

Government-Wide Statements (Continued)

- Restricted Net Position: Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

- Unrestricted Net Position: All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

Fund Financial Statements

Governmental fund equity is classified as fund balance and displayed as follows:

- Non-Spendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form-such as inventory or prepaid amounts or (b) legally or contractually required to be maintained intact-such as a perpetual trust.

- Restricted: This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

- Committed: This classification includes amounts that can be used only for the specific purposes determined by formal resolutions or ordinances of the City Commission (which are both equal and the government's highest level of decision-making authority). Committed amounts cannot be used for any other purpose unless the City Commission removes the specified use by taking the same type of action (resolution or ordinance) imposing the commitment. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

- Assigned: This classification includes amounts constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. The City Commission and City Manager have the authority to assign amounts to be used for specific purposes at will.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

EQUITY CLASSIFICATIONS (CONTINUED)

Fund Financial Statements (Continued)

Proprietary fund equity is classified the same as in the government-wide statements.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has a formal fund balance policy. The policy requires that unassigned fund balance shall be maintained as of September 30 of each year equal to the current GFOA recommended minimum of 20% of the ensuing year's budgeted General Fund expenditures. Actual unassigned General Fund balance was 36.73% of the 2026 budgeted General Fund expenditures at September 30, 2025, exceeding the minimum fund balance policy of 20%. Additionally, the City is required to maintain a reserve of $3,000,000 for the purpose of providing disaster relief upon the declaration of a State of Emergency in the City.

PROPERTY TAXES

Under Florida law, the assessment of all properties and the collection of all counties, municipal, school district and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. Property taxes (ad valorem taxes) are assessed on January 1 (the lien date) and are billed and payable November 1, with discounts of one to four percent if paid prior to March 1 of the following calendar year. All unpaid taxes on real and personal property become delinquent on April 1 and accrue interest charges from April 1 until June 1, when tax certificates are sold at auction.

The City is permitted by Article 7, Section 8 of the Florida Constitution to levy taxes up to $10 (10 mills) per $1,000 of assessed valuation for governmental operations. In addition, unlimited amounts may be levied for the payment of principal and interest on general obligation long-term debt, subject to a limitation on the amount of debt outstanding. The millage rate to finance general governmental services for the year ended September 30, 2025, was 6.1000 mills per $1,000 of assessed valuation; the millage rate for bonded debt service was 0.2232 mills.

NOTE 2 – ADOPTION OF NEW ACCOUNTING PRONOUNCEMENT

The City adopted the following pronouncements for the fiscal year ended September 30, 2025:

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The impact to the City's financial statements as a result of the adoption of this statement is described in Note 16.

GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The City adopted this Statement with no material effect.

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

At September 30, 2025, the City's Solid Waste Fund had a net position deficit of $1,714,948. The net position deficit is primarily due additional costs which arose from the City's contractual agreement, for solid waste services, with Waste Management officially ending on December 1, 2020. Due to unforeseen circumstances, the City entered into an extended month-to-month service agreement with them. For the first three (3) months, the Residential and Commercial billing monthly costs increased by 75%. An additional increase of 5% per month was imposed for the remaining seven (7) months of the 2021 fiscal year.

To recoup and provide additional revenue, the City imposed a rate increase in May 2021 of 25% for Residential and approximately 140% for Commercial customers. In addition, Solid Waste fees for multi-family and commercial customers will be increased by 10% over the next 6 years and franchise fees will be increased by a nominal amount.

NOTE 4 – DEPOSITS AND INVESTMENTS

GASB Statement No. 40 *Deposit and Investment Risk Disclosure* (GASB Statement No. 40) is designed to inform financial statement users about deposit and investment risks that could affect a government's ability to provide services and meets its obligations as they become due. GASB Statement No. 40 addresses common deposit and investment risks related to credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk and requires that deposit and investment policies related to the risks be disclosed, as applicable.

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are deemed as insured or collateralized with securities held by the entity or its agent in the entity's name.

The State Board of Administration (“SBA”) administers the Florida PRIME Fund which is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME. The Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a 2a-7 fund, which permits money market funds to use amortized cost to maintain a constant net asset value (“NAV”) of $1 per share. The Florida PRIME is a Local Governmental Investment Pool (“LGIP”), and therefore considered an external investment pool for GASB reporting purposes.

The fair value of the position in the Florida PRIME is equal to the value of the pool shares. The investments in the Florida PRIME are not insured by FDIC or any other governmental agency.

The investment policies of the Retirement Plans for the General Employees and for Police Officers and Firefighters have been adopted by their respective Boards of Trustees. The policies have been designed to maximize Plan asset values while assuming risk levels that are consistent with the respective Board's risk tolerance and diversifying risk across various asset classes including bonds, debentures and other corporate obligations, equity securities and domestic real estate.

The OPEB Trust and the Retirement Plan and Trust for General Management Employees are invested in the Florida Municipal Investment Trust (“FMIvT”). FMIvT operates as a fiduciary trust fund under governmental accounting rules that require preparation of financial statements. FMIvT is a Local Governmental Investment Pool (“LGIP”) and therefore considered an external investment pool for GASB reporting purposes. The Board of Trustees is designated as having oversight authority and official custody of the funds, which are invested by the purchase of shares of beneficial interest in the trust, not the individual securities held by the trust. The fair value of the positions in FMIvT is equal to the value of the portfolio shares. The investments in FMIvT are not insured by FDIC or any other governmental agency.

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

Deposit and investment balances as of September 30, 2025, are as follows:

Investment Type	Credit Quality Rating		Fair Value
Governmental and Business-Type Activities			
Bank deposits and cash on hand	Not rated	$	47,520,184
Florida PRIME	AAAm		6,334,441
FMIvT 1-3 Year High Quality Bond Fund	AAAf/S2		58,424
Money market funds	Aaa-mf/AAAm		8,837,863
Certificate of Deposit	Not rated		1,751,958
U.S. Treasury Securities	Not rated		92,327,358
U.S. Government Bonds	Aa1/AA+		63,077,760
Corporate bonds	Aaa/AAA		994,190
Corporate bonds	Aa1/AA+		3,480,611
Corporate bonds	Aaa/NR		13,549,040
Municipal bonds	Aaa/AAA		1,242,125
Municipal bonds	Aa1/AAA		5,945,636
Total Governmental and Business-Type Pooled Cash and Investments		$	245,119,590
Retirement Plan and Trust for General Management Employees			
FMIvT Broad Market HQ Bond Fund	AAf/S4	$	2,524,977
FMIvT Core Plus Fixed Income	Not Rated		2,342,997
FMIvT Diversified Large Cap	Not Rated		6,960,748
FMIvT Diversified Small to Mid Cap	Not Rated		3,343,888
FMIvT International Equity	Not Rated		5,550,400
FMIvT Core Real Estate	Not Rated		2,024,531
Total Investments		$	22,747,541
OPEB Trust			
FMIvT Broad Market HQ Bond Fund	AAf/S4	$	1,012,686
FMIvT Core Plus Fixed Income	Not Rated		1,046,442
FMIvT Diversified Large Cap	Not Rated		1,802,581
FMIvT Diversified Small to Mid Cap	Not Rated		877,661
FMIvT International Equity	Not Rated		1,411,010
FMIvT Core Real Estate	Not Rated		600,861
Total Investments		$	6,751,241
Retirement Plan for General Employees			
Government Securities	AA+	$	21,321,483
Corporate Bonds	AA-		365,491
Corporate Bonds	A+		328,572
Corporate Bonds	A		247,205
Equities, Real Estate, Infrastructure and Money Market Funds	Not rated		82,112,086
Total Investments		$	104,374,837
Retirement Plan for Police Officers and Firefighters			
Government Securities and Corporate Bonds	AA+	$	27,306,647
Corporate Bonds	AA-		1,328,568
Corporate Bonds	A+		425,465
Corporate Bonds	A		1,483,589
Corporate Bonds	A-		2,515,125
Corporate Bonds	BBB+		2,501,560
Equities, Real Estate, Infrastructure, Hedge and Money Market Funds	Not rated		96,728,374
Total Investments		$	132,289,328

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

RISK DISCLOSURES

Credit Risk

Credit risk is the risk that a security or a portfolio will lose some or all its value due to a real or perceived change in the ability of the issuer to repay its debt. A credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to meet its obligations. The City's OPEB Trust’s and the Retirement Plan and Trust for General Management Employees’ investment policy limits the quality and quantity of investments and requires pre-qualification of the financial institutions, broker/dealers, intermediaries, and advisors with which the City conducts investment transactions. These policy requirements are intended to mitigate the effects of credit risk.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City or Pension Trust Plans will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the investment policies of the City, the Retirement Plans for General Employees and for Police Officers and Firefighters, the investments are held by each entity's custodial bank and registered in each entity's name.

Concentration Credit Risk

Concentration credit risk the City's investment policy and the investment policies of the Retirement Plans for the General Employees and for Police Officers and Firefighters have limitations on the amount that can be invested in any one issuer other than the U.S. Government and its agencies. As of September 30, 2025, neither the City nor the OPEB Trust or Retirement Plan and Trust for General Management Employees held investments of any one issuer of more than 5% of Fiduciary Net Position. As of September 30, 2025, the Retirement Plan for General Employees held two investment in excess of 5%: UBS Trumbull Property Fund (6.9%) and Lazard US Global Infrastructure Fund (5.6%). As of September 30, 2025, the Retirement Plan for Police Officers and Firefighters held one investment in excess of 5%: Lazard US Global Infrastructure Fund (5.5%).

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

RISK DISCLOSURES (CONTINUED)

Concentration Credit Risk (Continued)

The following were the Boards' adopted asset allocation policies as of September 30, 2025:

Retirement Plan	Asset Class	Target Allocation
General Employees	Domestic equities	20% to 85%
	International equities	0% to 25%
	Fixed income	15% to 50%
	Infrastructure	0% to 10%
	Real estate	0% to 12.5%
	Cash and equivalents	Minimal
Police and Firefighters	Domestic equities	20% to 75%
	International equities	0% to 25%
	Fixed income	20% to 50%
	Infrastructure	0% to 10.0%
	Hedge funds	0% to 10.0%
	Real estate	0% to 10.0%
	Cash and equivalents	Minimal
General Management & OPEB	Core bonds	10%
	Core plus	10%
	U.S. large cap equity	30%
	U.S. small cap equity	16%
	Non-US equity	24%
	Real estate	10%
FRS	Cash Equivalents/Short Term	1.2%
	Fixed income	20.4%
	Global equity	48.8%
	Real estate	9.4%
	Private equity	9.0%
	Strategic investments	6.0%

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

RISK DISCLOSURES (CONTINUED)

Foreign Currency Risk

Foreign currency risk is the risk that fluctuations in currency exchange rates may affect transactions conducted in currencies other than U.S. dollars and the carrying value of foreign investments. The City, the OPEB Trust nor the Retirement Plan and Trust for General Management Employees invest in securities denominated in foreign currencies. The value of investments of the Retirement Plan for General Employees subject to foreign currency risk as of September 30, 2025, is approximately 11.6% of total investments. The Plan’s investment policy limit is 25% of any manager’s total Plan portfolio. The value of investments of the Retirement Plan for Police Officers and Firefighters subject to foreign currency risk on September 30, 2025, is approximately 14.29% of total investments. The Plan’s investment policy limit is 25% of any manager’s total Plan portfolio.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Interest rate risk disclosures are required for all debt instruments as well as investments in mutual funds, external investment pools and other pooled investments that do not meet the definition of a "2a-7 like" pool.

As a means of managing its exposure to fair value loss arising from increasing interest rates and to allow investment maturities to coincide with projected needs, the City’s investment policy does not allow direct investment in securities maturing more than ten (10) years from the date of purchase. Additionally, the investment policy requires a weighted average maturity for the portfolio to not exceed five (5) years. The City’s current weighted average maturity as of September 30, 2025, was 0.99 years.

On September 30, 2025, the City’s investments had the following distribution of maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
U.S. Treasury Securities	$ 92,327,358	$ 82,322,638	$ 10,004,720	$ --	$ --
U.S. Government Bonds	63,077,760	8,860,900	54,216,860	--	--
Corporate bonds	18,023,841	15,007,711	3,016,130	--	--
FMIvT 1-3 Year High Quality Bond Fund	58,424	--	58,424	--	--
SBA Florida PRIME	6,334,441	6,334,441	--	--	--
Money market funds	8,837,863	8,837,863	--	--	--
Certificate of Deposit	1,751,958	1,250,700	501,258	--	--
Municipal bonds	7,187,761	4,006,800	3,180,961	--	--
Total	$ 197,599,406	$ 126,621,053	$ 70,978,353	$ --	$ --

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

RISK DISCLOSURES (CONTINUED)

Interest Rate Risk (Continued)

On September 30, 2025, The General Management Employees Pension Plan's investments had the following distribution of maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
FMIvT Broad Market HQ Bond Fund	$ 2,524,977	$ --	$ 2,524,977	$ --	$ --
FMIvT Core Plus Fixed Income	2,342,997	--	2,342,997	--	--
Total	$ 4,867,974	$ --	$ 4,867,974	$ --	$ --

On September 30, 2025, The OPEB Trust Fund's investments had the following distribution of maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
FMIvT Broad Market HQ Bond Fund	$ 1,012,686	$ --	$ 1,012,686	$ --	$ --
FMIvT Core Plus Fixed Income	1,046,442	--	1,046,442	--	--
Total	$ 2,059,128	$ --	$ 2,059,128	$ --	$ --

On September 30, 2025, The Retirement Plan for General Employees investments had the following distribution of maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
U.S. treasuries	$ 13,140,290	$ --	$ 12,390,813	$ 749,477	$ --
U.S. agencies	8,181,193	--	146,713	1,416,350	6,618,130
Corporate bonds	941,268	--	772,557	168,711	--
Total	$ 22,262,751	$ --	$ 13,310,083	$ 2,334,538	$ 6,618,130

On September 30, 2025, the Retirement Plan for Police Officers and Firefighters investments had the following distribution of maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
U.S. treasuries	$ 17,574,342	$ --	$ 15,083,893	$ 2,490,449	$ --
U.S. agencies	9,422,614	--	--	--	9,422,614
Corporate bonds	8,563,998	2,455,987	5,137,513	970,498	--
Total	$ 35,560,954	$ 2,455,987	$ 20,221,406	$ 3,460,947	$ 9,422,614

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

FAIR VALUE MEASUREMENT

The investment portfolios of the City, OPEB Trust Fund, General Management Employee Pension Plan, Retirement Plan for General Employees, and the Retirement Plan for Police Officers and Firefighters are recorded in accordance with GASB Statement No. 72, *Fair Value Measurement and Application,* which establishes a hierarchy based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are based on quoted prices in active markets for identical assets; Level 2 inputs are based on significant other observable inputs; Level 3 inputs are based on unobservable inputs.

FMIvT 1-3 Year High Quality Bond Fund

This fund invests mainly in US government and agency securities and asset-backed securities. The underlying securities have observable Level 1 quoted pricing inputs or observable Level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. (Level 2 inputs).

FMIvT Broad Market High Quality Bond Fund

This fund invests mainly in US government and agency securities, asset-backed securities and corporate bonds and notes. The underlying securities have observable Level 1 quoted pricing inputs or observable Level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, IDC. While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. Value is based on market-corroborated data. (Level 2 inputs)

FMIvT Large Cap Diversified Value Portfolio

This portfolio invests mainly in domestic stocks and in a single underlying fund, the Intech U.S. Broad Enhanced Plus Fund, LLC (Intech Fund), shares of which are not publicly traded. The majority of the underlying securities have observable Level 1 quoted pricing inputs. Most of the security prices were obtained from a pricing service, IDC. While the underlying asset values are based on quoted market prices, the net asset value of the portfolio is not publicly quoted. Value is based on market-corroborated data. (Level 2 inputs).

FMIvT Diversified Small to Mid Cap Equity Portfolio

This portfolio invests mainly in domestic stocks. The majority of the underlying securities have observable Level 1 quoted pricing inputs. Most of the security prices were obtained from a pricing service, IDC. While the underlying asset values are based on quoted market prices, the net asset value of the portfolio is not publicly quoted. Value is based on market-corroborated data. (Level 2 inputs).

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

FAIR VALUE MEASUREMENT (CONTINUED)

FMIvT International Equity Portfolio
This portfolio invests in a single underlying fund, the Investec International Dynamic Equity Fund, LLC (Investec Fund), shares of which are not publicly quoted. The Investec Fund invests in stocks sold on U.S. and international exchanges, all of which have observable Level 1 quoted pricing inputs. The value of the portfolio's shares of the Intech Fund investment are determined based on the net asset value provided by the Investec Fund, which was calculated in accordance with generally accepted accounting principles. Value is based on market-corroborated data. (Level 2 inputs).

FMIvT Core Real Estate Fund
NAV is used as a practical expedient to estimate fair value.

FMIvT Core Plus Fixed Income Fund
NAV is used as a practical expedient to estimate fair value.

U.S. Treasury Securities
Security prices were obtained from a pricing service, Intercontinental Exchange, Inc. (ICE). The underlying securities have observable level 1 quoted pricing inputs or observable Level 2 significant other observable pricing inputs.

U.S. Agency Securities
Security prices were obtained from a pricing service, ICE. The underlying securities have observable Level 2 significant other observable pricing inputs.

Corporate Obligations
Security prices were obtained from a pricing service, ICE. The underlying securities have observable Level 1 quoted pricing inputs or observable Level 2 significant other observable pricing inputs.

Real Estate Fund
NAV is used as a practical expedient to estimate fair value.

Infrastructure Fund
NAV is used as a practical expedient to estimate fair value.

Hedge Fund
NAV is used as a practical expedient to estimate fair value.

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

FAIR VALUE MEASUREMENT (CONTINUED)

The City has the following fair value measurements on September 30, 2025:

Investment by Fair Value Level	Total	Level 1	Level 2	Level 3
Debt securities:				
U.S. treasury securities	$ 92,327,358	$ 92,327,358	$ --	$ --
U.S. Government Bonds	63,077,760	--	63,077,760	--
FMIvT 1-3 Year High Quality Bond Fund	58,424	--	58,424	--
Certificate of Deposit	1,751,958		1,751,958	
Municipal bonds	7,187,761	--	7,187,761	--
Corporate bonds	18,023,841	--	18,023,841	--
Total Investment by Fair Value Level	182,427,102	$ 92,327,358	$ 90,099,744	$ --
Investments measured at amortized cost				
Florida PRIME	6,334,441			
Money market funds	8,837,863			
Cash	47,520,184			
Total Investments Measured Amortized Cost	62,692,488			
Total Pooled Cash and Investments	$ 245,119,590			

The City's General Management Employee Pension Plan has the following fair value measurements on September 30, 2025:

Investment by Fair Value Level	Total	Level 1	Level 2	Level 3
FMIvT Broad Market HQ Bond Fund	$ 2,524,977	$ --	$ 2,524,977	$ --
FMIvT Diversified Large Cap	6,960,748	--	6,960,748	--
FMIvT Diversified Small to Mid Cap	3,343,888	--	3,343,888	--
FMIvT International Equity	5,550,400	--	5,550,400	--
Total Investment by Fair Value Level	18,380,013	$ --	$ 18,380,013	$ --
Investments measured at the net asset value (NAV) (1)				
FMIvT Core Plus Fixed Income	2,342,997			
FMIvT Core Real Estate	2,024,531			
Total Investments Measured at the NAV	4,367,528			
Total Investments	$ 22,747,541			

(1) As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

FAIR VALUE MEASUREMENT (CONTINUED)

The City's OPEB Trust Fund has the following fair value measurements on September 30, 2025:

Investment by Fair Value Level	Total	Level 1	Level 2	Level 3
FMIvT Broad Market HQ Bond Fund	$ 1,012,686	$ --	$ 1,012,686	$ --
FMIvT Diversified Large Cap	1,802,581	--	1,802,581	--
FMIvT Diversified Small to Mid Cap	877,661	--	877,661	--
FMIvT International Equity	1,411,010	--	1,411,010	--
Total Investment by Fair Value Level	5,103,938	$ --	$ 5,103,938	$ --
Investments measured at the net asset value (NAV) (1)				
FMIvT Core Plus Fixed Income	1,046,442			
FMIvT Core Real Estate	600,861			
Total Investments Measured at the NAV	1,647,303			
Total Investments	$ 6,751,241			

(1) As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

The Retirement Plan for General Employees has the following fair value measurements on September 30, 2025:

Investment by Fair Value Level	Total	Level 1	Level 2	Level 3
Equity securities:				
Common stocks	$ 67,103,610	$ 67,103,610	$ --	$ --
Total Equity Securities	67,103,610	67,103,610	--	--
Debt securities:				
U.S. treasury securities	13,140,290	13,140,290	--	--
U.S. agency securities	8,181,193	--	8,181,193	--
Corporate bonds	941,268	--	941,268	--
Total Debt Securities	22,262,751	13,140,290	9,122,461	--
Total Investment by Fair Value Level	89,366,361	$ 80,243,900	$ 9,122,461	$ --
Investments measured at the net asset value (NAV) (1)				
Real estate	7,223,707			
Infrastructure mutual fund	5,805,188			
Total Investments Measured at the NAV	13,028,895			
Investments measured at amortized cost				
Money market funds	1,979,581			
Total Investments Measured Amortized Cost	1,979,581			
Total Investments	$ 104,374,837			

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

FAIR VALUE MEASUREMENT (CONTINUED)

(1) As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

The Retirement Plan for Police Officers and Firefighters has the following fair value measurements on September 30, 2025:

Investment by Fair Value Level	Total	Level 1	Level 2	Level 3
Equity securities:				
Common stocks	$ 78,565,152	$ 78,565,152	$ --	$ --
Total Equity Securities	78,565,152	78,565,152	--	--
Debt securities:				
U.S. treasury securities	17,574,342	17,574,342	--	--
U.S. agency securities	9,422,614	--	9,422,614	--
Corporate bonds	8,563,998	--	8,563,998	--
Total Debt Securities	35,560,954	17,574,342	17,986,612	--
Total Investment by Fair Value Level	114,126,106	$ 96,139,494	$ 17,986,612	$ --
Investments measured at the net asset value (NAV) (1)				
Real estate	6,578,387			
Infrastructure fund	7,280,311			
Hedge funds	25,032			
Total Investments Measured at the NAV	13,883,730			
Investments measured at amortized cost				
Money market funds	4,279,492			
Total Investments Measured Amortized Cost	4,279,492			
Total Investments	$ 132,289,328			

(1) As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

FAIR VALUE MEASUREMENT (CONTINUED)

The following table summarizes investments for the City's General Management Employee Pension Plan for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions.

Investments Measured at NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible	Redemption Notice Period
FMIvT Core Plus Fixed Income (1)	$ 2,342,997	$ --	Monthly	5 days
FMIvT Core Real Estate (2)	2,024,531	--	Quarterly	90 days
Total Investments Measured at NAV	$ 4,367,528	$ --		

(1) FMIvT Core Plus Fixed Income: This fund invests in two underlying funds, the Franklin Templeton Global Multi-Sector Plus Fund, LP and the Pioneer Institutional Multi-Sector Fixed Income Portfolio, LLC. Shares of these funds are not publicly quoted. These underlying funds invest in a variety of financial instruments, including equity investments, asset-backed securities, debt securities, swaps, forward exchange contracts, credit-linked notes, escrow accounts, litigation trusts for both U.S. and foreign companies and governments.

(2) FMIvT Core Real Estate: This portfolio invests in a single underlying fund, the Morgan Stanley Prime Property Fund (Morgan Stanley Fund), shares of which are not publicly quoted. The Morgan Stanley Fund invests in core real estate in the U.S. The value of the Morgan Stanley Fund investments was determined based on quarterly real estate appraisals, which were calculated in accordance with generally accepted accounting principles.

The following table summarizes investments for the City's OPEB Trust Fund for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions.

Investments Measured at NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible	Redemption Notice Period
FMIvT Core Plus Fixed Income (1)	$ 1,046,442	$ --	Monthly	5 days
FMIvT Core Real Estate (2)	600,861	--	Quarterly	90 days
Total Investments Measured at NAV	$ 1,647,303	$ --		

(1) FMIvT Core Plus Fixed Income: This fund invests in two underlying funds, the Franklin Templeton Global Multi-Sector Plus Fund, LP and the Pioneer Institutional Multi-Sector Fixed Income Portfolio, LLC. Shares of these funds are not publicly quoted. These underlying funds invest in a variety of financial instruments, including equity investments, asset-backed securities, debt securities, swaps, forward exchange contracts, credit-linked notes, escrow accounts, litigation trusts for both U.S. and foreign companies and governments.

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

FAIR VALUE MEASUREMENT (CONTINUED)

(2) FMIvT Core Real Estate: This portfolio invests in a single underlying fund, the Morgan Stanley Fund, shares of which are not publicly quoted. The Morgan Stanley Fund invests in core real estate in the U.S. The value of the Morgan Stanley Fund investments was determined based on quarterly real estate appraisals, which were calculated in accordance with generally accepted accounting principles.

The following table summarizes investments for the City's Retirement Plan for General Employees for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions.

Investments Measured at NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible	Redemption Notice Period
Real estate fund (1)	$ 7,223,707	$ --	Quarterly	65 days
Infrastructure fund (2)	5,805,188	--	Daily	N/A
Total Investments Measured at NAV	$ 13,028,895	$ --		

(1) Real estate fund: The fund is an open-end core real estate fund with a diversified portfolio of income producing properties throughout the United States.

(2) Infrastructure fund: The fund invests primarily in equity securities, principally common stocks, of infrastructure companies and concentrates its investments in industries represented by infrastructure companies.

The following table summarizes investments for the City's Retirement Plan for Police Officers and Firefighters for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions.

Investments Measured at NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible	Redemption Notice Period
Real estate fund (1)	$ 6,578,387	$ --	Quarterly	65 days
Infrastructure fund (2)	7,280,311		Daily	N/A
Hedge fund (3)	25,032	--	Quarterly	90 days
Total Investments Measured at NAV	$ 13,883,730	$ --		

(1) Real estate fund: The fund is an open-end core real estate fund with a diversified portfolio of income producing properties throughout the United States.

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

FAIR VALUE MEASUREMENT (CONTINUED)

(2) Infrastructure fund: The fund invests primarily in equity securities, principally common stocks, of infrastructure companies and concentrates its investments in industries represented by infrastructure companies.

(3) Hedge fund: The fund is a multi-strategy fund of hedge funds that aims to pursue varying strategies in order to diversify risk and reduce volatility. The fund is a diversified portfolio offering investment solutions through activist long/short equity, credit/special situations, event drive and arbitrage, global long/short equity and other opportunistic situations.

NOTE 5 – RECEIVABLES

ACCOUNTS RECEIVABLE

Accounts receivable on September 30, 2025, for the City's individual major funds and non-major funds in the aggregate, are as follows:

	General	Non-Major Governmental	Water	Sewer	Non-Major Enterprise	Total
Account receivable						
Billed	$ 2,527,796	$ --	14,104,910	2,971,372	1,728,402	$ 21,332,480
Taxes	1,638,180	99,610	--	--	--	1,737,790
Franchise fees	608,400	--	--	--	--	608,400
Intergovernmental	--	646,607	--	--	--	646,607
Grants	--	63,559	--	1,751,314	--	1,814,873
Other	1,481,797	5,843	59,831	93,526	--	1,640,997
Gross Receivables	6,256,173	815,619	14,164,741	4,816,212	1,728,402	27,781,147
Less allowance for uncollectibles	1,153,476	--	6,660,895	1,785,707	1,294,202	10,894,280
Total Account Receivable	$ 5,102,697	$ 815,619	$ 7,503,846	$ 3,030,505	$ 434,200	$ 16,886,867

Receivables on September 30, 2025, consist primarily of billed and unbilled charges for services in the enterprise funds. The governmental funds' receivables consist of grants, taxes, and intergovernmental receivables mostly due from the state and county pursuant to shared revenue agreements; franchise fees and utility taxes paid in arrears. Other receivables include business tax receipts and fees charged to other municipalities for utility bill processing and collection.

NOTE 6 – RESTRICTED ASSETS

Restricted assets are cash and investments held by the City that are likely to require repayment. These resources are classified as restricted cash with offsetting liabilities on the balance sheet. Bond proceeds are required to be expended for the projects for which the bonds were issued. Debt covenants are required to be maintained for servicing future debt service payments. Customer deposits are collected in the general, water, sewer, and building funds and are repaid to the customer at the time the account is closed or applied to the customer’s final bill in the case of non-payment.

NOTE 6 – RESTRICTED ASSETS (CONTINUED)

Impact fees are restricted to be expended for capital project related projects. The restricted assets balances at year end are as follows:

	Bond Proceeds	Debt Service Requirements	Customer Deposits	Impact Fees	Total
Governmental activities:					
General Fund	$ --	$ --	$ 990,342	$ 1,520,190	$ 2,510,532
Nonmajor governmental funds	--	4,996	--	--	4,996
Total Govenmental Activities	--	4,996	990,342	1,520,190	2,515,528
Business-type activities					
Water	19,300,351	4,210,263	4,472,639	13,971,129	41,954,382
Wastewater	--	1,228,548	512,770	2,388,045	4,129,363
Nonmajor enterprise funds	--	--	195,570	--	195,570
Total Business-Type Activities	19,300,351	5,438,811	5,180,979	16,359,174	46,279,315
Total Restricted Assets	$ 19,300,351	$ 5,443,807	$ 6,171,321	$ 17,879,364	$ 48,794,843

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

INTERFUND RECEIVABLES

The purpose of all interfund receivables is to eliminate credit cash balances for financial statement presentation. Interfund receivables as of September 30, 2025, are as follows:

Fund	Due to Other Funds	Due from Other Funds
Governmental activities		
General fund	$ 182,014	$ 10,834,542
Non-major governmental funds	3,744,367	182,014
Total Governmental Activities	3,926,381	11,016,556
Business-type activities		
Sewer Fund	2,329,032	--
Non-major enterprise funds	4,761,143	--
Total Business-Type Activities	7,090,175	--
Total Due to/from Other Funds	$ 11,016,556	$ 11,016,556

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

INTERFUND TRANSFERS

Interfund transfers into the General Fund are used to allocate expenses to other operating funds. Allocated costs include general liability and worker's compensation insurances as well as administrative and settlement expenses. Interfund transfers into the non-major governmental funds are to provide for debt service payments, and grant matching requirements. Interfund transfers into the Water Fund are to supplement the operations of the Water department. Interfund transfers made during fiscal year 2025 are as follows:

	Transfers In			
Transfers Out	General Fund	Non-major Governmental Funds	Water Fund	Total
General fund	$ --	$ 2,359,402	$ 400,000	$ 2,759,402
CRA fund	919,367	1,135,028		2,054,395
Non-major governmental funds	9,153,127	--	--	9,153,127
Water utility	5,900,133	--	--	5,900,133
Sewer utility	1,612,227	--	--	1,612,227
Non-major enterprise funds	2,242,919	--	--	2,242,919
Internal service funds	136,132	--	--	136,132
Total Transfers Out	$ 19,963,905	$ 3,494,430	$ 400,000	$ 23,858,335

NOTE 8 – CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities				
Capital assets not being depreciated nor amortized				
Land	$ 6,328,819	$ --	$ --	$ 6,328,819
Construction in progress	46,966,621	9,551,652	--	56,518,273
Total Capital Assets not Being Depreciated or Amortized	53,295,440	9,551,652	--	62,847,092
Capital assets being depreciated and amortized				
Buildings	29,962,772	--	--	29,962,772
Improvement other than buildings	37,517,469	42,400	--	37,559,869
Infrastructure	23,988,133	--	--	23,988,133
Lease assets - vehicles	1,725,345	1,087,517	--	2,812,862
Lease assets - equipment	178,045	--	(28,239)	149,806
Subscriptions	1,970,531	515,043	(481,180)	2,004,394
Furniture, fixtures, machinery and equipment	37,932,621	1,769,132	--	39,701,753
Total Capital Assets Being Depreciated and Amortized	133,274,916	3,414,092	(509,419)	136,179,589
Less accumulated depreciation and amortization				
Buildings	(29,115,192)	(114,770)	--	(29,229,962)
Improvement other than building	(26,031,329)	(1,359,005)	--	(27,390,334)
Infrastructure	(11,591,153)	(718,629)	--	(12,309,782)
Lease assets - vehicles	(107,506)	(442,404)	--	(549,910)
Lease assets - equipment	(65,449)	(54,284)	28,239	(91,494)
Subscriptions	(938,475)	(513,166)	481,180	(970,461)
Furniture, fixture machinery and equipment	(32,575,017)	(1,487,924)	--	(34,062,941)
Total Accumulated Depreciation and Amortization	(100,424,121)	(4,690,182)	509,419	(104,604,884)
Total Capital Assets Being Depreciated and Amortized, Net	32,850,795	(1,276,090)	--	31,574,705
Governmental Activities Capital Assets, Net	$ 86,146,235	$ 8,275,562	$ --	$ 94,421,797

NOTE 8 – CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities				
Capital assets not being depreciated nor amortized				
Land	$ 5,871,556	$ --	$ --	$ 5,871,556
Construction in progress	97,884,075	29,306,822	--	127,190,897
Total Capital Assets not Being Depreciated or Amortized	103,755,631	29,306,822	--	133,062,453
Capital assets being depreciated and amortized				
Buildings and utility plant	241,343,886	29,844	--	241,373,730
Lease assets - equipment	64,980	537,172	(10,040)	592,112
Lease assets - vehicles	1,025,431	--	--	1,025,431
Subscriptions	96,477	--	(96,477)	--
Machinery and equipment	21,852,349	572,119	--	22,424,468
Total Capital Assets Being Depreciated and Amortized	264,383,123	1,139,135	(106,517)	265,415,741
Less accumulated depreciation and amortization				
Buildings and utility plant	(140,532,682)	(6,609,220)	--	(147,141,902)
Lease assets - equipment	(38,673)	(138,376)	10,040	(167,009)
Lease assets - vehicles	(589,991)	(214,048)	--	(804,039)
Subscriptions	(32,338)	(64,139)	96,477	--
Machinery and equipment	(18,026,978)	(608,270)	--	(18,635,248)
Total Accumulated Depreciation and Amortization	(159,220,662)	(7,634,053)	106,517	(166,748,198)
Total Capital Assets Being Depreciated and Amortized, Net	105,162,461	(6,494,918)	--	98,667,543
Business-Type Activities Capital Assets, Net	$ 208,918,092	$ 22,811,904	$ --	$ 231,729,996

NOTE 8 – CAPITAL ASSETS (CONTINUED)

DEPRECIATION AND AMORTIZATION EXPENSE

Depreciation and amortization expense for fiscal year 2025 was charged to the following functions of the City:

Governmental activities:	
General government	$ 1,680,302
Public safety	1,409,455
Parks & recreation	404,841
Library	36,422
Public works	883,671
Information technology	275,491
Total Depreciation and Amortization Expense - Governmental Activities	$ 4,690,182
Business-type activities:	
Water	6,190,298
Sewer	850,396
Non-major enterprise funds	511,384
Internal service fund	81,975
Total Depreciation and Amortization Expense - Business-Type Activities	$ 7,634,053

CONSTRUCTION COMMITMENTS

Beginning in fiscal year 2009, the City received funding for various capital projects from the Florida Department of Environmental Protection State Revolving Loan Fund. These loans are considered grants from the U.S. Environmental Protection Agency passed-through the State of Florida and include $5.5 million of principal forgiveness. The awards include $10.0 million for the removal of volatile organic chemicals from drinking water produced by the City's utility plant, $10.3 million for the installation of an automated meter reading system for the City's water meters, $1.6 million to facilitate sewer connections to City facilities in the Highland Village neighborhood, $3.8 million for the inflow and infiltration reduction program, and $3.6 million for the design and construction of a major sewer rehabilitation project.

NOTE 8 – CAPITAL ASSETS (CONTINUED)

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	$ 2,470,240
CRA fund	363,021
Other governmental funds	5,201,954
Total Encumbrances	**$ 8,035,215**

NOTE 9 – LONG-TERM DEBT

The following schedule provides a summary of the changes in long-term debt for the fiscal year:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Bonds and notes payable:					
Direct borrowing:					
General obligation refunding note	$ 7,290,000	$ --	$ (985,000)	$ 6,305,000	$ 1,000,000
Direct placement:					
Taxable Special obligation bond Series 2024	9,070,000	--	--	9,070,000	685,000
Special obligation bond Series 2024	--	23,000,000	--	23,000,000	340,000
Premium on SOB Series 2024	--	2,294,226	--	2,294,226	5,848
Total Bonds and Notes Payable	16,360,000	25,294,226	(985,000)	40,669,226	2,030,848
Lease liability	1,739,054	1,087,515	(438,549)	2,388,020	558,399
Subscription liability	940,976	515,043	(508,265)	947,754	419,591
Net pension liability	88,517,101	29,142,628	(48,560,698)	69,099,031	--
Estimated claims	4,519,000	986,000	(848,000)	4,657,000	1,272,000
Compensated absences	5,287,487 *	1,670,630	(740,912)	6,217,205	1,554,301
Other post employment benefit liability	743,184	438,346	(421,003)	760,527	--
Governmental Activities Long-Term Liabilities	$ 118,106,802	$ 59,134,388	$ (52,502,427)	$ 124,738,763	$ 5,835,139

* Beginning balances restated, refer to Note 16.

NOTE 9 – LONG-TERM DEBT (CONTINUED)

	Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Revenue bonds	$ 70,810,000	$ --	$ (3,595,000)	$ 67,215,000	$ 3,670,000
WIFIA Bond	--	44,204,486	--	44,204,486	--
Unamortized bond premiums	8,200,209		(475,159)	7,725,050	459,611
Direct placement:					
Revenue note	8,500,000	--	(670,000)	7,830,000	690,000
Total Revenue Bond and Note Payable	87,510,209	44,204,486	(4,740,159)	126,974,536	4,819,611
Safe drinking water revolving loans	9,882,236	--	(880,206)	9,002,030	903,174
Clean water revolving loans	4,174,202	--	(435,217)	3,738,985	3,738,985
Total Bonds and Loans	101,566,647	44,204,486	(6,055,582)	139,715,551	9,461,770
Lease liability	483,332	537,175	(500,143)	520,364	316,844
Subscription liability	64,033	--	(64,033)	--	--
Net pension liability	19,752,778	7,424,037	(12,512,083)	14,664,732	--
Compensated absences	1,167,964 *	403,399	(153,204)	1,418,159	354,539
Other post employment benefit liability	329,980	217,948	(197,630)	350,298	--
Business-Type Activities Long-Term Liabilities	$ 123,364,734	$ 52,787,045	$ (19,482,675)	$ 156,669,104	$ 10,133,153

* Beginning balances restated, refer to Note 16.

There are several limitations and restrictions contained in the various bond indentures. As of September 30, 2025, the City did not meet the debt covenants for the clean water revolving loans; however, it was in compliance, in all material respects, with all other significant covenants and restrictions. Interest and principal payments have been made timely on all debt obligations.

BONDS AND NOTES PAYABLE – GOVERNMENTAL FUNDS

General Obligation Refunding Note, Series 2022

On February 22, 2022, the City entered into a direct borrowing general obligation refunding note in the amount of $9,190,000 to provide funds to currently refund the City's outstanding Promissory Note, Series 2011. The City refunded the Series 2011 note to reduce its debt service payments over the next nine (9) years to obtain an economic gain of $1,190,000. The note bears interest at a 1.520% rate, and is payable semiannually on May 1 and November 1, commencing on May 1, 2022. The note matures on November 1, 2030. The note is secured by ad-valorem tax revenues. Ad-valorem tax revenues totaled $32,389,262 for the fiscal year 2025. The note agreement includes a provision that in an event of default all amounts will immediately become due and payable including interest and the interest rate shall be adjusted to the Default Rate (Prime Rate plus 6.00%).

NOTE 9 – LONG-TERM DEBT (CONTINUED)

BONDS AND NOTES PAYABLE – GOVERNMENTAL FUNDS (CONTINUED)

General Obligation Refunding Note, Series 2022 (Continued)

Debt service requirements to maturity for the fiscal year ended September 30, 2025 are summarized as follows:

Year Ending September 30,	Principal	Interest	Total Debt Service
2026	$ 1,000,000	$ 88,236	$ 1,088,236
2027	1,025,000	72,846	1,097,846
2028	1,040,000	57,152	1,097,152
2029	1,060,000	41,192	1,101,192
2030	1,080,000	24,928	1,104,928
2031	1,100,000	8,360	1,108,360
	$ 6,305,000	$ 292,714	$ 6,597,714

Taxable Special Obligation Bond, Series 2024

On September 17, 2024, the City entered into a direct placement special obligation bond in the amount of $9,070,000 to provide funds to settle the City of Miami Gardens v. City of North Miami Beach class action. The bond bears interest at a 4.93% rate, and is payable semiannually on May 1 and November 1, commencing on May 1, 2025. The bond matures on November 1, 2034. The bond is secured by non-ad valorem revenues. Non-ad valorem revenues totaled $ 1,026,148 for the fiscal year 2025. The bond agreement includes a provision that in an event of default all amounts will immediately become due and payable including interest and the interest rate shall be adjusted to the Default Rate (applicable interest rate plus 4.00%).

NOTE 9 – LONG-TERM DEBT (CONTINUED)

BONDS AND NOTES PAYABLE – GOVERNMENTAL FUNDS (CONTINUED)

Taxable Special Obligation Bond, Series 2024 (Continued)

Debt service requirements to maturity for the fiscal year ended September 30, 2025 are summarized as follows:

Year Ending September 30,	Principal	Interest	Total Debt Service
2026	$ 685,000	$ 430,266	$ 1,115,266
2027	760,000	394,647	1,154,647
2028	800,000	356,193	1,156,193
2029	840,000	315,767	1,155,767
2030	880,000	273,369	1,153,369
2031-2035	5,105,000	653,348	5,758,348
	$ 9,070,000	$ 2,423,590	$ 11,493,590

Taxable Special Obligation Bond, Series 2024

On December 6, 2024, the City entered into a bond purchase agreement to issue $23,000,000 in Special Obligation Bonds, Series 2024 (Parks Project), which were subsequently delivered at closing on December 19, 2024. The bonds were issued at a premium, resulting in a total purchase price of $25,199,826, which includes an original issue premium of $2,294,226 and an underwriting discount of $94,400. The bonds were issued to finance the construction and improvement of parks and recreational facilities and to pay costs of issuance. The bond bears interest at a fixed rate of 5.00%, with varying yields ranging from approximately 2.80% to 4.00% depending on maturity, and mature annually on November 1 from 2025 through 2054, and is payable semiannually on May 1 and November 1, commencing on May 1, 2025. The bond matures on November 1, 2054.

NOTE 9 – LONG-TERM DEBT (CONTINUED)

BONDS AND NOTES PAYABLE – GOVERNMENTAL FUNDS (CONTINUED)

Taxable Special Obligation Bond, Series 2024 (Continued)

Debt service requirements to maturity for the fiscal year ended September 30, 2025 are summarized as follows:

Year Ending September 30,	Principal	Interest	Total Debt Service
2026	$ 340,000	$ 1,141,500	$ 1,481,500
2027	355,000	1,124,125	1,479,125
2028	375,000	1,105,875	1,480,875
2029	395,000	1,086,625	1,481,625
2030	415,000	1,066,375	1,481,375
2031-2035	2,405,000	4,991,375	7,396,375
2036-2040	3,090,000	4,307,750	7,397,750
2041-2045	3,970,000	3,430,000	7,400,000
2046-2050	5,105,000	2,301,125	7,406,125
2050-2055	6,550,000	851,750	7,401,750
	$ 23,000,000	$ 21,406,500	$ 44,406,500

REVENUE BONDS AND NOTES – ENTERPRISE FUNDS

Water Revenue Bonds, Series 2020A

On January 29, 2020, the City issued $40,030,000 in revenue bonds to provide funds to finance all or a portion of the costs associated with additions, replacements, expansions or improvements to the City's water system infrastructure and to pay costs of issuance on the 2020A bonds. The bonds bear interest at a 5.00% rate, and is payable semiannually on February 1 and August 1, commencing on August 1, 2020. The bond matures on August 1, 2049. The bonds were issued at a premium of $10,267,113 and net proceeds from the bond issue were $50,297,113. The bond agreement includes a provision that in an event of default all amounts may immediately become due and payable, including interest to the bondholders.

The City covenants in the master Water Bond Declaration to charge rates and fees in connection with the operation of the water system which, when combined with other gross revenues, are adequate to generate net revenues in each fiscal year at least equal to (a) 1.10 times the annual debt service due in that fiscal year for outstanding bonds, (b) 1.00 times the annual bond debt service due in that fiscal year for any subordinate obligations (after subtracting the annual debt service from net revenues). Net water system revenues totaled $19,899,626 for the fiscal year 2025.

NOTE 9 – LONG-TERM DEBT (CONTINUED)

REVENUE BONDS AND NOTES – ENTERPRISE FUNDS (CONTINUED)

Water Revenue Bonds, Series 2020A (Continued)

Debt service requirements to maturity for the fiscal year ended September 30, 2025 are summarized as follows:

Year Ending September 30,	Principal	Interest	Total Debt Service
2026	$ --	$ 1,978,750	$ 1,978,750
2027	--	1,978,750	1,978,750
2028	--	1,978,750	1,978,750
2029	--	1,978,750	1,978,750
2030	--	1,978,750	1,978,750
2031-2035	4,830,000	9,660,250	14,490,250
2036-2040	9,795,000	7,754,250	17,549,250
2041-2045	12,500,000	5,048,750	17,548,750
2046-2049	12,450,000	1,594,250	14,044,250
	$ 39,575,000	$ 33,951,250	$ 73,526,250

Taxable Water Revenue Refunding Bonds, Series 2020B

On January 29, 2020, the City issued $39,945,000 in revenue bonds to provide funds to currently refund the City's outstanding Water Revenue Refunding Bonds, Series 2012. The bonds bear interest at 2.34% to 2.66%, and is payable semiannually on February 1 and August 1, commencing on August 1, 2020. The bond matures on August 1, 2032. The City refunded Series 2012 bond to reduce its debt service requirement by $12,658,667 and to obtain an economic gain of $10,737,097. The bond agreement includes a provision that in an event of default all amounts may immediately become due and payable, including interest to the bondholders.

The City covenants in the master Water Bond Declaration to charge rates and fees in connection with the operation of the water system which, when combined with other gross revenues, are adequate to generate net revenues in each fiscal year at least equal to (a) 1.10 times the annual debt service due in that fiscal year for outstanding bonds, (b) 1.00 times the annual bond debt service due in that fiscal year for any subordinate obligations (after subtracting the annual debt service from net revenues). Net water system revenues totaled $19,899,626 for the fiscal year 2025.

NOTE 9 – LONG-TERM DEBT (CONTINUED)

REVENUE BONDS AND NOTES – ENTERPRISE FUNDS (CONTINUED)

Taxable Water Revenue Refunding Bonds, Series 2020B (Continued)
Debt service requirements to maturity for the fiscal year ended September 30, 2025 are summarized as follows:

Year Ending September 30,	Principal	Interest	Total Debt Service
2026	$ 3,670,000	$ 684,356	$ 4,354,356
2027	3,755,000	603,212	4,358,212
2028	3,845,000	516,434	4,361,434
2029	3,940,000	422,770	4,362,770
2030	4,035,000	324,033	4,359,033
2031-2032	8,395,000	333,779	8,728,779
	$ 27,640,000	$ 2,884,584	$ 30,524,584

Sewer Revenue Note, Series 2020
On May 27, 2020, the City entered into a direct placement revenue note in the amount of $11,000,000 to provide funds to finance all or a portion of the costs associated with additions, replacements, expansions or improvements to the City's sewer system infrastructure and to pay costs of issuance on the 2020 note. The note bears interest at a 2.00% rate, and is payable semiannually on February 1 and August 1, commencing on August 1, 2020. The note matures on August 1, 2035. The note agreement includes a provision that in an event of default all amounts will immediately become due and payable including interest and the Default Rate.

The City covenants in the master Water Bond Declaration to charge rates and fees in connection with the operation of the water system which, when combined with other gross revenues, are adequate to generate net revenues in each fiscal year at least equal to (a) 1.15 times the annual debt service due in that fiscal year for outstanding bonds, (b) 1.00 times the annual bond debt service due in that fiscal year for any subordinate obligations (after subtracting the annual debt service from net revenues). Net sewer system revenues totaled $372,368 for the fiscal year 2025.

NOTE 9 – LONG-TERM DEBT (CONTINUED)

REVENUE BONDS AND NOTES – ENTERPRISE FUNDS (CONTINUED)

Sewer Revenue Note, Series 2020 (Continued)

Debt service requirements to maturity for the fiscal year ended September 30, 2025 are summarized as follows:

Year Ending September 30,	Principal	Interest	Total Debt Service
2026	$ 690,000	$ 220,806	$ 910,806
2027	710,000	201,348	911,348
2028	725,000	181,326	906,326
2029	750,000	160,881	910,881
2030	770,000	139,731	909,731
2031-2035	4,185,000	360,678	4,545,678
	$ 7,830,000	$ 1,264,770	$ 9,094,770

SAFE DRINKING WATER REVOLVING LOANS

DW130102

On August 15, 2010, the City was awarded a Safe Drinking Water Revolving Loan from the State of Florida Department of Environmental Protection (FDEP) for $428,510. The loan interest rate is 2.71% and is payable semiannually on February 15 and August 15, commencing on February 15, 2011. The loan matures on August 15, 2030. The funding source for the loan is 100% from Federal funds.

DW130103

On April 15, 2012, the City was awarded a Safe Drinking Water Revolving Loan from FDEP for $3,302,575. The loan interest rate is 2.50% and is payable semiannually on April 15 and October 15, commencing on October 15, 2012. The loan matures on April 15, 2032. The funding source for the loan is 100% from Federal funds.

DW130130

On October 15, 2015, the City was awarded a Safe Drinking Water Revolving Loan from FDEP for $9,159,651. The loan interest rate is 2.60% and is payable semiannually on April 15 and October 15, commencing on April 15, 2016. The loan matures on November 15, 2035. The funding source for the loan is 100% from Federal funds.

NOTE 9 – LONG-TERM DEBT (CONTINUED)

SAFE DRINKING WATER REVOLVING LOANS (CONTINUED)

Debt service requirements to maturity for the fiscal year ended September 30, 2025 are summarized as follows:

Year Ending September 30,	Principal	Interest	Total Debt Service
DW130102			
2026	$ 25,681	$ 3,502	$ 29,183
2027	26,382	2,801	29,183
2028	27,102	2,082	29,184
2029	27,841	1,342	29,183
2030	28,602	583	29,185
Total DW130102	135,608	10,310	145,918
DW130103			
2026	364,778	68,712	433,490
2027	374,225	59,265	433,490
2028	383,917	49,574	433,491
2029	393,860	39,630	433,490
2030	404,061	29,429	433,490
2031-2032	839,791	27,191	866,982
Total DW130103	2,760,632	273,801	3,034,433
DW130130			
2026	512,715	155,706	668,421
2027	526,138	142,283	668,421
2028	539,917	128,504	668,421
2029	554,060	114,361	668,421
2030	568,577	99,844	668,421
2031-2035	3,074,461	267,645	3,342,106
2036	329,922	4,301	334,223
Total DW130130	6,105,790	912,644	7,018,434
Total Drinking Water Loans	$ 9,002,030	$ 1,196,755	$ 10,198,785

NOTE 9 – LONG-TERM DEBT (CONTINUED)

SAFE DRINKING WATER REVOLVING LOANS (CONTINUED)

The City covenants in the Safe Drinking Water Revolving Loan Agreements to charge rates and fees in connection with the operation of the water system which, when combined with other gross revenues, are adequate to generate net revenues in each fiscal year at least equal to (a) 1.15 times the annual debt service due in that fiscal year for outstanding bonds, (b) all coverage requirements of all senior and parity debt obligations. Net water system revenues totaled $19,899,626 for the fiscal year 2025.

CLEAN WATER REVOLVING LOANS

WW130100

On November 15, 2010, the City was awarded a Clean Water Revolving Loan from FDEP for $9,26,550. The loan interest rate is 1.94% and is payable semiannually on May 15 and November 15, commencing on May 15, 2011. The loan matures on November 15, 2030. The funding source for the loan is 100% from Federal funds.

WW130101

On November 15, 2010, the City was awarded a Clean Water Revolving Loan from FDEP for $366,668. The loan interest rate is 1.86% and is payable semiannually on May 15 and November 15, commencing on May 15, 2011. The loan matures on November 15, 2030. The funding source for the loan is 100% from Federal funds.

WW130110

On September 15, 2012, the City was awarded a Clean Water Revolving Loan from FDEP for $3,752,982. The loan interest rate is 2.10% and is payable semiannually on March 15 and September 15, commencing on March 15, 2013. The loan matures on September 15, 2032. The funding source for the loan is 100% from Federal funds.

WW745080

On September 15, 2013, the City was awarded a Clean Water Revolving Loan from FDEP for $365,234. The loan interest rate is 2.05% and is payable semiannually on March 15 and September 15, commencing on March 15, 2014. The loan matures on September 15, 2033. The funding source for the loan is 100% from Federal funds.

WW745081

On May 15, 2015, the City was awarded a Clean Water Revolving Loan from FDEP for $3,247,685. The loan interest rate is 1.93% and is payable semiannually on May 15 and November 15, commencing on November 15, 2015. The loan matures on May 15, 2035. The funding source for the loan is 100% from Federal funds.

NOTE 9 – LONG-TERM DEBT (CONTINUED)

CLEAN WATER REVOLVING LOANS (CONTINUED)

Debt service requirements to maturity for the fiscal year ended September 30, 2025 are summarized as follows:

Year Ending September 30,	Principal	Interest	Total Debt Service
WW130100			
2026	$ 373,655	$ 22,097	$ 395,752
Total WW130100	$ 373,655	$ 22,097	$ 395,752
WW130101			
2026	$ 115,006	$ 6,505	$ 121,511
Total WW130101	$ 115,006	$ 6,505	$ 121,511
WW130110			
2026	$ 1,344,405	$ 108,265	$ 1,452,670
Total WW130110	$ 1,344,405	$ 108,265	$ 1,452,670
WW745080			
2026	$ 167,215	$ 14,940	$ 182,155
Total WW745080	$ 167,215	$ 14,940	$ 182,155
WW745081			
2026	$ 1,738,704	$ 181,529	$ 1,920,233
Total WW745081	$ 1,738,704	$ 181,529	$ 1,920,233
Total Clean Water Loans	$ 3,738,985	$ 333,336	$ 4,072,321

The City covenants in the Clean Water Revolving Loan Agreements to charge rates and fees in connection with the operation of the sewer system which, when combined with other gross revenues, are adequate to generate net revenues in each fiscal year at least equal to (a) 1.15 times the annual debt service due in that fiscal year for outstanding bonds, (b) all coverage requirements of all senior and parity debt obligations. Net sewer system revenues totaled $372,368 for the fiscal year 2025. At September 30, 2025, the City did not meet the above covenant. As a result of non-compliance, FDEP can accelerate repayment of the Loans as potential remedy of default. As such, the aggregate loan amounts have been reported as noncurrent liabilities due within one year.

NOTE 9 – LONG-TERM DEBT (CONTINUED)

AUTHORIZED DEBT

Water Infrastructure Finance and Innovation Act (WIFIA) Loan

On June 25, 2020, the Water Utility was awarded a loan from the United States Government under the WIFIA administered by the Environmental Protection Agency. The loan was issued at an amount not to exceed $44,204,486 and will be used for the Norwood Water Treatment Plant Upgrade and Transmission Main Improvements and Replacement Projects.

The loan is secured by the Water Utility operating revenues, requires a 51% match and carries an interest rate of 1.36%. Interest becomes payable upon the first drawdown. The principal payback period begins five years after completion of the project which is estimated to be August 1, 2026. The first of 30 annual ***INSTALLMENTS*** are due on August 1, 2031. As of September 30, 2025, the City received the full loan amount. Debt service requirements to maturity for the fiscal year ended September 30, 2025 are summarized as follows:

Year Ending September 30,	Principal	Interest	Total Debt Service
2026	$ --	$ 601,181	$ 601,181
2027	--	601,181	601,181
2028	--	601,181	601,181
2029	--	601,181	601,181
2030	--	601,181	601,181
2031-2035	6,181,550	2,840,038	9,021,588
2036-2040	6,613,485	2,408,103	9,021,588
2041-2045	7,075,602	1,945,986	9,021,588
2046-2050	7,570,009	1,451,579	9,021,588
2051-2055	8,098,963	922,625	9,021,588
2056-2060	8,664,877	356,711	9,021,588
	$ 44,204,486	$ 12,930,947	$ 57,135,433

LEASES

City as Lessee

The City, as a lessee, has entered into various lease agreements involving printing equipment and motor vehicles. The lease terms for the leases vary from 34 months to 60 months. The discount rate used for the calculation of the lease liability varies depending on the length of the respective leases and ranged from 0.328% to 8.370%. As of September 30, 2025, the City's lease assets are recorded as $4,580,212, less accumulated amortization of $1,612,452.

NOTE 9 – LONG-TERM DEBT (CONTINUED)

LEASES (CONTINUED)

City as Lessee (Continued)
As of September 30, 2025, the City had minimum principal and interest payment requirements for its leasing activities with a remaining term in excess of one (1) year, as follows:

Year Ending September 30,	Principal Payments	Interest Payments	Total Debt Service
Governmental Actvities:			
2026	$ 558,399	$ 166,836	$ 725,235
2027	569,542	123,621	693,163
2028	601,350	77,699	679,049
2029	519,026	29,437	548,463
2030	139,703	3,941	143,644
Total	$ 2,388,020	$ 401,534	$ 2,789,554
Business-type Activities:			
2026	$ 316,844	$ 30,474	$ 347,318
2027	203,520	13,078	216,598
Total	$ 520,364	$ 43,552	$ 563,916

City as Lessor
The City, as a lessor, has entered into lease agreements involving communication site easements. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows, recognized during the fiscal year was $ 83,834.

On August 1, 2022, the City entered a 348-month lease as Lessor for the use of Communication Site - Public Safety Building. An initial lease receivable was recorded in the amount of $617,825. As of September 30, 2025, the value of the lease receivable is $545,443 and the value of the short-term lease receivable is $14,047. The lessee is required to make annual fixed payments of $33,012. The lease has an interest rate of 3.4770%. The Easements estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of September 30, 2025 was $550,362, and the City recognized lease revenue of $21,304 during the fiscal year.

On May 1, 2024, the City entered a 120-month lease as Lessor for the use of Communication Site - Norwood Water Treatment Plant. An initial lease receivable was recorded in the amount of $348,058. As of September 30, 2025, the value of the lease receivable is $283,343 and the value of the short-term lease receivable is $28,964. The lessee is required to make annual fixed payments of $36,501. The lease has an interest rate of 2.6600%. The Easements estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of September 30, 2025 was $298,749, and the City recognized lease revenue of $34,806 during the fiscal year. The lessee has 2 extension option(s), each for 60 months.

NOTE 9 – LONG-TERM DEBT (CONTINUED)

LEASES (CONTINUED)

City as Lessor (Continued)

As of September 30, 2025, the City had minimum principal and interest lease receivable payments for its leasing activities with a remaining term in excess of one (1) year as follows:

Year Ending September 30,	Principal Payments	Interest Payments	Total Payments
Governmental Activities:			
2026	$ 14,047	$ 18,965	$ 33,012
2027	14,535	18,477	33,012
2028	15,040	17,971	33,011
2029	15,563	17,448	33,011
2030	16,104	16,907	33,011
2031 - 2035	89,321	75,737	165,058
2036 - 2040	105,968	59,090	165,058
2041 - 2045	125,717	39,341	165,058
2046 - 2050	149,147	15,912	165,059
Total	$ 545,442	$ 279,848	$ 825,290
Business-Type Activities:			
2026	$ 28,964	$ 7,537	$ 36,501
2027	29,735	6,766	36,501
2028	30,525	5,976	36,501
2029	36,813	5,164	41,977
2030	37,792	4,184	41,976
2031 - 2035	119,515	6,414	125,929
Total	$ 283,344	$ 36,041	$ 319,385

NOTE 9 – LONG-TERM DEBT (CONTINUED)

SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

The City has entered into various SBITA contracts related to cloud computing arrangements, such as software as a service and platform as a service. The SBITAs vary from 18 months to 60 months. The discount rate used for the calculation of the SBITA liability varies depending on the length of the respective SBITAs and ranged from 2.707% to 3.511%. The related obligations are presented in the amounts equal to the present value of subscriptions payments, payable during the remaining SBITA term. As of September 30, 2025, the City's SBITA assets are recorded as $2,004,394, less accumulated amortization of $970,461.

As of September 30, 2025, the City had minimum principal and interest payment requirements for its SBITA activities, with a remaining term in excess of one (1), as follows:

Year Ending September 30,	Principal Payments	Interest Payments	Total Debt Service
Governmental Actvities:			
2026	$ 419,591	$ 29,513	$ 449,104
2027	207,965	16,085	224,050
2028	214,469	9,581	224,050
2029	105,729	2,871	108,600
Total	$ 947,754	$ 58,050	$ 1,005,804

NOTE 10 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; workers' compensation; and health care of its employees. The City purchases commercial insurance to provide coverage for property and cyber liability. There have been no significant reductions in insurance coverage for any risk of loss in the past year and settled claims have not exceeded the commercial coverage in any of the past three years. However other risks, such as workers' compensation, general liability, and automobile liability are accounted for and financed by the City in the General Fund.

NOTE 10 – RISK MANAGEMENT (CONTINUED)

SELF-INSURANCE

For general liability and automobile liability, the City is protected by Florida Statute 768.28, which limits liability losses to $200,000 per person and $300,000 per occurrence. For workers' compensation, the City is covered by an excess loss contract that provides specific stop-loss coverage for claims in excess of $1,000,000 per individual. Settled claims have not exceeded this coverage in the last three (3) years.

All funds of the City participate in the risk management program. Amounts payable to the General Fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims. The self-insurance funds, which are included in the General Fund, have assigned fund balances of approximately $6.1 million on September 30, 2025.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an estimated amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic factors.

Balances and changes in the balances of claims liabilities during the past two fiscal years are as follows (in thousands):

	2025	2024
Unpaid claims, beginning	$ 4,519	$ 3,306
IBNR claims	986	1,701
Claim payments	(848)	(488)
Unpaid Claims, Ending	$ 4,657	$ 4,519

CONTINGENT LIABILITIES

Federal and State programs were audited in accordance with the provisions of the Single Audit Act, the U.S. Office of Management and Budget Uniform Guidance, and the Rules of the Auditor General of the State of Florida. Pursuant to those provisions, financial assistance programs were tested for compliance with applicable grant requirements. Grantor agencies may subject grant programs to additional compliance tests, which could result in disallowed expenditures. Future disallowances of grant program expenditures, while not expected, could be material.

LITIGATION

The City is the defendant in several lawsuits' incidental to its operations. Based upon the City Attorney's evaluation of pending cases, the estimated liability to which the City might be exposed as of September 30, 2025 is below $1.0 million.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS

The City sponsors and maintains three (3) public employee retirement systems (PERS) administered by separate pension boards of trustees that provide retirement, death and disability benefits: the Retirement Plan for General Employees of the City of North Miami Beach (the General Employee Plan), the Retirement Plan for Police Officers and Firefighters of the City of North Miami Beach (the Police and Firefighters Plan) and the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach (General Management Plan).

The Retirement Plan for General Employees of the City of North Miami Beach and the Retirement Plan for Police Officers and Firefighters of the City of North Miami Beach issue a publicly available report that includes financial statements and required supplementary information for the Plans. These reports may be obtained by writing to: City of North Miami Beach Employees' Retirement System, 17011 NE 19th Ave., North Miami Beach, Florida 33162.

PLAN MEMBERSHIP

As of the latest actuarial valuations, membership in each of the City's pension plans are as follows:

	General Employees	Police & Firefighters	General Management Employees
Actuarial valuation date	October 1, 2024	October 1, 2024	October 1, 2024
Plan members:			
Currently receiving or entitled to receive benefits	342	175	43
Active employees	177	77	4
Total Members	519	252	47

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

PLAN DESCRIPTIONS

General Employee Plan

The General Employee Plan is a single-employer defined benefit pension plan established by ordinance No. 65-30 and is also governed by certain provisions of Florida Statutes Chapters 112.

Eligibility

After two (2) years of credited service, each permanent full-time regular employee or contract employee of the City is eligible to participate in the General Employee Plan, except for City Councilpersons and the City Attorney.

Administration

Management of the General Employee Plan is vested in the Board, which consists of five members. Three (3) individuals appointed by the Mayor and ratified by the City Council, at least two (2) of whom shall be elected officials, and two members from employees participating in the General Employee Plan elected by a majority, unless otherwise prohibited by law.

Vesting

Benefits are fully vested after 6 years of credited service if attained prior to September 30, 2013, and 10 years thereafter.

Eligibility for Retirement

Attainment of age 62 or age 55 with 20 years of credited service; or attainment of age 55 with 15 years of credited service, or completion of 20 years of credited service; or attainment of age 62 with 10 years of credited service, or age 60 with 25 years of credited service depending on bargaining unit and hire date.

Annual Retirement Benefit

Normal retirement benefits are based upon 3.0% of "final monthly compensation"(“FMC”), as defined by the pension plan, times years of credited service through December 31, 2013, and 2.5% of FMC times credited service after December 31, 2013.

Other Benefits

The Plan provides for optional retirement benefits, early retirement, deferred retirement, deferred retirement option program (DROP) disability retirement and death benefits to some members.

Employee Contributions

Employees contribute 7% of their basic annual compensation beginning after two years of service. If any employee leaves covered employment before vesting, accumulated employee contributions plus interest are refunded to the employee.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

PLAN DESCRIPTIONS (CONTINUED)

General Employee Plan (Continued)

City Contributions
City contributions are based upon actuarially determined amounts, which together with employee contributions and fund earnings, are sufficient to fund the plan. The City's actuarially determined and actual contribution amount for the current year was $4,975,661 or 38.96% of covered payroll.

Actuarial Methods and Assumptions
The total pension liability as of September 30, 2025 was determined by an actuarial valuation as of October 1, 2023 updated to September 30, 2025 using the following actuarial assumptions applied to the measurement period:

Actuarial Assumptions	
Valuation Date	October 1, 2023
Actuarial cost method	Entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	30 years
Asset valuation method	Smoothed market value
Actuarial Assumptions	
Investment rate of return	7.25%
Projected salary increases	3.25% to 5.5%
Cost of living adjustments	0%, 0.75%, 2.25%
Inflation	2.75%

For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

PLAN DESCRIPTIONS (CONTINUED)

Police and Firefighter Plan

The Police and Firefighter Plan is a single-employer defined benefit pension plan that provides pension benefits for all full time sworn police officers and certain former firefighters. The Police and Firefighter Plan was established under the provisions of City Ordinance 65-30 and is also governed by certain provisions of Florida Statutes Chapters 112, 175, and 185.

Eligibility

The Police and Firefighter Plan covers full time sworn officers and certain former firefighters. The plan is closed for all new firefighters as of April 1, 1978. Participants enter the Plan on the first day of employment or January 1, 1990 for any employee who was a participant in the Retirement Plan for Employees of the City of North Miami Beach (effective October 1, 1965).

Administration

Management of the Police and Firefighter Plan is vested in the Board, which consists of five (5) members, two (2) of whom, unless otherwise prohibited by law, shall be legal residents of the City who shall be elected officials original appointment designees. Two (2) of whom shall be police officers, including participants in the DROP, and/or firefighters, as defined in Article II who shall be elected by a majority of the police officers, including DROP participants and firefighters who are participants of the Police and Firefighter Plan. One (1) shall be chosen by a majority of the previous four members. Upon receipt of the fifth person’s name, the City Council shall, as a ministerial duty, appoint such person to the Board as its fifth member.

Vesting

Benefits are fully vested after ten years of credited service.

Eligibility for Retirement

Normal retirement is the earlier of age 52 or 22 years of service for firefighters and the earlier of age 52 or 20 years of credited service for police officers vested on or before January 31, 2018. As of January 31, 2018, normal retirement is the earlier of age 55 or 25 of credited services for both police officers and firefighters.

Annual Retirement Benefit

Normal retirement benefits are based upon 3.3% for firefighters and 3% for police officers of FMC, as defined by the pension plan, multiplied by years of credited service.

Other Benefits

The Plan also provides for optional retirement benefits, early retirement, deferred retirement, DROP disability retirement and death benefits.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

PLAN DESCRIPTIONS (CONTINUED)

Police and Firefighter Plan (Continued)

Employee Contributions
Police officers are required to contribute 11.1% (pre-tax) of their basic annual compensation. Firefighters are no longer required to contribute to the Police and Firefighter Plan.

City Contributions
City contributions are based upon actuarially determined amounts, which together with employee and state contributions and fund earnings are sufficient to fund the plan. The City's actuarially determined and actual contribution amounts for the current year was $9,009,630 and $9,027,630, respectively, or 110.57% of covered-employee payroll.

Actuarial Methods and Assumptions
Pursuant to Florida Statutes Section 185 and Section 175, the State of Florida makes contributions to fund police and firefighter benefits. These State contributions were recognized as revenue and expenditures by the City. During fiscal year 2025, the amounts were $558,810 and $428,983 for police and firefighters, respectively. Information related to the latest actuarial valuation, follows:

Actuarial Assumptions	
Valuation Date	October 1, 2023
Actuarial cost method	Entry age normal
Amortization method	Level percent closed
Remaining amortization period	30 years
Asset valuation method	Smoothed market value
Investment rate of return	7.50%
Projected salary increases	3.00%
Cost of living adjustments	2.5% on or before 1/31/2016
	1.5% after 1/31/2016
Inflation	2.75%

For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

PLAN DESCRIPTIONS (CONTINUED)

General Management Plan

The General Management Plan is a single-employer defined benefit pension plan established by ordinance 2002-30 dated January 7, 2003, and effective February 1, 2023. The Florida Municipal Pension Trust Fund, a division of the Florida League of Cities, administers the Plan.

Eligibility

All General Management Employees hired prior to July 18, 2017, i.e. unclassified management employees who are not members of any other City sponsored Pension Plan. This Plan is closed to new members as of July 18, 2017.

Charter Officers (City Clerk, City Attorney or City Manager) appointed on or after April 22, 2014, who are hired from outside the City are not eligible to participate in this Plan.

An individual who is initially appointed as a Charter Officer on or after May 6, 2014, and who, prior to such appointment, was employed by the City, may elect to discontinue their participation in the Plan by filing a written election with the Plan Administrator within 30 days following the effective date of appointment as Charter Officer.

Administration

The Board shall consist of five (5) members as follows: the City Manager or his or her designee; an elected official nominated by the Mayor and ratified by the City Commission; the City Attorney or his or her designee; and one (1) active Plan member and one (1) retired Plan member appointed by the other three (3) members.

Vesting

Benefits are fully vested after six years of credited service, 50% after four years.

Eligibility for Retirement

Normal retirement is the attainment of the age at which normal social security benefits may be collected with four years of service.

Annual Retirement Benefit

Normal retirement benefits are based upon 3% of "average final compensation", as defined by the pension plan, times the number of years of credited service prior to February 1, 2013, and 2% thereafter.

Employee Contributions

Management personnel contribute 8% (pre-tax) of their basic annual compensation. Refund of employee contributions will be credited with 3% interest.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

PLAN DESCRIPTIONS (CONTINUED)

General Management Plan (Continued)

City Contributions
City contributions are based upon actuarially determined amounts, which together with employee contributions and fund earnings are sufficient to fund the Plan. The City's actuarially determined contribution and the actual contribution amount for the current year was $415,283 and $509,058, respectively. Actual contribution as a percentage of covered payroll for the fiscal year ended September 30, 2025 was 158.10%.

Actuarial Methods and Assumptions
The total pension liability as of September 30, 2025 was determined by an actuarial valuation as of October 1, 2024 updated to September 30, 2025 using the following actuarial assumptions applied to the measurement period:

Valuation Date	October 1, 2024
Actuarial cost method	Aggregate
Amortization method	Level dollar, fixed
Remaining amortization period	18 years
Asset valuation method	Market value
Actuarial Assumptions	
Investment rate of return	7.25%
Inflation	2.75%
Projected salary increases	4.00%
Cost of living adjustments (prior to February 1, 2013)	2.25%

Mortality: Pre-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year; pos t-retirement mortality is based on the sex-dis tinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Healthy Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

PLAN DESCRIPTIONS (CONTINUED)

Florida Retirement System (FRS) and Retiree Health Subsidy Program (HIS)

The City contributes to the FRS and HIS on behalf of its elected officials. FRS is a cost-sharing multiple employers defined benefit pension plan established by and administered in accordance with Chapter 121, Florida Statutes. HIS is a cost-sharing multiple employers defined benefit pension plan established by and administered in accordance with section 112.363, Florida Statutes. The City's covered payroll for the 7 elected officials covered by the FRS and HIS for the year ended September 30, 2025, was $22,167.

Vesting

Benefits are fully vested after eight years of credited service.

Eligibility for Retirement

Normal retirement is the attainment of the age 65 or after 33 years of creditable service.

Annual Retirement Benefit

Normal retirement benefits are based upon 3% of "average final compensation", as defined by the pension plan, times the number of years of credited service.

Employee Contributions

Elected officials contribute 3% of their basic annual compensation.

City Contributions

City contributions are established by the Florida Legislature. The City's proportionate share of pension contributions and allocated contributions were as follows:

	Florida Retirement System		
Contribution Period	Proportion	Contribution	
July 1, 2022 to June 30, 2023	0.000233181%	$	11,217
July 1, 2023 to June 30, 2024	0.000195089%		11,047
July 1, 2024 to June 30, 2025	0.000195018%		11,644

	Health Insurance Subsidy		
Contribution Period	Proportion	Contribution	
July 1, 2022 to June 30, 2023	0.000054164%	$	356
July 1, 2023 to June 30, 2024	0.000047793%		405
July 1, 2024 to June 30, 2025	0.000048693%		435

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

PLAN DESCRIPTIONS (CONTINUED)

Florida Retirement System (FRS) and Retiree Health Subsidy Program (HIS) (Continued)

Actuarial Methods and Assumptions

Actuarially determined contribution amounts for the Plan for the current year were determined as part of the July 1, 2025, actuarial valuation using the aggregate actuarial cost method.

Additional information related to the actuarial valuation follows:

Actuarial Assumptions	FRS	HIS
Valuation Date	July 1, 2025	July 1, 2025
Actuarial cost method	Individual Entry Age	
Amortization method	Level percent, closed	
Remaining amortization period	Amortized over 30 years as level percentage of Tier 1 pay	
Asset valuation method	5 years smoothed	
Investment rate of return	6.70%	5.20%
Inflation	2.40%	
Projected salary increases	3.50%	
Cost of living adjustments	3% for pre-July 2011 benefit service; 0% thereafter	

Mortality: PUB-2010 base table varies by member category and gender, projected generationally with Scale MP-2021.

Additional audited financial information, Annual Comprehensive Financial Report and actuarial reports may be obtained by contacting the Division of Retirement at:

Department of Management Services
Division of Retirement
Research and Education Section
PO Box 9000
Tallahassee, FL 32315-9000

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

NET PENSION LIABILITY

Discount Rate

The discount rate used to measure the total pension liability was 7.25% for the Retirement Plan for the General Employees, 7.50% for the Retirement Plan for Police Officers and Firefighters, 7.25% for the Retirement Plan and Trust for General Management Employees, 6.70% for the FRS and 5.20% for the HIS Program. These rates were based on the expected rate of return on Plan investments. The projection of cash flows used to determine this discount rate assumed member contributions will be made at the current contribution rate and employer contributions will be made at rates equal to the difference between actuarially determined current contribution rates and the member contribution rate. Based on these assumptions, the pension Plan's fiduciary net position was projected to be available to make all projected future expected benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability (Asset) to the Discount Rate Assumption

The following table presents the City's net pension liability (asset) calculated using the current discount rates and the liability (asset) using discount rates that are one percentage point lower and one percentage point higher than the current rates to indicate the sensitivity of the net pension liability (asset) to changes in discount rate assumptions.

Retirement Plan	1% Decrease	Currrent Discount Rate	1% Increase
General Employees (7.25%)	$ 53,044,176	$ 37,592,236	$ 24,726,907
Police and Firefighters (7.50%)	65,661,634	46,104,762	29,842,770
General Management (7.25%)	1,134,622	(864,798)	(2,569,724)
Florida Retirement System (6.70%)	118,778	60,524	11,685
Health Insurance Subsidy (5.20%)	7,038	6,241	5,573

Long-Term Expected Rate of Return

Long-term expected rates of return on the Plans' investments were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the General Employees, the Police and Firefighters and the General Management Employees Plans' target asset allocations as of October 1, 2024, and the Florida Retirement System Plan as of July 1, 2025, are summarized in the following table:

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

NET PENSION LIABILITY (CONTINUED)

Long-Term Expected Rate of Return (Continued)

Retirement Plan	Asset Class	Long-Term Expected Real Rate of Return
General Employees	Large Cap Value	6.80%
	Large Cap Growth	7.30%
	Small/Mid Cap Value	7.00%
	Mid Cap Growth	7.50%
	International Value	6.00%
	International Growth	6.00%
	Infrastructure	4.10%
	Private Real Estate	5.80%
	Core Fixed Income	1.50%
Police and Firefighters	Large Cap Value	6.80%
	Large Cap Growth	7.30%
	Small/Mid Cap Value	7.00%
	Mid Cap Growth	7.50%
	International Value	6.00%
	International Growth	6.00%
	Infrastructure	4.10%
	Private Real Estate	5.80%
	Core Fixed Income	1.50%
General Management	Core Bonds	2.50%
	Core Plus	2.80%
	US Large Cap Equity	7.20%
	US Small Cap Equity	8.50%
	Non-US Equity	8.20%
	Core Real Estate	6.40%
Florida Retirement System	Cash	3.20%
	Fixed Income	5.40%
	Global Equity	6.90%
	Real Estate	7.10%
	Private Equity	8.80%
	Strategic Investments	6.10%

The Health Insurance Subsidy plan is not pre-funded and therefore uses the municipal bond rate of 5.20% to calculate the total pension liability of the plan.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

CHANGES IN THE NET PENSION LIABILITY

The Schedule of Changes in the City's Net Pension Liability and Related Ratios and Schedule of Contributions presented as RSI following the Notes to the Basic Financial Statements present multiyear trend information about the City's pension liability and its progress toward funding that liability over time.

	Retirement Plan					
	General Employees	Police and Firefighters	General Management Employees	Florida Retirement System	Health Insurance Subsidy	Total
Total Pension Liability - Beginning	$ 129,069,261	$ 166,037,592	$ 21,244,862	$ 463,083	$ 7,531	$ 316,822,329
Changes for the year						
Service cost	1,124,183	2,132,926	36,090	6,562	129	3,299,890
Interest	9,452,712	12,166,272	1,476,259	30,580	299	23,126,122
Difference between expected and actual experience	2,610,828	1,981,816	468,988	1,609	--	5,063,241
Change of assumptions	2,002,760	--	--	--	(1,038)	2,001,722
Change in employer proportion	--	--	--	(168)	142	(26)
Adjustment for Chapter 175/185 reserves	--	332,862	--	--	--	332,862
Benefit payments and refunds	(8,875,708)	(12,126,328)	(1,794,661)	(26,562)	(398)	(22,823,657)
Changes in benefit terms	--	--	451,209	--	--	451,209
Net Change in Total Pension Liability	6,314,775	4,487,548	637,885	12,021	(866)	11,451,363
Total Pension Liability - Ending (a)	135,384,036	170,525,140	21,882,747	475,104	6,665	328,273,692
Plan Fiduciary Net Position - Beginning	84,450,381	102,469,232	22,167,518	387,614	362	209,475,107
Employer contributions	4,354,777	8,667,867	509,058	11,644	435	13,543,781
Employee contributions	837,818	1,170,562	38,134	1,597	--	2,048,111
Other contributions	--	952,277	--	--	--	952,277
Interest	--	--	1,560,146	--	--	1,560,146
Net investment income	17,227,941	23,549,498	339,484	40,486	18	41,157,427
Change in employer proportion	--	--	--	(141)	5	(136)
Benefit payments	(8,875,708)	(12,126,328)	(1,794,661)	(26,562)	(398)	(22,823,657)
Administrative expenses	(203,409)	(266,562)	(72,134)	(58)	--	(542,163)
Other changes	--	3,832	--	--	--	3,832
Net Change in Plan Fiduciary Net Position	13,341,419	21,951,146	580,027	26,966	60	35,899,618
Plan Fiduciary Net Position - Ending (b)	97,791,800	124,420,378	22,747,545	414,580	422	245,374,725
Net Pension Liability (Asset) (a-b)	$ 37,592,236	$ 46,104,762	$ (864,798)	$ 60,524	$ 6,243	$ 82,898,967

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

PENSION EXPENSE, DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

Deferred outflows and inflows of resources and pension costs related to pensions are as follows:

	General Employees	Police and Firefighters	General Management Employees	Florida Retirement System	Health Insurance Subsidy	Total
Deferred outflows						
Difference between expected and actual experience	$ 1,475,685	$ 1,749,896	$ --	$ 6,465	$ 37	$ 3,232,083
Changes in assumptions	1,131,995	--	--	7,026	55	1,139,076
Changes in employer proportion	--	--	--	--	134	134
Subtotal	2,607,680	1,749,896	--	13,491	226	4,371,293
Contributions subsequent to the measurement date	4,975,661	9,027,630	--	2,825	116	14,006,232
Total Deferred Outflows of Resources	$ 7,583,341	$ 10,777,526	$ --	$ 16,316	$ 342	$ 18,377,525
Deferred inflows						
Difference between expected and actual experience	$ --	$ --	$ --	$ --	$ 10	$ 10
Changes in assumptions	--	123,046	--	--	1,511	124,557
Difference between expected and actual earnings on investments	5,902,786	6,866,880	1,099,727	10,105	5	13,879,503
Changes in employer proportion	--	--	--	10,357	1,180	11,537
Total Deferred Inflows of Resources	$ 5,902,786	$ 6,989,926	$ 1,099,727	$ 20,462	$ 2,706	$ 14,015,607
Pension Expense (Income)	$ 6,328,570	$ 7,051,738	$ 648,255	$ 7,399	$ (108)	$ 14,035,854

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to fiscal year end will be recognized as a reduction of the net pension liability in the subsequent reporting period. Other amounts reported as deferred outflows and deferred inflows of resources related to pension expense will be recognized as follows:

	Deferred Outflows (Inflows) of Resources				
Fiscal Year:	General Employees	Police and Firefighters	General Management Employees	Florida Retirement System	Health Insurance Subsidy
2026	$ 657,261	$ 53,163	$ 240,851	$ 5,174	$ (628)
2027	1,080,099	1,935,339	(694,937)	(4,470)	(665)
2028	(2,814,804)	(4,043,900)	(577,745)	(4,915)	(566)
2029	(2,217,662)	(3,184,632)	(67,896)	(2,760)	(426)
2030	--	--	--	--	(197)
	$ (3,295,106)	$ (5,240,030)	$ (1,099,727)	$ (6,971)	$ (2,480)

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

MANAGEMENT EMPLOYEES EXCESS BENEFITS PLAN

Plan Description

On January 7, 2003, the City established the Management Employees Excess Benefit Plan as part of the General Management Employees Pension Plan to be an unfunded, nonqualified excess benefit plan, containing the terms and provisions set forth in the subpart (Sec. 15-341) and intended to be a qualified governmental excess benefit arrangement as defined in Section 415 (m) (3) of the Internal Revenue Code.

Excess Benefit Participants

Any member of the Retirement Plan and Trust for General Management Employees whose retirement benefit exceeds the maximum benefit under Section 415 of the Code is a participant.

Benefits Provided

A participant shall be eligible to receive benefits after termination of employment, as an unrestricted monthly benefit that otherwise would have been received under the terms of the Retirement Plan and Trust for General Management Employees in the absence of IRS Code Section 415 limits.

Funding Policy

The City cannot advance fund assets, or any benefit payable under the Plan, and any assets held by the Plan during any period can only pay benefits coming due or the expenses of the plan during the period. The City cannot restrict any assets to provide funding for these benefits. The City has in the past and will continue to stand by its obligation to pay these benefits from its annual budgeted funds, as the liability becomes payable under this plan. An actuarial valuation has not been performed because the plan costs must be paid on an annual basis. A schedule of changes in net pension liability has not been provided as the plan does not maintain assets. Accordingly, the plan held no assets on September 30, 2025. The City's annual pension cost on September 30, 2025, is as follows:

Annual required contribution	$ 309,618
Annual Pension Cost	309,618
Contributions made	309,618
Change in Net Pension Liability	--
Net pension liability, beginning of year	--
Net Pension Liability, End of Year	$ --

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

RETIREMENT PLAN AND TRUST FOR GENERAL MANAGEMENT EMPLOYEES

On July 18, 2017, City Commission approved Ordinance 2017-8 to close the Retirement Plan and Trust for General Management Employees to new members and provided for the option of existing non-vested plan members to transfer to the Management Employee Defined Contribution Money Purchase Plan. As part of that ordinance, the Money Purchase Plan was also amended to reduce the City's contribution from 17% of members' salary to 10%.

Separate stand-alone financial statements are not issued for the Retirement Plan and Trust for General Management Employees. Therefore, presented below are the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position for the current year:

Statement of Fiduciary Net Position
Retirement Plan and Trust for General Management Employees
As of September 30, 2025

Assets	
Investments at fair value	$ 22,747,541
Other receivables	--
Net Position	
Net position restricted for pensions	$ 22,747,541

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

RETIREMENT PLAN AND TRUST FOR GENERAL MANAGEMENT EMPLOYEES (CONTINUED)

Statement of Changes in Fiduciary Net Position
Retirement Plan and Trust for General Management Employees
For the Fiscal Year Ended September 30, 2025

Additions	
Contributions:	
Employer	$ 775,670
Employees	38,131
Investment income:	
Net appreciation in fair value of investments	1,899,630
Investment expenses	(72,134)
Total Additions	2,641,297
Deductions	
Pension benefit payments	1,794,661
Administrative expenses	309,618
Total Deductions	2,104,279
Increase in Net Position	537,018
Net Position - Beginning	22,210,523
Net Position - Ending	$ 22,747,541

NOTE 12 – DEFINED CONTRIBUTION PLAN

The City is a single employer that contributes to two Money Purchase Plans, which are defined contribution pension plans created in accordance with Internal Revenue Code 401(a). The City contributes 10% of annual covered payroll and the employee is required to contribute 5% for the Management Plan. The City contributes 20% of annual covered payroll and the employee is not required to contribute to the Charter Officer Plan. During the fiscal year ending September 30, 2025, the City made $42,537 contributions to the Charter Officer Plan and approximately $309,618 to the Management Plan. Plan provisions and contribution requirements are established and may be amended by the City Manager.

NOTE 13– OTHER POST-EMPLOYMENT BENEFITS (OPEB)

DESCRIPTION OF BENEFITS

In addition to providing the pension benefits described, the City provides optional post-employment healthcare coverage to eligible individuals, as well as dental and vision benefits. In addition, all retirees are covered by a group life insurance policy under a single-employer plan. The plan does not issue a separate stand-alone financial report.

ELIGIBILITY

Eligible individuals include certain regular employees of the City who retire from active service and are eligible for retirement or disability benefits under one of the pension plans sponsored by the City. Elected officials elected prior to October 1, 2008, are eligible after serving at least four terms. In most cases, eligibility for healthcare coverage also includes spouses and dependent children. Spousal coverage generally ends at age 65 or after the employee's death.

As of the valuation date of October 1, 2023, the following employees were covered by the benefit terms:

Active plan members	329
Inactive plan members and beneficiaries currently receiving benefits	357
Total	686

NOTE 13– OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

HEALTHCARE PLANS

Eligible individuals may choose healthcare coverage under three plans from the City’s current health insurance provider. Options include a Health Maintenance Organization (HMO) plan, a Preferred Provider Organization (PPO) plan or a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA) partially funded by the City. Medicare-eligible individuals may choose any of the three plans or choose coverage under a Medicare supplement plan. Retirees must pay a monthly premium as determined by the insurance carrier, less any applicable subsidies provided by the City. The premiums vary depending on the chosen plan and the type of coverage.

The City subsidizes 100% of the premium for single coverage under the PPO plan for eligible elected officials. In addition, the City subsidizes a portion of the premium for single coverage under the PPO plan for retired management-level personnel (and some currently employed) hired prior to October 1, 2008 depending on age and length of service at retirement.

POST-EMPLOYMENT LIFE INSURANCE COVERAGE

The City provides $ 10,000 of life insurance coverage to all retirees. Management-level personnel receive an additional $10,000 of coverage if they have earned at least 15 years of service at retirement or an additional $20,000 of coverage if they have earned at least 20 years of service.

ACTUARIAL METHODS AND ASSUMPTIONS

During fiscal year 2011, the City established an OPEB Trust to accumulate the assets necessary to fund the OPEB liability and to pay future benefits. The fund in which the employee's payroll expense has been recorded is typically used to liquidate OPEB liabilities. The annual required contributions for the Plan were determined as part of the October 1, 2023, actuarial valuation using the projected unit credit cost method. Information related to the actuarial valuation follows:

Actuarial Assumptions:	
Valuation Date	October 1, 2023
Measurement Date	September 30, 2025
Actuarial cost method	Entry age normal
Discount rate	5.99%
Investment rate of return	7.00%
Salary increases	3.00%
Inflation	2.62%
Mortality:	Sex-distinct rates set forth in the PUB-2010 Mortality Table (without income adjustments) for general employees, with full generational improvements in mortality using Scale MP-2018.
Healthcare cost trend rate	Increases in medical 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; increases in dental costs are assumed to be 3.00% per year.

NOTE 13– OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

ACTUARIAL METHODS AND ASSUMPTIONS (CONTINUED)

The discount rate reflects a blend of the expected long-term return on assets (for benefit payments during the first 25 years after the valuation date) and a yield on 20-year Grade AA/Aa or higher municipal bonds of 4.50% per annum (for benefit payments beyond the first 25 years after the valuation date).

NET OPEB LIABILITY

Target Allocation and Long-Term Expected Rate of Return

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Core Bonds	15.00%	1.60%
Core Plus	15.00%	2.10%
US Large Cap Equity	25.00%	4.60%
US Small Cap Equity	14.00%	5.50%
Non-US Equity	21.00%	6.70%
Core Real Estate	10.00%	5.00%

NOTE 13– OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

CHANGES IN THE NET OPEB LIABILITY

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance as of September 30, 2024	$ 7,327,476	$ (6,254,312)	$ 1,073,164
Change due to:			
Service cost	262,750	--	262,750
Expected interest growth	439,453	(437,101)	2,352
Unexpected investment income	--	(80,184)	(80,184)
Benefit payments & refunds	(515,061)	--	(515,061)
Administrative expenses	--	20,356	20,356
Assumption changes	347,449	--	347,449
Balance as of September 30, 2025	$ 7,862,067	$ (6,751,241)	$ 1,110,826

Discount Rate

The rate of 5.99% per annum was used to discount all future benefit payments and is based on the expected long-term return on assets, which was determined as of the valuation date by the Asset Consulting Group.

NOTE 13– OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

CHANGES IN THE NET OPEB LIABILITY (CONTINUED)

Sensitivity of the Net OPEB Liability to the Discount & Healthcare Cost Trend Rate Assumptions
The following tables present the City's net OPEB liability calculated using the current discount and healthcare cost trend rates and the liability using discount rates that are one percentage point lower and one percentage point higher than the current rates to indicate the sensitivity of the net OPEB liability to changes in rate assumptions.

Rate	1% Decrease	Current Rate	1% Increase
Discount Rate (5.99%)	$ 1,885,258	$ 1,110,826	$ 454,436
Healthcare Cost Trend Rate (8.00%)	540,057	1,110,826	1,780,560

OPEB EXPENSE, DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB
For the fiscal year ended September 30, 2025, the City recognized OPEB expense (income) from this plan of $(1,271,949). At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows	Deferred Inflows
Unexpected investment income	$ --	$ 301,915
Demographic experience	191,985	1,295,319
Assumption changes	267,021	1,029,778
Total	$ 459,006	$ 2,627,012

OPEB EXPENSE, DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB(CONTINUED)
The deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year:	OPEB Amortization
2025	$ (702,637)
2026	(686,233)
2027	(615,814)
2028	(163,322)
	$ (2,168,006)

NOTE 14 – COMMUNITY REDEVELOPMENT AGENCY

The North Miami Beach Community Redevelopment Agency (CRA) Component Unit incurred the following expenditures during the fiscal year ended September 30, 2025:

Source of deposits:	
Tax increment financing - Miami-Dade County	$ 2,620,534
Tax increment financing - City	3,439,423
Investment earnings	69,194
Total Sources	$ 6,129,151
Purpose of withdrawals:	
Dedicated personnel allocation	$ 321,680
City administrative cost allocation	918,943
Grants to private organizations	792,800
Grants to City	1,135,028
Land and CIP (capital outlay)	97,140
Operating	834,437
Residential improvement	
Total Withdrawals	$ 4,100,028

TAX ABATEMENTS

During fiscal year 2015, the CRA created a new redevelopment program aimed at spurring the redevelopment of properties within the redevelopment area via CRA Policy Resolution 2015-4. Applicants whose projects are deemed acceptable to the CRA Board may receive a partial return of the property taxes that were paid. The rebate is calculated based on the increment by which the development increases in property value. A total of 75% of the taxes paid on the increment will be rebated if the total real estate taxes are paid prior to delinquency. If the taxes are not paid timely, there is no rebate of the property tax increment. This rebate program has no effect on the revenues of the primary government, the City.

One award was granted in January 2016 to the NoMa project (now called Lazul Apartments Project), a 249 residential unit mixed-use development located at Hanford Boulevard and West Dixie Highway. As part of the TIF Recapture program, the recipient has agreed to install certain Waterfront Improvements and Art in Public Places as defined in the agreement. The project was completed during early 2018, which is considered the base year for increment measurement. The amount rebated in fiscal year 2026 was $567,248. Individual financial statements for the CRA are available through the finance department of the City at 17011 NE 19th Avenue, North Miami Beach, Florida 33162.

NOTE 15 – SETTLEMENT – PFAS LITIGATION

Beginning in fiscal year 2025, the City received $9.5 million in settlement proceeds from a class action lawsuit against DuPont, 3M, and other defendants. The funds are unrestricted. The funds have been recorded as a special item within the City's Water Utility Fund. More information can be found at: https://www.pfaswatersettlement.com./.

NOTE 16 – RESTATEMENT OF BEGINNING BALANCES

Effective October 1, 2024, the City implemented GASB Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences and requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The implementation increased beginning compensated absences liability and decreased the beginning net position as shown below:

	Governmental Activities		Business-Type Activities	
	Compensated Absences	Net Position	Compensated Absences	Net Position
Balance October 1, 2024, as previously reported	$ 3,773,645	$ (58,844,548)	$ 858,105	$ (184,175,488)
Change in accounting principle	1,513,842	1,513,842	309,859	309,859
Balance October 1, 2024, as restated	$ 5,287,487	$ (57,330,706)	$ 1,167,964	$ (183,865,629)

	Fund Financial Statements - Enterprise Funds					
	Water Utility Fund		Stormwater Utility Fund		Building Fund	
	Compensated Absences	Net Position	Compensated Absences	Net Position	Compensated Absences	Net Position
Balance October 1, 2024, as previously reported	$ 552,829	$ (138,541,040)	$ 73,683	$ (4,555,417)	$ 164,907	$ (7,561,182)
Change in accounting principle	169,062	169,062	30,405	30,405	100,196	100,196
Balance October 1, 2024, as restated	$ 721,891	$ (138,371,978)	$ 104,088	$ (4,525,012)	$ 265,103	$ (7,460,986)

NOTE 16 – RESTATEMENT OF BEGINNING BALANCES (CONTINUED)

	Fund Financial Statements - Internal Service Funds			
	Customer Service Fund		Information Technology Fund	
	Compensated Absences	Net Position	Compensated Absences	Net Position
Balance October 1, 2024, as previously reported	$ 66,688	$ (1,135,673)	$ 172,609	$ (1,643,379)
Change in accounting principle	10,196	10,196	340	340
Balance October 1, 2024, as restated	$ 76,884	$ (1,125,477)	$ 172,949	$ (1,643,039)

REQUIRED SUPPLEMENTARY INFORMAYTION
(OTHER THAN MD&A)

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND

For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes				
Property taxes	$ 27,816,333	$ 27,816,333	$ 27,713,401	$ (102,932)
User surcharges	10,498,243	10,498,243	10,026,034	(472,209)
Utility taxes	4,454,320	4,454,320	4,905,093	450,773
Communications service taxes	2,000,000	2,000,000	2,060,044	60,044
Franchise fees	4,388,942	4,388,942	4,891,272	502,330
Total Taxes	49,157,838	49,157,838	49,595,844	438,006
Intergovernmental Revenues				
State shared revenues	6,829,844	6,829,844	6,823,445	(6,399)
State insurance premium taxes	511,500	511,500	844,471	332,971
Other shared revenues	160,070	160,070	135,861	(24,209)
Total Intergovernmental Revenues	7,501,414	7,501,414	7,803,777	302,363
Charges for Services				
General government fees	1,633,752	926,674	889,971	(36,703)
Parks & recreation fees	543,500	543,500	596,899	53,399
Police services and public works fees	118,750	118,750	51,526	(67,224)
Total Charges for Services	2,296,002	1,588,924	1,538,396	(50,528)
Fines and Forfeitures	1,555,300	1,555,300	1,433,447	(121,853)
Licenses and Permits	800,430	800,430	399,416	(401,014)
Other Income				
Investment income (loss)	335,000	1,063,510	4,232,793	3,169,283
Impact fees	5,185	5,185	43,312	38,127
Miscellaneous	1,108,194	1,607,990	485,664	(1,122,326)
Total Other Income	1,448,379	2,676,685	4,761,769	2,085,084
Total Revenues	$ 62,759,363	$ 63,280,591	$ 65,532,649	$ 2,252,058

See notes to budgetary comparison schedule.

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND (CONTINUED)

For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Expenditures				
Current				
General Government				
Mayor & commission	$ 1,475,586	$ 1,487,469	$ 1,328,920	$ 158,549
City clerk	936,944	904,944	678,511	226,433
City attorney	870,000	870,312	1,042,270	(171,958)
City manager	1,395,600	1,357,422	1,397,167	(39,745)
Public affairs and community engagement	372,549	383,358	354,373	28,985
Economic development	81,407	581,407	284,417	296,990
Procurement	782,518	829,855	736,109	93,746
Human resources	1,017,408	1,017,408	797,721	219,687
Finance	2,676,987	2,728,288	2,403,632	324,656
Community development	2,591,534	2,979,423	2,224,009	755,414
Risk management	5,973,939	6,037,859	4,720,493	1,317,366
Non-Departmental	5,460,863	5,596,083	15,243,650	(9,647,567)
Total General Government	23,635,335	24,773,828	31,211,272	(6,437,444)
Public Safety				
Police department	30,457,957	30,573,063	31,974,481	(1,401,418)
Total Public Safety	30,457,957	30,573,063	31,974,481	(1,401,418)
Public Works Department	9,154,500	9,254,286	7,897,098	1,357,188
Culture and Recreation				
Library	2,440,407	2,334,252	1,948,455	385,797
Parks and recreation	6,652,848	6,678,778	6,420,222	258,556
Total Culture and Recreation	9,093,255	9,013,030	8,368,677	644,353
Debt Service:				
Principal	--	--	351,090	(351,090)
Interest expense	--	--	53,381	(53,381)
Total debt service	--	--	404,471	(404,471)
Capital Outlay				
General government	--	88,068	36,960	51,108
Police department	14,400	81,889	1,075,513	(993,624)
Library	80,000	254,358	90,486	163,872
Parks & recreation	245,000	609,087	61,762	547,325
Public works	422,741	1,222,218	1,085,209	137,009
Total Capital Outlay	762,141	2,255,620	2,349,930	(94,310)
Total Expenditures	73,103,188	75,869,827	82,205,929	(6,336,102)
Excess (Deficiency) of Revenues Over Expenditures	(10,343,825)	(12,589,236)	(16,673,280)	(4,084,044)
Other Financing Sources (Uses)				
Transfers in	2,693,503	2,672,071	17,204,503	(14,532,432)
Transfers out	(4,177)	(4,368)	--	(4,368)
Issuance of lease	--	--	1,087,515	(1,087,515)
Appropriation of prior years' fund balance	7,654,499	9,921,533	--	9,921,533
Total Other Financing Sources (Uses)	10,343,825	12,589,236	18,292,018	(5,702,782)
Net Change in Fund Balances	$ --	$ --	$ 1,618,738	$ (9,786,826)
Fund Balances - Beginning			54,259,890	
Fund Balances - Ending			$ 55,878,628	

See notes to budgetary comparison schedule.

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - CRA FUND

For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts			Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
Revenues				
Intergovernmental revenue	$ 5,928,930	$ 5,928,930	$ 6,059,957	$ 131,027
Investment income (loss)	75,000	75,000	69,194	(5,806)
Total Revenues	6,003,930	6,003,930	6,129,151	125,221
Expenditures				
Current:				
General government	6,706,996	6,943,021	1,948,493	4,994,528
Capital outlay	5,033,607	3,386,200	97,140	3,289,060
Total Expenditures	11,740,603	10,329,221	2,045,633	8,283,588
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,736,673)	(4,325,291)	4,083,518	8,408,809
Other Financing Sources (Uses)				
Transfers out	(344,380)	(1,019,380)	(2,054,395)	1,035,015
Appropriation of prior years' fund balance	6,081,053	5,344,671	--	5,344,671
Total Other Financing Sources (Uses)	5,736,673	4,325,291	(2,054,395)	6,379,686
Net Change in Fund Balance	$ --	$ --	2,029,123	$ 14,788,495
Fund Balances - Beginning			6,995,803	
Fund Balances - Ending			$ 9,024,926	

See notes to budgetary comparison schedule.

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are adopted for the General Fund and CRA on a basis consistent with generally accepted accounting principles.

1. Prior to July 1, the City Manager submits a budget estimate of revenues and expenditures for all City departments for the fiscal year commencing October 1 to the City Commission.

2. The City Commission holds budget workshops to review and amend the proposed budget.

3. Two public hearings are conducted to obtain taxpayers' comments.

4. Prior to October 1, the budget is legally enacted through passage of a resolution.

5. No department may legally expend or contract to expend amounts more than amounts appropriated for any department within an individual fund. Budget appropriations for salary and related costs and for operating costs lapse at year end. Appropriations for capital outlay expenditures carry forward to the next fiscal year for open purchase orders.

6. The resolution authorizes the City Manager to amend, modify, or otherwise adjust the City's annual budget in accordance with the spending limitations as established by Chapter 3, Purchasing, of the North Miami Beach Code of Ordinances ($50,000). The City Commission approves all other budget amendments.

7. Encumbrance accounting is used in governmental funds. Encumbered purchase orders outstanding at year-end are reported as assignments of fund balances to indicate that they are not available for appropriation and are not expendable available financial resources.

NOTE 2 – VARIANCES

For the year ended September 30, 2025, expenditures exceeded appropriations in certain departments of the General Fund. The most significant over-expenditures occurred in the police department, where actual expenditures exceeded the final budget by $1,401,418, and within the general government function, primarily in the non-departmental category.

The over-expenditures in general government were largely attributable to the payment of a legal settlement of approximately $9 million during the fiscal year, which had been accrued in the prior fiscal year in accordance with GAAP and therefore was not included in the legally adopted budget for the current year.

NOTE 2 – VARIANCES (CONTINUED)

These over-expenditures were funded by greater-than-anticipated revenues and available fund balance in the General Fund.

The adopted budgets are prepared on the modified accrual basis of accounting in accordance with GAAP, except that transactions related to Statement No. 87, Leases, and Statement No. 96, SBITA are not budgeted. In addition, debt service principal and interest expenditures related to lease and subscription liabilities are not budgeted.

For the year ended September 30, 2025, there were no differences between the budgetary basis and GAAP basis totals for revenues, expenditures, and other financing sources (uses). However, certain items, including capital outlays, lease and subscription-related financing activities, and related debt service, are not included in the legally adopted budget and are presented for GAAP reporting purposes.

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
RETIREMENT PLAN FOR GENERAL EMPLOYEES

Last Ten Fiscal Years

Measurement Date September 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability - Beginning	$ 102,007,534	$ 104,972,279	$ 106,569,038	$ 110,816,042	$ 112,557,540	$ 115,447,319	$ 116,054,913	$ 119,425,390	$ 122,361,009	$ 129,069,261
Changes for the Year										
Service cost	1,151,136	1,156,065	953,146	520,878	551,760	611,266	676,443	774,523	846,024	1,124,183
Interest	7,805,702	7,928,162	8,273,928	8,254,998	8,371,153	8,298,157	8,434,177	8,652,262	9,122,505	9,452,712
Change in benefit terms	--	--	--	--	--	--	--	--	4,136,051	--
Difference between expected and actual experience	867,625	(350,213)	458,125	(1,239,946)	328,330	(358,942)	532,757	1,508,945	911,699	2,610,828
Change of assumptions	--	--	2,910,146	1,375,883	1,205,340	(697,129)	1,234,581	--	--	2,002,760
Benefit payments	(6,859,718)	(7,137,255)	(8,348,341)	(7,170,315)	(7,566,804)	(7,245,758)	(7,507,481)	(8,000,111)	(8,308,027)	(8,875,708)
Net Change in Total Pension Liability	2,964,745	1,596,759	4,247,004	1,741,498	2,889,779	607,594	3,370,477	2,935,619	6,708,252	6,314,775
Total Pension Liability - Ending (a)	$ 104,972,279	$ 106,569,038	$ 110,816,042	$ 112,557,540	$ 115,447,319	$ 116,054,913	$ 119,425,390	$ 122,361,009	$ 129,069,261	$ 135,384,036
Plan Fiduciary Net Position - Beginning	$ 77,890,314	$ 74,770,502	$ 76,555,716	$ 79,944,967	$ 83,212,413	$ 81,473,712	$ 82,103,986	$ 93,341,590	$ 79,519,048	$ 84,450,381
Employer contributions	3,528,201	3,285,155	3,249,182	3,453,684	3,205,197	3,375,895	3,371,110	3,577,337	3,921,205	4,354,777
Employee contributions	632,868	708,318	551,371	387,959	416,359	456,079	537,247	565,342	710,174	837,818
Net investment income (loss)	(261,263)	5,109,744	8,115,172	6,816,079	2,387,615	4,229,584	15,030,146	(9,754,551)	8,831,141	17,227,941
Benefit payments	(6,859,718)	(7,137,255)	(8,348,341)	(7,170,315)	(7,566,804)	(7,245,758)	(7,507,481)	(8,000,111)	(8,308,027)	(8,875,708)
Administrative expenses	(159,900)	(180,748)	(178,133)	(219,961)	(181,068)	(185,526)	(193,418)	(210,559)	(223,160)	(203,409)
Net Change in Plan Fiduciary Position	(3,119,812)	1,785,214	3,389,251	3,267,446	(1,738,701)	630,274	11,237,604	(13,822,542)	4,931,333	13,341,419
Plan Fiduciary Net Position - Ending (b)	$ 74,770,502	$ 76,555,716	$ 79,944,967	$ 83,212,413	$ 81,473,712	$ 82,103,986	$ 93,341,590	$ 79,519,048	$ 84,450,381	$ 97,791,800
Net Pension Liability (a-b)	$ 30,201,777	$ 30,013,322	$ 30,871,075	$ 29,345,127	$ 33,973,607	$ 33,950,927	$ 26,083,800	$ 42,841,961	$ 44,618,880	$ 37,592,236
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	71.23%	71.84%	72.14%	73.93%	70.57%	70.75%	78.16%	64.99%	65.43%	72.23%
Covered Payroll	$ 8,438,765	$ 7,937,439	$ 6,934,420	$ 5,137,361	$ 5,695,108	$ 6,465,047	$ 7,203,137	$ 7,568,303	$ 8,965,923	$ 10,869,658
Net Pension Liability as a Percentage of Covered Payroll	357.89%	378.12%	445.19%	571.21%	596.54%	525.15%	362.12%	566.07%	497.65%	345.85%

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
RETIREMENT PLAN FOR POLICE OFFICERS AND FIREFIGHTERS

Last Ten Fiscal Years

Measurement Date September 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability - Beginning	$ 130,231,957	$ 136,441,317	$ 137,871,599	$ 144,160,147	$ 155,311,581	$ 159,910,289	$ 157,932,363	$ 158,147,629	$ 162,253,509	$ 166,037,592
Changes for the Year										
Service cost	1,839,411	1,601,153	1,577,364	1,481,104	1,696,546	1,587,890	1,931,450	1,835,502	1,941,088	2,132,926
Interest	10,286,023	10,661,632	10,759,761	11,191,959	11,420,764	11,690,703	11,502,269	11,632,483	11,825,226	12,166,272
Change in benefit terms	--	--	--	--	--	--	--	--	1,963,408	--
Difference between expected and actual experience	780,939	(1,344,143)	469,201	1,905,934	1,037,755	1,338,857	(182,265)	490,772	1,393,039	1,981,816
Change of assumptions	--	--	3,429,737	8,186,842	--	(5,241,735)	--	--	(430,664)	--
Adjustment for Chapter 175/185 reserves	432,298	242,987	150,662	94,373	80,401	97,651	203,628	93,643	382,076	332,862
Benefit payments	(7,129,311)	(9,731,347)	(10,098,177)	(11,708,778)	(9,636,758)	(11,451,292)	(13,239,816)	(9,946,520)	(13,290,090)	(12,126,328)
Net Change in Total Pension Liability	6,209,360	1,430,282	6,288,548	11,151,434	4,598,708	(1,977,926)	215,266	4,105,880	3,784,083	4,487,548
Total Pension Liability - Ending (a)	$ 136,441,317	$ 137,871,599	$ 144,160,147	$ 155,311,581	$ 159,910,289	$ 157,932,363	$ 158,147,629	$ 162,253,509	$ 166,037,592	$ 170,525,140
Plan Fiduciary Net Position - Beginning	$ 93,283,466	$ 91,342,471	$ 94,164,922	$ 100,384,375	$ 102,904,629	$ 101,578,737	$ 103,213,261	$ 116,552,958	$ 96,113,826	$ 102,469,232
Employer contributions	6,498,316	6,254,492	5,589,783	5,550,473	5,843,206	6,273,855	6,646,690	5,912,124	6,428,387	8,667,867
Employee contributions	669,356	692,487	765,541	792,489	781,702	874,725	1,018,900	1,192,799	1,239,445	1,170,562
Other contributions	690,234	605,857	508,655	490,173	490,173	509,062	683,706	559,213	927,541	952,277
Net investment income (loss)	(2,917,644)	5,238,367	9,698,773	7,595,714	1,399,995	5,628,745	18,490,409	(17,943,580)	11,321,993	23,549,498
Benefit payments	(7,129,311)	(9,731,347)	(10,098,177)	(11,708,778)	(9,636,758)	(11,451,292)	(13,239,816)	(9,946,520)	(13,290,090)	(12,126,328)
Administrative expenses	(227,726)	(237,405)	(257,983)	(226,568)	(204,210)	(217,285)	(278,986)	(260,088)	(275,958)	(266,562)
Other changes	475,780	--	12,861	26,751	--	16,714	18,794	46,920	4,088	3,832
Net Change in Plan Fiduciary Position	(1,940,995)	2,822,451	6,219,453	2,520,254	(1,325,892)	1,634,524	13,339,697	(20,439,132)	6,355,406	21,951,146
Plan Fiduciary Net Position - Ending (b)	$ 91,342,471	$ 94,164,922	$ 100,384,375	$ 102,904,629	$ 101,578,737	$ 103,213,261	$ 116,552,958	$ 96,113,826	$ 102,469,232	$ 124,420,378
Net Pension Liability (a-b)	$ 45,098,846	$ 43,706,677	$ 43,775,772	$ 52,406,952	$ 58,331,552	$ 54,719,102	$ 41,594,671	$ 66,139,683	$ 63,568,360	$ 46,104,762
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	66.95%	68.30%	69.63%	66.26%	63.52%	65.35%	73.70%	59.24%	61.71%	72.96%
Covered Payroll	$ 5,127,475	$ 6,586,705	$ 6,573,350	$ 6,128,138	$ 6,532,396	$ 6,087,500	$ 7,246,268	$ 6,751,394	$ 7,797,724	$ 8,549,768
Net Pension Liability as a Percentage of Covered Payroll	879.55%	663.56%	665.96%	855.19%	892.96%	898.88%	574.02%	979.64%	815.22%	539.25%

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
RETIREMENT PLAN FOR GENERAL MANAGEMENT EMPLOYEES

Last Ten Fiscal Years

Measurement Date September 30,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Pension Liability - Beginning	$ 22,100,505	$ 24,218,726	$ 22,462,768	$ 22,211,243	$ 22,424,045	$ 22,495,204	$ 20,515,780	$ 20,722,176	$ 20,799,440	$ 21,244,862
Changes for the Year										
Service cost	406,730	435,918	179,639	197,173	185,385	94,420	66,733	39,363	34,363	36,090
Interest	1,523,007	1,794,281	1,642,670	1,625,817	1,640,739	1,635,596	1,482,742	1,493,842	1,496,244	1,476,259
Difference between expected and actual experience	(10,542)	(1,003,172)	(30,202)	(206,572)	(336,013)	(9,478)	268,200	251,630	453,417	468,988
Change of assumptions	1,598,203	(1,244,447)	(627,869)	--	--	(2,246,808)	--	--	160,164	451,209
Benefit payments	(1,399,177)	(1,738,538)	(1,415,763)	(1,403,616)	(1,418,952)	(1,453,154)	(1,611,279)	(1,707,571)	(1,698,766)	(1,794,661)
Net Change in Total Pension Liability	2,118,221	(1,755,958)	(251,525)	212,802	71,159	(1,979,424)	206,396	77,264	445,422	637,885
Total Pension Liability - Ending (a)	$ 24,218,726	$ 22,462,768	$ 22,211,243	$ 22,424,045	$ 22,495,204	$ 20,515,780	$ 20,722,176	$ 20,799,440	$ 21,244,862	$ 21,882,747
Plan Fiduciary Net Position - Beginning	$ 16,121,723	$ 16,894,185	$ 18,923,591	$ 20,204,084	$ 20,391,182	$ 20,741,874	$ 24,088,606	$ 19,315,757	$ 19,544,411	$ 22,167,518
Employer contributions	668,241	1,077,364	946,609	495,292	364,641	204,221	54,558	--	388,500	509,058
Employee contributions	255,493	266,060	93,351	85,503	84,858	74,549	42,961	38,850	33,298	38,134
Interest	--	--	--	--	--	--	1,497,058	1,384,543	1,416,396	1,560,146
Net investment income	1,303,799	2,485,771	1,719,676	1,071,912	1,380,778	4,587,139	(4,678,945)	585,964	2,549,240	339,484
Benefit payments	(1,399,177)	(1,738,538)	(1,415,763)	(1,403,616)	(1,418,952)	(1,453,154)	(1,611,279)	(1,707,571)	(1,698,766)	(1,794,661)
Administrative expenses	(55,894)	(61,251)	(63,380)	(61,993)	(60,633)	(66,023)	(77,202)	(73,132)	(65,561)	(72,134)
Net Change in Plan Fiduciary Position	772,462	2,029,406	1,280,493	187,098	350,692	3,346,732	(4,772,849)	228,654	2,623,107	580,027
Plan Fiduciary Net Position - Ending (b)	$ 16,894,185	$ 18,923,591	$ 20,204,084	$ 20,391,182	$ 20,741,874	$ 24,088,606	$ 19,315,757	$ 19,544,411	$ 22,167,518	$ 22,747,545
Net Pension Liability (Asset) (a-b)	$ 7,324,541	$ 3,539,177	$ 2,007,159	$ 2,032,863	$ 1,753,330	$ (3,572,826)	$ 1,406,419	$ 1,255,029	$ (922,656)	$ (864,798)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	69.76%	84.24%	90.96%	90.93%	92.21%	117.42%	93.21%	93.97%	104.34%	103.95%
Covered Payroll	$ 2,391,509	$ 2,957,285	$ 966,946	$ 1,064,113	$ 812,928	$ 913,318	$ 588,093	$ 380,626	$ 317,524	$ 321,986
Net Pension Liability (Asset) as a Percentage of Covered Payroll	306.27%	119.68%	207.58%	191.04%	215.68%	-391.19%	239.15%	329.73%	-290.58%	-268.58%

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

Last Ten Fiscal Years

Measurement Date September 30,	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB Liability - Beginning	$ 4,415,393	$ 5,393,355	$ 8,898,289	$ 11,053,626	$ 9,855,251	$ 9,483,352	$ 9,884,647	$ 7,327,476
Changes for the Year								
Service cost	119,959	328,548	548,507	523,258	585,174	571,593	240,856	262,750
Expected interest growth	305,541	276,509	341,008	522,930	534,466	528,144	638,282	439,453
Demographic experience	(109,329)	924,911	(373,348)	(1,511,591)	801,457	--	(1,947,182)	--
Benefit payments & refunds	(346,834)	(499,106)	(515,128)	(571,473)	(605,279)	(573,601)	(559,715)	(515,061)
Assumption changes	1,008,625	2,474,072	2,154,298	(161,499)	(1,687,717)	(124,841)	(929,412)	347,449
Net Change in Total OPEB Liability	977,962	3,504,934	2,155,337	(1,198,375)	(371,899)	401,295	(2,557,171)	534,591
Total OPEB Liability - Ending (a)	$ 5,393,355	$ 8,898,289	$ 11,053,626	$ 9,855,251	$ 9,483,352	$ 9,884,647	$ 7,327,476	$ 7,862,067
Plan Fiduciary Net Position - Beginning	$ 2,804,689	$ 3,262,860	$ 3,716,349	$ 4,197,792	$ 5,288,512	$ 4,545,383	$ 5,199,281	$ 6,254,312
Expected interest growth	204,405	236,464	268,135	859,609	369,535	326,185	363,738	437,101
Unexpected investment income (loss)	19,035	(17,334)	(18,915)	--	(1,093,463)	94,965	697,455	80,184
Employer contributions	250,000	250,000	250,000	250,000	--	250,000	--	--
Administrative expenses	(15,269)	(15,641)	(17,777)	(18,889)	(19,201)	(17,252)	(6,162)	(20,356)
Net Change in Plan Fiduciary Position	458,171	453,489	481,443	1,090,720	(743,129)	653,898	1,055,031	496,929
Plan Fiduciary Net Position - Ending (b)	$ 3,262,860	$ 3,716,349	$ 4,197,792	$ 5,288,512	$ 4,545,383	$ 5,199,281	$ 6,254,312	$ 6,751,241
Net OPEB Liability (a-b)	$ 2,130,495	$ 5,181,940	$ 6,855,834	$ 4,566,739	$ 4,937,969	$ 4,685,366	$ 1,073,164	$ 1,110,826
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	60.50%	41.76%	37.98%	53.66%	47.93%	52.60%	85.35%	85.87%
Covered Payroll	$ 16,684,762	$ 18,905,504	$ 20,537,603	$ 26,053,434	$ 27,846,111	$ 27,846,111	$ 24,090,839	$ 24,090,839
Net OPEB Liability as a Percentage of Covered Payroll	12.77%	27.41%	33.38%	17.53%	17.73%	16.83%	4.45%	4.61%

Note:

This schedule is intended to have ten years of data.
Implementation of GASB No. 75 occurred in fiscal year 2018.
Additional data to be compiled as information becomes available.

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF EMPLOYER CONTRIBUTIONS
RETIREMENT PLAN FOR GENERAL EMPLOYEES

Last Ten Fiscal Years

Fiscal Year Ended September 30,	Employer Contributions	Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as Percentage of Covered Payroll
2016	$ 3,285,155	$ 3,285,155	$ --	$ 7,937,439	41.39%
2017	3,249,182	3,249,182	--	6,934,420	46.86%
2018	3,453,684	3,453,684	--	5,137,361	67.23%
2019	3,205,197	3,205,197	--	5,695,108	56.28%
2020	3,375,895	3,375,895	--	6,465,047	52.22%
2021	3,371,110	3,371,110	--	7,203,137	46.80%
2022	3,577,337	3,577,337	--	7,568,303	47.27%
2023	3,921,205	3,918,467	(2,738)	8,965,923	43.73%
2024	4,354,777	4,337,182	(17,595)	10,869,658	40.06%
2025	4,975,661	4,975,661	--	12,772,196	38.96%

Actuarial Assumptions

Valuation Date	October 1, 2023
Actuarial cost method	Entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	25 years
Asset valuation method	Smoothed market value
Investment rate of return	7.25%
Projected salary increases	3.25% to 5.50%
Cost of living adjustments	0%, 0.75%, 2.25%
Inflation	2.75%

For healthy male participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back one (1) year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For health participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back one (1) year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward three (3) years, without projected mortality improvements.

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF EMPLOYER CONTRIBUTIONS
RETIREMENT PLAN FOR POLICE OFFICERS AND FIREFIGHTERS

Last Ten Fiscal Years

Fiscal Year Ended September 30,	Employer Contributions	Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as Percentage of Covered Payroll
2016	$ 6,254,492	$ 6,254,492	$ --	$ 6,586,705	94.96%
2017	5,578,590	5,578,590	--	6,573,350	84.87%
2018	5,560,258	5,560,258	--	6,128,138	90.73%
2019	5,843,206	5,843,206	--	6,532,396	89.45%
2020	6,273,855	6,273,855	--	6,087,500	103.06%
2021	6,646,690	6,646,690	--	7,246,268	91.73%
2022	5,912,124	5,912,124	--	6,751,394	87.57%
2023	6,428,387	6,428,387	--	7,797,724	82.44%
2024	8,667,867	8,667,867	--	8,549,768	101.38%
2025	9,027,630	9,009,630	(18,000)	8,164,759	110.57%

Actuarial Assumptions

Valuation Date	October 1, 2023
Actuarial cost method	Entry age normal
Amortization method	Level percent closed
Remaining amortization period	30 years
Asset valuation method	Smoothed market value
Investment rate of return	7.50%
Projected salary increases	2.97%
Cost of living adjustments - on or before January 31, 2016	2.50%
- after January 31, 2016	1.50%
Inflation	3.00%

For active male - Pub-2010 Safety Employees, headcount weighted, below median, set forward one year, projected with Scale MP-2018. For female - Pub-2010, Safety Employees, headcount weighted, set forward one year, projected with Scale MP-2018. For health inactive male - Pub-2010, Safety Retirees, headcount weighted, below median, set forward one year, projected with Scale MP-2018. For healthy inactive female - Pub-2010, Safety Retirees, headcount weighted, set forward one year, projected with Scale MP-2018. For disabled participants - Blend of 80% headcount weighted Pub-2010 General Disabled Retiree rates and 20% headcount weighted Pub-2010 Safety Disabled Retiree rates, no projection scale.

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF EMPLOYER CONTRIBUTIONS
RETIREMENT PLAN FOR GENERAL MANAGEMENT EMPLOYEES

Last Ten Fiscal Years

Fiscal Year Ended September 30,	Employer Contributions	Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as Percentage of Covered Payroll
2016	$ 668,241	$ 693,932	$ 25,691	$ 2,391,509	27.94%
2017	1,077,364	1,095,074	17,710	2,957,285	36.43%
2018	946,609	946,609	--	966,946	97.90%
2019	495,292	499,428	4,136	1,064,113	46.55%
2020	364,641	364,641	--	812,928	44.86%
2021	204,221	204,221	--	913,318	22.36%
2022	54,558	54,558	--	588,093	9.28%
2023	--	--	--	380,626	0.00%
2024	388,500	482,275	93,775	317,524	122.35%
2025	509,058	415,283	(93,775)	321,986	158.10%

Actuarial Assumptions

Valuation Date	October 1, 2024
Amortization method	Level dollar, fixed
Remaining amortization period	18 years
Asset valuation method	Market value
Investment rate of return	7.50%
Projected salary increases	4.00%
Cost of living adjustments	2.25%
Inflation	2.76%

Pre-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements immortality using Scale MP-2018 and with male ages set back one year; post-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Healthy Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year.

* The City had an advance contribution credit of $93,775 as of October 1, 2023 which was offset against the City's contribution requirement for fiscal year ending September 30, 2024.

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF INVESTMENT RETURNS
RETIREMENT PLAN FOR GENERAL MANAGEMENT EMPLOYEES

Last Ten Fiscal Years

Year Ended September 30,	Annual Money-Weighted Rate of Return, Net of Investment Expense
2016	8.06%
2017	14.34%
2018	8.98%
2019	5.35%
2020	6.90%
2021	22.59%
2022	-13.60%
2023	10.63%
2024	21.13%
2025	8.89%

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF INVESTMENT RETURNS
OPEB

Last Seven Fiscal Years

Year Ended September 30,	Annual Money-Weighted Rate of Return, Net of Investment Expense
2018	7.61%
2019	6.37%
2020	6.43%
2021	19.46%
2022	-13.71%
2023	8.83%
2024	20.42%

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - FLORIDA RETIREMENT SYSTEM

Last Ten Fiscal Years

Measurement Date June 30,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Florida Retirement System										
City's proportion of the net pension liability	0.000295834%	0.000268619%	0.000226949%	0.000310992%	0.000289141%	0.000249570%	0.000234014%	0.000233181%	0.000195089%	0.000195018%
City's proportionate share of the net pension liability	$ 74,698	$ 79,456	$ 68,358	$ 107,102	$ 125,318	$ 18,852	$ 87,072	$ 92,915	$ 75,470	$ 60,524
Covered payroll	$ 21,692	$ 21,769	$ 19,804	$ 21,759	$ 21,765	$ 21,611	$ 21,599	$ 19,956	$ 19,938	$ 21,752
City's proportionate share of the net pension liability as a percentage of covered payroll	349.82%	365.00%	345.17%	492.22%	575.78%	87.23%	403.13%	465.60%	378.52%	278.25%
Plan fiduciary net position as a percentage of the total pension liability	84.88%	83.89%	84.26%	82.61%	78.85%	96.40%	82.89%	82.38%	83.70%	87.26%
Health Insurance Subsidy										
City's proportion of the net pension liability	0.000069977%	0.000067773%	0.000060319%	0.000065452%	0.000063441%	0.000061052%	0.000059277%	0.000054164%	0.000047793%	0.000048693%
City's proportionate share of the net pension liability	$ 8,154	$ 7,247	$ 6,384	$ 7,221	$ 7,746	$ 7,489	$ 6,281	$ 8,602	$ 7,169	$ 6,241
Covered payroll	$ 21,353	$ 21,769	$ 19,804	$ 21,759	$ 21,765	$ 21,611	$ 21,599	$ 19,956	$ 19,938	$ 21,752
City's proportionate share of the net pension liability as a percentage of covered payroll	38.19%	33.29%	32.24%	33.19%	35.59%	34.65%	29.08%	43.10%	35.96%	28.69%
Plan fiduciary net position as a percentage of the total pension liability	0.97%	1.64%	2.16%	2.63%	3.01%	3.56%	4.81%	4.12%	4.80%	6.36%

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF CONTRIBUTIONS

(Dollar Amounts in Thousands)
Last Ten Fiscal Years

Fiscal Year Ended September 30,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Florida Retirement System										
Contractually required contribution	$ 7,214	$ 6,993	$ 6,468	$ 9,643	$ 9,607	$ 9,508	$ 9,986	$ 11,217	$ 11,047	$ 11,644
Contributions in relation to the contractually required contribution	7,745	7,373	7,539	10,408	9,607	9,508	9,986	11,217	11,047	11,644
Contribution Deficiency (Excess)	$ (531)	$ (380)	$ (1,071)	$ (765)	$ --	$ --	$ --	$ --	$ --	$ --
Covered Payroll	$ 21,353	$ 21,769	$ 19,804	$ 21,759	$ 21,765	$ 21,611	$ 21,599	$ 19,956	$ 19,938	$ 22,167
Contributions as a Percentage of Covered Payroll	36.27%	33.87%	38.07%	47.83%	44.14%	44.00%	46.23%	56.21%	55.41%	52.53%
Health Insurance Subsidy										
Contractually required contribution	$ 359	$ 359	$ 327	$ 358	$ 366	$ 359	$ 359	$ 356	$ 405	$ 435
Contributions in relation to the contractually required contribution	359	359	327	358	366	359	359	356	405	435
Contribution Deficiency (Excess)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Covered Payroll	$ 21,353	$ 21,769	$ 19,804	$ 21,759	$ 21,765	$ 21,611	$ 21,599	$ 19,956	$ 19,938	$ 22,167
Contributions as a Percentage of Covered Payroll	1.68%	1.65%	1.65%	1.65%	1.68%	1.66%	1.66%	1.78%	2.03%	1.96%

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF EMPLOYER CONTRIBUTIONS -
MANAGEMENT EMPLOYEES EXCESS BENEFIT PLAN
(in Thousands)

Last Ten Fiscal Years

Fiscal Year	Annual Required Contribution	Employer Contribution	Total Contributions	Percentage Contributed
2016	$ 278	$ 278	$ 278	100%
2017	290	290	290	100%
2018	299	299	299	100%
2019	308	308	308	100%
2020	318	318	318	100%
2021	285	285	285	100%
2022	333	333	333	100%
2023	308	308	308	100%
2024	301	301	301	100%
2025	310	310	310	100%

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES (SUPPLEMENTARY INFORMATION)

NON-MAJOR GOVERNMENTAL FUNDS

CITY OF NORTH MIAMI BEACH, FLORIDA

FUND DESCRIPTIONS - NON-MAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2025

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific sources of revenue that are legally restricted to expenditure for purposes.

GRANTS
This fund is used to account for the various federal, state and local grants awarded to the City.

ARPA FUND
This fund is used to account for restricted revenues and expenditures for capital projects associated with funds received from American Recovery Plan Act.

TRANSIT SURTAX
This fund is used to account for the City's portion of the Miami-Dade County one-half percent sales surtax approved by voters in November 2002.

LOCAL OPTION GAS TAX
This fund accounts for a the Miami Dade County 6% gas tax. Funds are to be used for transportation related capital projects and expenditures.

CONFISCATED PROPERTY
This fund is used to account for confiscated and forfeited property received from the federal and state government. The uses of the property are governed by State of Florida Statutes, Chapter 932; the United States Department of Justice publication, A *Guide to Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies;* and the United States Treasury Department publication, *Guide to Equitable Sharing for Foreign Countries and Federal, State and Local Law Enforcement Agencies.*

EASTERN SHORES SECURITY SPECIAL TAXING DISTRICT
This fund is used to account for the activities related to the guard house located at the 35th Avenue entrance to the Eastern Shores subdivision. The Special Taxing District was created on November 21, 1995, for the purpose of providing security for the area. The administration of the district was transferred from Miami-Dade County to the City on February 2, 2018.

EASTERN SHORES FIRST ADDITION SECURITY GUARD SPECIAL TAXING DISTRICT
This fund is used to account for the activities related to the guard house located at the 164th Street entrance to the Eastern Shores subdivision. The Special Taxing District was created on April 7, 1994, for the purpose of providing security for the area. The administration of the district was transferred from Miami-Dade County to the City on February 2, 2018.

FUND DESCRIPTIONS - NON-MAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2025

DEBT SERVICE FUNDS

Debt service funds are used to account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

SERIES 2011

This fund is used to account for the principal and interest payments relating to the $14,835,000 promissory note issued to defease the Series 2000B bonds originally issued to fund improvements related to the Proud Neighborhood plan.

SERIES 2012

This fund is used to account for the debt service of the $8,190,000 promissory note issued to defease the Series 2002A Series Capital Appreciation and Term Bonds. The 2002A bond proceeds were used to defease the Series 1994 bonds originally issued to fund the expansion of the police station and various neighborhood improvements.

SERIES 2015

This fund is used to account for the principal and interest payments relating to the City's portion of the Series 2015 Revenue Refunding bonds issued to refund the Florida Municipal Loan Council Revenue Bonds, Series 2005C. The bond proceeds were used to defease the Series 2000A bonds originally issued to fund the bike path and street improvements, including lighting and traffic calming devices.

SERIES 2024

This fund is used to account for the principal and interest payments relating to the City's portion of the Series 2024 Taxable Special Obligation bond issued to fund a settlement between the City and the City of Miami Gardens and to fund certain costs of issuance.

SERIES 2024 WASHINGTON PARK BOND

This fund is used to account for the principal and interest payments relating to the City's portion of the Special Obligation Bonds, Series 2024 issued to fund the Washington Park capital projects

CAPITAL PROJECTS FUND

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

ALLEY RESTORATION PROGRAM

This fund accounts for improvements to the City's alley infrastructure to facilitate traffic flow of solid waste equipment, stormwater run-off and trash collection.

TOTAL CAPITAL PROJECT

This funs is used to account for the acquisition or construction of various major capital projects.

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS

September 30, 2025

	Special Revenue Funds							
	Grants Fund	Transit Surtax Fund	Local Option Gas Tax Fund	ARPA Fund	Confiscated Property Fund	Eastern Shores Security Special Taxing District	Eastern Shores First Addition Security Guard Special Taxing District	Total Special Revenue Funds
Assets								
Pooled cash and investments	$ 198,163	$ 1,361,641	$ 474,449	$ 5,553,833	$ 2,937,804	$ 14,147	$ 339,640	$ 10,879,677
Accounts receivable	63,559	646,607	99,610	--	--	5,843	--	815,619
Due from other funds	--	--	--	--	--	--	--	--
Prepaid costs	--	--	--	4,800	1,312	--	995	7,107
Restricted pooled cash and investments	--	--	--	--	--	--	--	--
Total Assets	$ 261,722	$ 2,008,248	$ 574,059	$ 5,558,633	$ 2,939,116	$ 19,990	$ 340,635	$ 11,702,403
Liabilities and Fund Balances								
Liabilities								
Accounts payable and accrued liabilities	$ 73,303	$ 271,492	$ 17,805	$ 135,174	$ 20,220	$ 8,958	$ 35,346	$ 562,298
Due to other funds	303,997	--	--	--	--	6,629	--	310,626
Unearned revenue	--	--	--	5,118,145	--	--	--	5,118,145
Total Liabilities	377,300	271,492	17,805	5,253,319	20,220	15,587	35,346	5,991,069
Deferred Inflows of Resources								
Unavailable revenue	--	286,796	--	--	--	--	--	286,796
Total Deferred Inflows of Resources	--	286,796	--	--	--	--	--	286,796
Fund Balances								
Nonspendable								
Prepaid costs	--	--	--	4,800	1,312	--	995	7,107
Restricted								
Debt service	--	--	--	--	--	--	--	--
Interlocal agreements	195,484	1,449,960	--	--	--	--	--	1,645,444
Public safety	--	--	556,254	--	2,917,584	--	--	3,473,838
Special taxing districts	--	--	--	--	--	4,403	304,294	308,697
Claims and judgements	--	--	--	--	--	--	--	--
Committed								
Alley restoration	--	--	--	--	--	--	--	--
Unassigned	(311,062)	--	--	300,514	--	--	--	(10,548)
Total Fund Balances	(115,578)	1,449,960	556,254	305,314	2,918,896	4,403	305,289	5,424,538
Total Liabilities and Fund Balances	$ 261,722	$ 2,008,248	$ 574,059	$ 5,558,633	$ 2,939,116	$ 19,990	$ 340,635	$ 11,702,403

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS

September 30, 2025

	Debt Service Funds					
	Series 2011	Series 2012	Series 2015	Series 2024	Series 2024 Washington Park Bond	Total Debt Service Funds
Assets						
Pooled cash and investments	$ 688,715	$ --	$ --	$ 773,680	$ 578,333	$ 2,040,728
Accounts receivable	--	--	--	--	--	--
Due from other funds	182,014	--	--	--	--	182,014
Prepaid costs	--	--	--	--	--	--
Restricted pooled cash and investments	--	4,996	--	--	--	4,996
Total Assets	$ 870,729	$ 4,996	$ --	$ 773,680	$ 578,333	$ 2,227,738
Liabilities and Fund Balances						
Liabilities						
Accounts payable and accrued liabilities	$ --	$ --	$ --	15,000	$ --	$ 15,000
Due to other funds	544,047	--	--	--	--	544,047
Unearned revenue	--	--	--	--	--	--
Total Liabilities	544,047	--	--	15,000	--	559,047
Deferred Inflows of Resources						
Unavailable revenue	--	--	--	--	--	--
Total Deferred Inflows of Resources	--	--	--	--	--	--
Fund Balances						
Nonspendable:						
Prepaid costs	--	--	--	--	--	--
Restricted:						
Debt service	182,014	4,996	--	758,680	578,333	1,524,023
Interlocal agreements	--	--	--	--	--	--
Public safety	--	--	--	--	--	--
Special taxing districts	--	--	--	--	--	--
Claims and judgements	--	--	--	--	--	--
Committed						
Alley restoration	--	--	--	--	--	--
Unassigned	144,668	--	--	--	--	144,668
Total Fund Balances	326,682	4,996	--	758,680	578,333	1,668,691
Total Liabilities and Fund Balances	$ 870,729	$ 4,996	$ --	$ 773,680	$ 578,333	$ 2,227,738

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS

September 30, 2025

	Capital Projects Fund		
	Alley Restoration Program	Total Capital Projects	Total Nonmajor Governmental Funds
Assets			
Pooled cash and investments	$ 220,961	$ 23,988,238	$ 37,129,604
Accounts receivable	--	--	815,619
Due from other funds	--	--	182,014
Prepaid costs	--	--	7,107
Restricted pooled cash and investments	--	--	4,996
Total Assets	$ 220,961	$ 23,988,238	$ 38,139,340
Liabilities and Fund Balances			
Liabilities			
Accounts payable and accrued liabilities	$ --	695,992	$ 1,273,290
Due to other funds	--	2,889,694	3,744,367
Unearned revenue	--	--	5,118,145
Total Liabilities	--	3,585,686	10,135,802
Deferred Inflows of Resources			
Unavailable revenue	--	--	286,796
Total Deferred Inflows of Resources	--	--	286,796
Fund Balances			
Nonspendable:			
Prepaid costs	--	--	7,107
Restricted:			
Debt service	--	--	1,524,023
Interlocal agreements	--	--	1,645,444
Public safety	--	--	3,473,838
Special taxing districts	--	--	308,697
Claims and judgements	--	--	--
Committed			
Alley restoration	220,961	--	220,961
Capital projects and equipment	--	20,402,552	20,402,552
Unassigned	--	--	134,120
Total Fund Balances	220,961	20,402,552	27,716,742
Total Liabilities and Fund Balances	$ 220,961	$ 23,988,238	$ 38,139,340

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2025

	Special Revenue Funds							
	Grants Fund	Transit Surtax Fund	Local Option Gas Tax Fund	ARPA Fund	Confiscated Property Fund	Eastern Shores Security Special Taxing District	Eastern Shores First Addition Security Guard Special Taxing District	Total Special Revenue Funds
Revenues								
Property taxes	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Intergovernmental revenue	591,749	2,961,589	597,734	--	--	--	--	4,151,072
Fines and forfeitures	--	--	--	--	300,532	--	--	300,532
Non-ad valorem assessments	--	--	--	--	--	817,485	208,663	1,026,148
Grant revenue	--	--	--	4,401,958	--	--	--	4,401,958
Investment income (loss)	--	--	--	305,313	--	595	275	306,183
Total Revenues	591,749	2,961,589	597,734	4,707,271	300,532	818,080	208,938	10,185,893
Expenditures								
Current:								
General government	47,500	--	--	832,388	--	--	--	879,888
Public safety	44,830	--	--	348,252	18,756	818,561	65,153	1,295,552
Library	145,032	--	--	--	--	--	--	145,032
Parks & recreation	355,055	--	--	6,443	--	--	--	361,498
Public works	125,970	2,919,087	--	7,839	--	--	--	3,052,896
Debt Service:								
Principal	--	--	--	369,613	--	--	--	369,613
Interest and other charges	--	--	--	145,001	--	--	--	145,001
Capital outlay	159,162	53,158	41,480	3,827,449	--	--	--	4,081,249
Total Expenditures	877,549	2,972,245	41,480	5,536,985	18,756	818,561	65,153	10,330,729
Excess (Deficiency) of Revenues Over (Under) Expenditures	(285,800)	(10,656)	556,254	(829,714)	281,776	(481)	143,785	(144,836)
Other Financing Sources (Uses)								
Issuance of debt	--	--	--	--	--	--	--	--
Issuance of lease	--	--	--	--	--	--	--	--
Transfers in	--	--	--	1,135,028	--	--	--	1,135,028
Transfers out	(11,852)	(141,275)	--	--	--	--	--	(153,127)
Total Other Financing Sources (Uses)	(11,852)	(141,275)	--	1,135,028	--	--	--	981,901
Net Change in Fund Balances	(297,652)	(151,931)	556,254	305,314	281,776	(481)	143,785	837,065
Fund Balances - Beginning	182,074	1,601,891	--	--	2,637,120	4,884	161,504	4,587,473
Fund Balances - Ending	$ (115,578)	$ 1,449,960	$ 556,254	$ 305,314	$ 2,918,896	$ 4,403	$ 305,289	$ 5,424,538

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2025

	Debt Service Funds					
	Series 2011	Series 2012	Series 2015	Series 2024	Series 2024 Washington Park Bond	Total Debt Service Funds
Revenues						
Property taxes	$ 1,236,438	$ --	$ --	$ --	$ --	$ 1,236,438
Intergovernmental revenue	--	--	--	--	--	--
Fines and forfeitures	--	--	--	--	--	--
Non-ad valorem assessments	--	--	--	--	--	--
Grant revenue	--	--	--	--	--	--
Investment income (loss)	--	--	--	245,989	--	245,989
Total Revenues	1,236,438	--	--	245,989	--	1,482,427
Expenditures						
Current:						
General government	2,907	--	--	32,596	--	35,503
Public safety	--	--	--	--	--	--
Library	--	--	--	--	--	--
Parks & recreation	--	--	--	--	--	--
Public works	--	--	--	--	--	--
Debt Service:						
Principal	985,000	--	--	--	--	985,000
Interest and other charges	103,863	--	--	267,048	421,667	792,578
Capital outlay	--	--	--	--	--	--
Total Expenditures	1,091,770	--	--	299,644	421,667	1,813,081
Excess (Deficiency) of Revenues Over (Under) Expenditures	144,668	--	--	(53,655)	(421,667)	(330,654)
Other Financing Sources (Uses)						
Issuance of debt	--	--	--	--	--	--
Issuance of lease	--	--	--	--	--	--
Transfers in	--	--	--	800,000	1,000,000	1,800,000
Transfers out	--	--	--	(9,000,000)	--	(9,000,000)
Total Other Financing Sources (Uses)	--	--	--	(8,200,000)	1,000,000	(7,200,000)
Net Change in Fund Balances	144,668	--	--	(8,253,655)	578,333	(7,530,654)
Fund Balances - Beginning	182,014	4,996	--	9,012,335	--	9,199,345
Change Within Financial Reporting Entity (Major to Nonmajor Fund)	--	--	--	--	--	--
Error Correction (See Note 16)	--	--	--	--	--	--
Fund Balances - Beginning as Restated	182,014	4,996	--	9,012,335	--	9,199,345
Fund Balances - Ending	$ 326,682	$ 4,996	$ --	$ 758,680	$ 578,333	$ 1,668,691

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NON-MAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2025

	Capital Projects Fund		
	Alley Restoration Program	Total Capital Projects	Total Nonmajor Governmental Funds
Revenues			
Property taxes	$ --	$ --	$ 1,236,438
Intergovernmental revenue	--	--	4,151,072
Fines and forfeitures	--	--	300,532
Non-ad valorem assessments	--	--	1,026,148
Grant revenue	--	--	4,401,958
Investment income (loss)	--	714,798	1,266,970
Total Revenues	--	714,798	12,383,118
Expenditures			
Current:			
General government	--	257,600	1,172,991
Public safety	--	--	1,295,552
Library	--	--	145,032
Parks & recreation	--	--	361,498
Public works	--	--	3,052,896
Debt Service:			
Principal	--	--	1,354,613
Interest and other charges	--	--	937,579
Capital outlay	--	5,908,274	9,989,523
Total Expenditures	--	6,165,874	18,309,684
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	(5,451,076)	(5,926,566)
Other Financing Sources (Uses)			
Issuance of debt	--	25,294,226	25,294,226
Issuance of lease	--	--	--
Transfers in	--	559,402	3,494,430
Transfers out	--	--	(9,153,127)
Total Other Financing Sources (Uses)	--	25,853,628	19,635,529
Net Change in Fund Balances	--	20,402,552	13,708,963
Fund Balances - Beginning	220,961	--	14,007,779
Fund Balances - Ending	$ 220,961	$ 20,402,552	$ 27,716,742

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL – LOCAL OPTION GAS TAX FUND

For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Amounts	Positive (Negative)
Revenues				
Intergovernmental revenue	$ 782,208	$ 782,208	$ 597,734	$ (184,474)
Total Revenues	782,208	782,208	597,734	(184,474)
Expenditures				
Capital outlay	782,208	782,208	41,480	740,728
Total Expenditures	782,208	782,208	41,480	740,728
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	--	556,254	556,254
Net Change in Fund Balance	$ --	$ --	556,254	$ 556,254
Fund Balances - Beginning			--	
Fund Balances - Ending			$ 556,254	

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - TRANSIT SURTAX FUND

For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Amounts	Positive (Negative)
Revenues				
Intergovernmental revenue	$ 3,444,685	$ 3,444,685	$ 2,961,589	$ (483,096)
Miscellaneous revenue	148,490	148,490	--	(148,490)
Total Revenues	3,593,175	3,593,175	2,961,589	(631,586)
Expenditures				
Current:				
Public works	3,786,569	3,807,942	2,919,087	888,855
Capital outlay	441,820	691,201	53,158	638,043
Total Expenditures	4,228,389	4,499,143	2,972,245	1,526,898
Excess (Deficiency) of Revenues Over (Under) Expenditures	(635,214)	(905,968)	(10,656)	895,312
Other Financing Sources (Uses)				
Transfers out	(134,553)	(134,553)	(141,275)	6,722
Appropriation of prior years' fund balance	769,767	1,040,521	--	1,040,521
Total Other Financing Sources (Uses)	635,214	905,968	(141,275)	1,047,243
Net Change in Fund Balance	$ --	$ --	(151,931)	$ 1,942,555
Fund Balances - Beginning			1,601,891	
Fund Balances - Ending			$ 1,449,960	

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - EASTERN SHORES SECURITY SPECIAL TAXING DISTRICT

For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
Revenues				
Non-ad valorem assessments	$ 805,696	$ 805,696	$ 817,485	$ 11,789
Investment income (loss)	--	--	595	595
Total Revenues	805,696	805,696	818,080	12,384
Expenditures				
Current:				
Public safety	805,696	805,696	818,561	(12,865)
Total Expenditures	805,696	805,696	818,561	(12,865)
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	--	(481)	(481)
Other Financing Sources (Uses)				
Appropriation of prior years' fund balance	18,377	18,377	--	18,377
Total Other Financing Sources (Uses)	18,377	18,377	--	18,377
Special Item				
Proceeds from sale of capital assets	--	--	--	--
Net Change in Fund Balance	$ 18,377	$ 18,377	(481)	$ 17,896
Fund Balances - Beginning			4,884	
Fund Balances - Ending			$ 4,403	

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - EASTERN SHORES FIRST ADDITION SECURITY GUARD SPECIAL TAXING DISTRICT

For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Amounts	Positive (Negative)
Revenues				
Non-ad valorem assessments	$ 206,560	$ 206,560	$ 208,663	$ 2,103
Investment income (loss)	3,500	3,500	275	(3,225)
Total Revenues	210,060	210,060	208,938	(1,122)
Expenditures				
Current:				
Public safety	279,104	279,104	65,153	213,951
Total Expenditures	279,104	279,104	65,153	213,951
Excess (Deficiency) of Revenues Over (Under) Expenditures	(69,044)	(69,044)	143,785	212,829
Other Financing Sources (Uses)				
Appropriation of prior years' fund balance	69,044	69,044	--	69,044
Total Other Financing Sources (Uses)	69,044	69,044	--	69,044
Special Item				
Proceeds from sale of capital assets	--	--	--	--
Net Change in Fund Balance	$ --	$ --	143,785	$ 281,873
Fund Balances - Beginning			161,504	
Fund Balances - Ending			$ 305,289	

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - DEBT SERVICE FUND - SERIES 2011

For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
Revenues				
Property taxes	$ 1,236,438	$ 1,236,438	$ 1,236,438	$ --
Total Revenues	1,236,438	1,236,438	1,236,438	--
Expenditures				
Current:				
General government	--	--	2,908	(2,908)
Debt Service:				
Principal	1,133,116	1,133,116	985,000	148,116
Interest and other charges	103,322	103,322	103,863	(541)
Total Expenditures	1,236,438	1,236,438	1,091,771	144,667
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	--	144,667	144,667
Net Change in Fund Balance	$ --	$ --	144,667	$ 144,667
Fund Balances - Beginning			182,014	
Fund Balances - Ending			$ 326,681	

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - DEBT SERVICE FUND - SERIES 2024

For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
Revenues				
Investment income (loss)	$ --	$ --	$ 245,989	$ 245,989
Total Revenues	--	--	245,989	245,989
Expenditures				
Current:				
General government	--	--	32,596	(32,596)
Debt Service:				
Principal	--	--	--	--
Interest and other charges	800,000	800,000	267,048	532,952
Total Expenditures	800,000	800,000	299,644	500,356
Excess (Deficiency) of Revenues Over (Under) Expenditures	(800,000)	(800,000)	(53,655)	746,345
Other Financing Sources (Uses)				
Transfers in	800,000	800,000	800,000	--
Transfers out	--	--	(9,000,000)	9,000,000
Total Other Financing Sources (Uses)	800,000	800,000	(8,200,000)	(70,000)
Net Change in Fund Balance	$ --	$ --	(8,253,655)	$ 676,345
Fund Balances - Beginning			9,012,335	
Fund Balances - Ending			$ 758,680	

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - DEBT SERVICE FUND - SERIES 2024 WASHINGTON PARK BOND

For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
Revenues				-
Property taxes	$ --	$ --	$ --	$ --
Total Revenues	--	--	--	--
Expenditures				
Debt Service:				
Interest and other charges	1,000,000	1,000,000	421,667	578,333
Total Expenditures	1,000,000	1,000,000	421,667	578,333
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,000,000)	(1,000,000)	(421,667)	578,333
OTHER FINANCING SOURCES (USES)				
Transfers in	1,000,000	1,000,000	1,000,000	--
Total Other Financing Sources (Uses)	1,000,000	1,000,000	1,000,000	--
Net Change in Fund Balance	$ --	$ --	578,333	$ 578,333
Fund Balances - Beginning			--	
Fund Balances - Ending			$ 578,333	

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND

For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
Revenues				
Grant revenue	$ 4,450,000	$ 4,450,000	$ --	$ (4,450,000)
Investment income (loss)	--	--	714,798	714,798
Miscellaneous revenue	-	-	-	-
Total Revenues	4,450,000	4,450,000	714,798	(3,735,202)
Expenditures				
Current:				
General government	--	--	257,600	(257,600)
Capital outlay	9,813,300	34,813,300	5,908,274	28,905,026
Total Expenditures	9,813,300	34,813,300	6,165,874	28,647,426
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,363,300)	(30,363,300)	(5,451,076)	24,912,224
OTHER FINANCING SOURCES (USES)				
Issuance of debt	--	25,000,000	25,294,226	(294,226)
Transfers in	5,363,300	5,363,300	559,402	4,803,898
Total Other Financing Sources (Uses)	5,363,300	30,363,300	25,853,628	4,509,672
Net Change in Fund Balance	$ --	$ --	20,402,552	$ 29,421,896
Fund Balances - Beginning			--	
Fund Balances - Ending			$ 20,402,552	

NON-MAJOR ENTERPRISE FUNDS

NON-MAJOR ENTERPRISE FUNDS

SOLID WASTE FUND
Accounts for providing sanitation services within the City.

STORMWATER UTILITY FUND
Accounts for providing stormwater services within City limits.

BUILDING PERMIT FUND
Accounts for activities as they relate to the issuance of building permits to residences and businesses within the City.

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS

September 30, 2025

	Stormwater Utility Fund	Solid Waste Fund	Building Permit Fund	Total
Assets				
Current Assets				
Pooled cash and investments	$ 1,243,943	$ 64,503	$ 9,771,844	$ 11,080,290
Accounts receivable, net	130,296	303,794	110	434,200
Prepaid expenses	--	1,774	--	1,774
Restricted pooled cash and investments	--	--	195,570	195,570
Total Current Assets	1,374,239	370,071	9,967,524	11,711,834
Non-Current Assets				
Net pension asset	--	--	348,200	348,200
Capital assets:				
Capital assets, not being depreciated	1,516,227	--	39,621	1,555,848
Capital assets, net	2,468,172	243,699	1,558,052	4,269,923
Total Non-Current Assets	3,984,399	243,699	1,945,873	6,173,971
Total Assets	5,358,638	613,770	11,913,397	17,885,805
Deferred Outflows of Resources				
Pension	288,167	25,783	404,950	718,900
Other post employment benefits	16,958	674	20,256	37,888
Total Deferred Outflows of Resources	305,125	26,457	425,206	756,788
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities	166,812	403,112	53,022	622,946
Due to other funds	967,445	1,788,012	2,005,686	4,761,143
Customer deposits	--	--	195,569	195,569
Total Current Liabilities	1,134,257	2,191,124	2,254,277	5,579,658
Non-Current Liabilities				
Portion due within one year:				
Compensated absences	36,642	2,669	86,708	126,019
Leases	129,481	--	4,078	133,559
Portion due in more than one year:				
Other post-employment benefits	41,038	1,632	49,020	91,690
Net pension liability	1,428,505	127,814	2,007,425	3,563,744
Compensated absences	109,927	8,006	260,126	378,059
Leases	140,152	--	4,188	144,340
Total Non-Current Liabilities	1,885,745	140,121	2,411,545	4,437,411
Total Liabilities	3,020,002	2,331,245	4,665,822	10,017,069
Deferred Inflows of Resources				
Pension	224,306	20,070	758,000	1,002,376
Other post employment benefits (OPEB)	97,052	3,860	115,928	216,840
Total Deferred Inflows of Resources	321,358	23,930	873,928	1,219,216
Net Position				
Net investment in capital assets	3,714,767	243,699	1,589,406	5,547,872
Restricted for:				
Net pension asset	--	--	348,200	348,200
Building fees	--	--	--	--
Unrestricted	(1,392,364)	(1,958,647)	4,861,247	1,510,236
Total Net Position	$ 2,322,403	$ (1,714,948)	$ 6,798,853	$ 7,406,308

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION NON-MAJOR ENTERPRISE FUNDS

For the Fiscal Year Ended September 30, 2025

	Stormwater Utility Fund	Solid Waste Fund	Building Permit Fund	Total
Operating Revenues				
Service revenues	$ 1,597,644	$ 6,345,666	$ 3,399,779	$ 11,343,089
Total Operating Revenues	1,597,644	6,345,666	3,399,779	11,343,089
Operating Expenses				
Personal services	2,544,958	118,184	2,368,047	5,031,189
Other operating costs	526,766	5,846,542	734,320	7,107,628
Depreciation	306,015	96,371	108,998	511,384
Total Operating Expenses	3,377,739	6,061,097	3,211,365	12,650,201
Operating Income (Loss)	(1,780,095)	284,569	188,414	(1,307,112)
Non-Operating Revenues (Expenses)				
Investment income (losses)	52,385	2,882	411,516	466,783
Miscellaneous income	--	--	3,122	3,122
Interest and other fiscal charges	(32,083)	--	(328)	(32,411)
Total Non-Operating Revenues (Expenses)	20,302	2,882	414,310	437,494
Income (Loss) Before Contributions and Transfers	(1,759,793)	287,451	602,724	(869,618)
Transfers Out	(442,816)	(535,246)	(1,264,857)	(2,242,919)
Change in Net Position	(2,202,609)	(247,795)	(662,133)	(3,112,537)
Total net position - beginning, as reported	4,555,417	(1,467,153)	7,561,182	10,649,446
Restatement (Note 16)	(30,405)	--	(100,196)	(130,601)
Total Net Position - Beginning, as restated*	4,525,012	(1,467,153)	7,460,986	10,518,845
Total Net Position - Ending	$ 2,322,403	$ (1,714,948)	$ 6,798,853	$ 7,406,308

* Beginning net position restated due to implementation of GASB 101

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS

For the Fiscal Year Ended September 30, 2025

	Stormwater Utility Fund	Solid Waste Fund	Building Permit Fund	Total
Cash Flows From Operating Activities				
Cash received from customers	$ 1,598,480	$ 6,336,501	$ 3,396,556	$ 11,331,537
Cash payments to suppliers	288,231	(5,734,591)	266,114	(5,180,246)
Cash payments to employees	(1,985,658)	(66,664)	(2,399,788)	(4,452,110)
Net Cash Provided by (Used in) Operating Activities	(98,947)	535,246	1,262,882	1,699,181
Cash Flows From Non-Capital Financing Activities				
Transfers to other funds	(442,816)	(535,246)	(1,264,857)	(2,242,919)
Net Cash Used in Non-Capital Financing Activities	(442,816)	(535,246)	(1,264,857)	(2,242,919)
Cash Flows From Capital Related Financing Activities				
Acquisition and construction of capital assets	(15,809)	--	1	(15,808)
Principal paid on long-term debt	(267,542)	--	(3,972)	(271,514)
Interest paid on long-term debt	(32,083)	--	(328)	(32,411)
Net Cash Used in Capital and Related Financing Activities	(315,434)	--	(4,299)	(319,733)
Cash Flows From Investing Activities				
Investment income	52,385	2,882	411,516	466,783
Net Cash Provided by Investing Activities	52,385	2,882	411,516	466,783
Net Increase (Decrease) in Pooled Cash and Investments	(804,812)	2,882	405,242	(396,688)
Pooled Cash and Investments, Beginning	2,048,755	61,621	9,562,172	11,672,548
Pooled Cash and Investments, Ending	$ 1,243,943	$ 64,503	$ 9,967,414	$ 11,275,860
Reported in Statement of Net Position as Follows				
Pooled cash and investments	$ 1,243,943	$ 64,503	$ 9,771,844	$ 11,080,290
Restricted pooled cash and investments	--	--	195,570	195,570
	$ 1,243,943	$ 64,503	$ 9,967,414	$ 11,275,860
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating income (loss)	$ (1,780,095)	$ 284,569	$ 188,414	$ (1,307,112)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	306,015	96,371	108,998	511,384
Other income	--	--	3,122	3,122
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:				
(Increase) decrease in:				
Accounts receivable	836	(9,165)	(70)	(8,399)
Prepaid expenses	--	(591)	--	(591)
Net pension asset	--	--	(248,000)	(248,000)
Deferred outflows of resources pension	(75,225)	(7,889)	118,468	35,354
Deferred outflows of resources opeb	(7,880)	239	(6,755)	(14,396)
Increase (decrease) in:				
Accounts payable and accrued liabilities	(152,448)	(89,449)	(174,856)	(416,753)
Compensated Absences	42,481	8,006	81,731	132,218
Customer deposits	--	--	(6,275)	(6,275)
Due to other funds	967,445	201,991	1,175,290	2,344,726
Net pension liability	366,576	38,576	(584,932)	(179,780)
Net OPEB liability	12,747	(1,212)	6,942	18,477
Deferred inflows of resources pension	224,306	20,070	634,734	879,110
Deferred inflows of resources opeb	(3,705)	(6,270)	(33,929)	(43,904)
Total Adjustments	1,681,148	250,677	1,074,468	3,006,293
Net Cash Provided by Operating Activities	$ (98,947)	$ 535,246	$ 1,262,882	$ 1,699,181
Noncash Investing, Capital and Financing Activities				
Lease and subscription acquisition	$ 537,175	$ --	$ --	$ 537,175
Total Noncash Investing, Capital and Financing Activities	$ 537,175	$ --	$ --	$ 537,175

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

CUSTOMER SERVICE FUND

The Customer Service Fund provides services specifically for the Enterprise Funds and is therefore included with the Business-type activities for reporting purposes.

INFORMATION TECHNOLOGY FUND

The Information Technology Fund activities are allocated between Governmental activities and Business-type activities for reporting purpose.

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

September 30, 2025

	Customer Service	Information Technology	Total
Assets			
Current Assets			
Pooled cash and investments	$ 3,854,064	$ 2,103,774	$ 5,957,838
Prepaid expenses	--	885,442	885,442
Total Current Assets	3,854,064	2,989,216	6,843,280
Non-Current Assets			
Capital assets:			
Capital assets, not being depreciated / amortized	197,146	747,222	944,368
Capital assets, net	95,123	842,570	937,693
Total Non-Current Assets	292,269	1,589,792	1,882,061
Total Assets	4,146,333	4,579,008	8,725,341
Deferred Outflows of Resources			
Pension	456,517	249,492	706,009
Other post employment benefits	16,637	16,557	33,194
Total Deferred Outflows of Resources	473,154	266,049	739,203
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	76,656	207,613	284,269
Total Current Liabilities	76,656	207,613	284,269
Non-Current Liabilities			
Portion due within one year:			
Compensated absences	29,288	61,156	90,444
Leases	--	43,059	43,059
Subscriptions	--	97,565	97,565
Portion due in more than one year:			
Other post-employment benefits	40,262	40,069	80,331
Net pension liability	2,263,053	1,236,785	3,499,838
Compensated absences	87,866	183,468	271,334
Leases	--	14,038	14,038
Subscriptions	--	308,878	308,878
Total Non-Current Liabilities	2,420,469	1,985,018	4,405,487
Total Liabilities	2,497,125	2,192,631	4,689,756
Deferred Inflows of Resources			
Pension	355,348	194,202	549,550
Other post employment benefits (OPEB)	95,216	94,760	189,976
Leases	--	--	--
Total deferred inflows of resources	450,564	288,962	739,526
Net Position			
Net investment in capital assets	292,269	1,126,252	1,418,521
Unrestricted	1,379,529	1,237,212	2,616,741
Total Net Position	$ 1,671,798	$ 2,363,464	$ 4,035,262

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INTERNAL SERVICE FUNDS

For the Fiscal Year Ended September 30, 2025

	Customer Service	Information Technology	Total
Operating Revenues			
Service revenues	$ 4,086,635	$ 6,016,179	$ 10,102,814
Total Operating Revenues	4,086,635	6,016,179	10,102,814
Operating Expenses			
Personal services	2,241,133	1,446,178	3,687,311
Other operating costs	1,201,341	3,449,276	4,650,617
Depreciation and amortization	81,975	275,491	357,466
Total Operating Expenses	3,524,449	5,170,945	8,695,394
Operating Income	562,186	845,234	1,407,420
Non-Operating Revenues (Expenses)			
Interest and other fiscal charges	(2,067)	(2,475)	(4,542)
Total Non-Operating Revenues (Expenses)	(2,067)	(2,475)	(4,542)
Income Before Contributions and Transfers	560,119	842,759	1,402,878
Transfers Out	(13,798)	(122,334)	(136,132)
Change in Net Position	546,321	720,425	1,266,746
Total Net Position - Beginning	1,135,673	1,643,379	2,779,052
Restatement (Note 16)	(10,196)	(340)	(10,536)
Total Net Position - Beginning, as restated*	1,125,477	1,643,039	2,768,516
Total Net Position - Ending	$ 1,671,798	$ 2,363,464	$ 4,035,262

* Beginning net position restated due to implementation of GASB 101

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Fiscal Year Ended September 30, 2025

	Customer Service	Information Technology	Total
Cash Flows From Operating Activities			
Cash received from customers	$ 4,086,636	$ 6,016,180	$ 10,102,816
Cash payments to suppliers	(1,179,884)	(3,962,351)	(5,142,235)
Cash payments to employees	(2,012,045)	(1,583,354)	(3,595,399)
Net Cash Provided by Operating Activities	894,707	470,475	1,365,182
Cash Flows From Non-Capital Financing Activities			
Transfers from other funds	--	--	--
Transfers to other funds	(13,798)	(122,334)	(136,132)
Net Cash Used in Non-Capital Financing Activities	(13,798)	(122,334)	(136,132)
Cash Flows From Capital Related Financing Activities			
Acquisition and construction of capital assets	(193,089)	(256,635)	(449,724)
Principal paid on long-term debt	(64,033)	(226,111)	(290,144)
Interest paid on long-term debt	(2,067)	(2,475)	(4,542)
Net Cash Used in Capital and Related Financing Activities	(259,189)	(485,221)	(744,410)
Net Increase (Decrease) in Pooled Cash and Investments	621,720	(137,080)	484,640
Pooled Cash and Investments, Beginning	3,232,344	2,240,854	5,473,198
Pooled Cash and Investments, Ending	$ 3,854,064	$ 2,103,774	$ 5,957,838
Reported in Statement of Net Position as Follows			
Pooled cash and investments	$ 3,854,064	$ 2,103,774	$ 5,957,838
	$ 3,854,064	$ 2,103,774	$ 5,957,838
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating income	$ 562,186	$ 845,234	$ 1,407,420
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	81,975	275,491	357,466
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
(Increase) decrease in:			
Prepaid expenses	--	(446,884)	(446,884)
Deferred outflows of resources pension	28,418	92,289	120,707
Deferred outflows of resources opeb	(4,644)	(5,512)	(10,156)
Increase (decrease) in:			
Accounts payable and accrued liabilities	21,458	(66,190)	(44,732)
Compensated Absences	40,270	71,674	111,944
Net pension liability	(155,290)	(467,656)	(622,946)
Net OPEB liability	2,885	5,649	8,534
Deferred inflows of resources pension	355,348	194,202	549,550
Deferred inflows of resources opeb	(37,899)	(27,822)	(65,721)
Total Adjustments	332,521	(374,759)	(42,238)
Net Cash Provided by Operating Activities	$ 894,707	$ 470,475	$ 1,365,182
Noncash Investing, Capital and Financing Activities			
Lease and subscription acquisition	$ --	$ 515,043	$ 515,043
Total Noncash Investing, Capital and Financing Activities	$ --	$ 515,043	$ 515,043

FIDUCIARY FUNDS

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCUARY FUNDS

September 30, 2025

	Pension Trust Funds				
	General Employees	Police Officers and Firefighters	General Management Employees	OPEB Trust	Total
Assets					
Cash	$ 34,976	$ 9,470	$ --	$ --	$ 44,446
Investments					
Equity securities	67,103,610	78,565,152	--	--	145,668,762
Money market funds	1,979,581	4,279,492	--	--	6,259,073
Government securities	21,321,483	26,996,956	--	--	48,318,439
Corporate bonds	941,268	8,563,998	--	--	9,505,266
Real estate	7,223,707	6,578,387	--	--	13,802,094
Infrastructure fund	5,805,188	7,280,311	--	--	13,085,499
Mutual funds	--	--	22,747,541	6,751,241	29,498,782
Hedge funds	--	25,032	--	--	25,032
Total Investments	104,374,837	132,289,328	22,747,541	6,751,241	266,162,947
Accrued interest receivable	172,893	321,098	--	--	493,991
Other receivables	21,683	155,455	--	--	177,138
Total Assets	$ 104,604,389	$ 132,775,351	$ 22,747,541	$ 6,751,241	$ 266,878,522
Liabilities					
Accounts payable	$ 230,575	$ 258,411	$ --	$ --	$ 488,986
Total Liabilities	230,575	258,411	--	--	488,986
Net Position					
Net position restricted for pensions	104,373,814	132,516,940	22,747,541	--	259,638,295
Net position restricted for OPEB	--	--	--	6,751,241	6,751,241
Total Net Position	$ 104,373,814	$ 132,516,940	$ 22,747,541	$ 6,751,241	$ 266,389,536

CITY OF NORTH MIAMI BEACH, FLORIDA

COMBINING STATEMENT OFCHANGES IN FIDUCIARY NET POSITION
FIDUCUARY FUNDS

For the Fiscal Year Ended September 30, 2025

	Pension Trust Funds				
	General Employees	Police Officers and Firefighters	General Management Employees	OPEB Trust	Total
Additions					
Contributions					
Employer	$ 4,975,661	$ 9,027,630	$ 775,670	$ --	$ 14,778,961
Employee	968,173	1,149,671	38,131	--	2,155,975
State of Florida	--	987,793	--	--	987,793
Total Contributions	5,943,834	11,165,094	813,801	--	17,922,729
Investment Income (Expense)					
Net appreciation in fair value of investments	7,983,558	9,050,388	1,899,630	517,285	19,450,861
Interest and dividends	2,256,895	2,933,556	--	--	5,190,451
Investment expenses	(518,984)	(627,026)	(72,134)	--	(1,218,144)
Net Investment Gain	9,721,469	11,356,918	1,827,496	517,285	23,423,168
Other Income	660	990	--	--	1,650
Total Additions	15,665,963	22,523,002	2,641,297	517,285	41,347,547
Deductions					
Pension benefit payments	8,728,547	11,283,043	2,104,279	--	22,115,869
DROP distributions	145,462	2,883,198	--	--	3,028,660
Administrative expenses	209,940	260,199	--	20,356	490,495
Total Deductions	9,083,949	14,426,440	2,104,279	20,356	25,635,024
Change in Net Position	6,582,014	8,096,562	537,018	496,929	15,712,523
Net Position, Beginning	97,791,800	124,420,378	22,210,523	6,254,312	250,677,013
Net Position, Ending	$ 104,373,814	$ 132,516,940	$ 22,747,541	$ 6,751,241	$ 266,389,536

III. STATISTICAL SECTION

CITY OF NORTH MIAMI BEACH, FLORIDA

STATISTICAL SECTION

Table of Contents

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

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Financial Trends. 146-150

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity 151-157

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity 158-165

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information 166-167

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information 168-170

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF NORTH MIAMI BEACH, FLORIDA

NET POSITION BY COMPONENT
(ACCURAL BASIS OF ACCOUNTING)

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Net investment in capital assets	$ 45,614	$ 47,555	$ 50,498	$ 51,941	$ 57,562	$ 61,237	$ 66,098	$ 70,255	$ 75,279	$ 78,566
Restricted	10,202	10,412	10,826	10,941	9,836	10,364	25,573	12,369	14,895	16,005
Unrestricted	(29,701)	(21,503)	(25,448)	(22,745)	(34,433)	(37,727)	(29,586)	(22,590)	(31,329)	(26,692)
Total governmental activities net position	$ 26,115	$ 36,464	$ 35,876	$ 40,137	$ 32,965	$ 33,874	$ 62,085	$ 60,034	$ 58,845	$ 67,879
Business-type activities:										
Net investment in capital assets	$ 89,253	$ 89,394	$ 97,350	$ 104,546	$ 80,272	$ 109,172	$ 126,036	$ 129,548	$ 110,090	$ 114,249
Restricted	14,524	15,990	5,651	8,880	26,519	20,762	23,040	25,038	19,872	10,148
Unrestricted (deficit)	38,801	44,731	34,893	25,448	25,717	11,738	8,473	15,791	54,344	83,329
Total business-type activities net position	$ 142,578	$ 150,115	$ 137,894	$ 138,874	$ 132,508	$ 141,672	$ 157,549	$ 170,377	$ 184,306	$ 207,726
Total government:										
Net investment in capital assets	$ 134,867	$ 136,949	$ 147,848	$ 156,487	$ 137,834	$ 170,409	$ 192,134	$ 199,803	$ 185,369	$ 192,815
Restricted	24,726	26,402	16,477	19,821	36,355	31,126	48,613	37,407	34,767	26,153
Unrestricted	9,100	23,228	9,445	2,703	(8,716)	(25,989)	(21,113)	(6,799)	23,015	56,637
Total City net position	$ 168,693	$ 186,579	$ 173,770	$ 179,011	$ 165,473	$ 175,546	$ 219,634	$ 230,411	$ 243,151	$ 275,605

Source: City of North Miami Beach

CITY OF NORTH MIAMI BEACH, FLORIDA

CHANGES IN NET POSITION
(ACCURAL BASIS OF ACCOUNTING)

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses:										
Governmental activities:										
General government	$ 15,009	$ 12,378	$ 24,627	$ 16,665	$ 26,284	$ 24,173	$ 26,384	$ 25,305	$ 36,495	$ 30,056
Public safety	21,918	25,422	22,918	30,444	31,622	28,564	25,721	26,687	36,071	31,930
Parks and Recreation	5,166	5,432	5,669	5,792	5,376	5,721	6,746	5,836	6,791	7,597
Public works	3,988	4,304	4,811	5,794	5,898	6,394	7,536	8,850	8,840	12,098
Library	-	-	-	-	-	-	-	1,619	1,932	2,130
Interest on long-term debt	736	643	1,485	703	633	558	361	267	152	1,645
Total governmental activities	46,817	48,179	59,510	59,398	69,813	65,410	66,748	68,564	90,281	85,456
Business-type activities:										
Water	26,092	27,015	34,394	35,912	39,073	30,531	30,382	36,067	30,760	20,592
Sewer	5,306	6,057	11,993	9,451	11,867	7,438	7,539	9,676	10,756	11,439
Solid waste	8,813	8,276	10,355	8,259	11,023	13,770	11,116	2,934	5,732	6,061
Stormwater	1,002	998	1,022	1,203	1,381	899	951	869	2,351	3,410
Building permits	2,077	1,567	1,768	1,891	2,219	1,642	1,356	2,853	3,437	3,212
Total business-type activities	43,290	43,913	59,532	56,716	65,563	54,280	51,344	52,399	53,036	44,714
Total government expenses	$ 90,107	$ 92,092	$ 119,042	$ 116,114	$ 135,376	$ 119,690	$ 118,092	$ 120,963	$ 143,317	$ 130,170
Program revenues:										
Governmental activities:										
Charges for services:										
General government	$ 1,583	$ 2,120	$ 2,612	$ 1,916	$ 1,604	$ 1,810	$ 3,687	$ 5,420	$ 1,741	$ 3,853
Public safety	194	1,634	1,850	2,073	1,628	1,395	3,175	2,596	2,761	2,793
Parks and Recreation	856	783	933	817	274	312	-	1,095	1,603	599
Physical Environment	-	-	-	-	-	-	-	-	-	37
Public works	-	-	-	-	-	-	-	-	-	41
Library	-	-	-	-	-	-	-	3	3	5
Operating grants and contributions	2,439	1,438	573	2,082	1,145	1,021	4,599	5,120	10,705	1,895
Capital grants and contributions	1,614	440	938	383	178	378	24,364	4,895	2,883	6,061
Total governmental activities program revenues	6,686	6,415	6,906	7,271	4,829	4,916	35,825	19,129	19,696	15,284
Business-type activities:										
Charges for services:										
Water	30,546	32,232	31,656	34,804	35,979	40,238	43,094	41,580	43,603	44,271
Sewer	6,956	7,451	7,029	9,878	10,040	10,694	11,108	10,657	11,010	10,871
Solid waste	9,343	10,181	9,666	8,812	9,003	11,274	11,748	4,855	5,136	5,450
Stormwater	1,235	1,313	1,221	1,468	1,500	1,553	1,547	1,487	1,593	1,597
Building permits	3,311	4,726	2,565	2,576	1,888	2,719	4,106	5,565	4,751	3,399
Capital grants and contributions	-	-	-	-	-	-	-	-	-	4,065
Total business-type activities program revenues	51,391	55,903	52,137	57,538	58,410	66,478	71,603	64,144	66,093	69,653
Total program revenues	$ 58,077	$ 62,318	$ 59,043	$ 64,809	$ 63,239	$ 71,394	$ 107,428	$ 83,273	$ 85,789	$ 84,937

CITY OF NORTH MIAMI BEACH, FLORIDA

CHANGES IN NET POSITION (CONTINUED)
(ACCURAL BASIS OF ACCOUNTING)

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (expense) revenue:										
Governmental activities	$ (40,131)	$ (41,764)	$ (52,604)	$ (52,127)	$ (64,984)	$ (60,494)	$ (30,923)	$ (49,435)	$ (70,585)	$ (70,172)
Business-type activities	8,101	11,990	(7,395)	822	(7,153)	12,198	20,259	11,745	13,057	24,939
Total net expense	$ (32,030)	$ (29,774)	$ (59,999)	$ (51,305)	$ (72,137)	$ (48,296)	$ (10,664)	$ (37,690)	$ (57,528)	$ (45,233)
General revenues:										
Governmental activities:										
Taxes:										
Property taxes	$ 14,067	$ 16,470	$ 17,346	$ 19,671	$ 21,680	$ 22,929	$ 23,748	$ 24,230	$ 26,878	$ 32,389
Utility Taxes	-	-	-	-	-	3,758	3,964	4,492	4,609	4,905
Communication Service taxes	-	-	-	-	-	1,748	1,614	1,895	2,069	2,060
Franchise fees on gross receipts	-	-	-	-	-	4,055	4,014	4,816	4,791	4,891
Sales and other taxes	11,399	11,464	11,776	12,919	12,293	4,788	4,758	4,667	4,468	5,190
State and local shared revenue	4,841	5,334	5,465	6,064	6,534	7,487	3,137	3,310	3,198	5,835
Unrestricted investment earnings (losses)	146	173	295	1,112	857	167	(612)	1,593	5,158	5,569
User surcharges	7,163	8,571	7,164	9,330	9,649	10,384	9,364	9,969	10,404	10,026
Miscellaneous	962	890	595	894	363	889	1,370	283	195	487
Transfers	8,750	9,210	10,605	6,398	6,436	6,587	6,019	7,114	7,853	9,369
Total governmental activities	47,328	52,112	53,246	56,388	57,812	62,792	57,376	62,369	69,623	80,721
Business-type activities:										
Unrestricted investment earnings (losses)	845	726	859	1,700	1,471	254	(1,077)	4,647	4,769	3,971
User surcharges	3,466	2,842	1,582	1,482	1,350	1,736	2,278	1,999	3,438	2,885
Miscellaneous	2,867	1,190	3,415	3,374	4,403	933	572	960	1,207	1,303
Transfers	(8,750)	(9,210)	(10,605)	(6,398)	(6,436)	(6,587)	(6,019)	(7,114)	(7,853)	(9,369)
Total business-type activities	(1,572)	(4,452)	(4,749)	158	788	(3,664)	(4,246)	492	1,561	(1,210)
Total general revenues	$ 45,756	$ 47,660	$ 48,497	$ 56,546	$ 58,600	$ 59,128	$ 53,130	$ 62,861	$ 71,184	$ 79,511
Change in net position:										
Governmental activities	$ 7,197	$ 10,348	$ 642	$ 4,261	$ (7,172)	$ 2,298	$ 26,453	$ 12,934	$ (962)	$ 10,549
Business-type activities	6,529	7,538	(12,144)	980	(6,365)	8,534	16,013	12,237	14,618	23,729
Total change in net position	$ 13,726	$ 17,886	$ (11,502)	$ 5,241	$ (13,537)	$ 10,832	$ 42,466	$ 25,171	$ 13,656	$ 34,278

Source: City of North Miami Beach

CITY OF NORTH MIAMI BEACH, FLORIDA

FUND BALANCES OF GOVERNMENTAL FUNDS
(MODIFIED ACCURAL BASIS OF ACCOUNTING)

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund:										
Nonspendable:										
Inventories	$ 155	$ 147	$ 168	$ 163	$ 376	$ 137	$ 145	$ 251	$ 144	$ 136
Prepaid costs	79	33	62	79	639	264	246	717	94	96
Restricted:										
Impact fees	555	316	1,435	1,378	1,341	1,712	1,712	2,049	2,094	1,290
Committed:										
Disaster recovery	-	-	-	500	3,000	3,000	3,000	3,000	3,000	3,000
Assigned:										
Capital projects and encumbrances	2,602	3,159	2,337	2,462	79	3,011	7,532	10,452	1,945	748
Liability claims	783	1,164	1,598	2,017	2,020	1,789	1,464	853	1,518	2,599
Workers' compensation claims	2,436	2,095	2,169	2,269	2,473	2,342	2,322	2,839	3,366	3,481
Land acquisition	69	69	69	69	69	69	69	69	-	-
Appropriated for next year's budget	-	-	-	-	9,405	11,700	7,628	-	7,655	12,214
Unassigned:	19,394	25,013	27,015	29,183	18,046	15,605	19,904	28,343	34,444	32,315
Total general fund	26,073	31,996	34,853	38,120	37,448	39,629	44,022	48,573	54,260	55,879
All other governmental funds:										
Nonspendable:										
Prepaid costs	4	4	4	43	14	47	14	14	15	24
Restricted:										
Debt service	116	117	92	93	93	92	7	790	199	1,524
Community Redevelopment	843	1,312	2,062	3,162	4,348	5,604	20,128	5,052	6,987	9,008
Interlocal agreements	1,832	1,916	1,516	1,257	231	160	988	1,726	1,602	1,645
Special taxing districts	-	-	-	242	345	372	192	156	166	309
Public safety	6,859	6,821	5,738	5,068	3,839	2,424	2,361	2,587	2,818	3,474
Claims and judgements	-	-	-	-	-	-	-	-	9,000	-
Committed:										
Alley restoration	293	293	293	293	293	293	221	221	221	221
Assigned:										
Capital projects and equipment	-	-	-	-	-	-	-	-	-	20,403
Unassigned	(3)	(70)	(16)	(16)	(16)	(16)	185	(602)	(5)	134
Total all other governmental funds	9,944	10,393	9,689	10,142	9,147	8,976	24,096	9,944	21,003	36,742
Total governmental funds	$ 36,017	$ 42,389	$ 44,542	$ 48,262	$ 46,595	$ 48,605	$ 68,118	$ 58,517	$ 75,263	$ 92,621

Source: City of North Miami Beach

CITY OF NORTH MIAMI BEACH, FLORIDA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
(MODIFIED ACCURAL BASIS OF ACCOUNTING)

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Property taxes	$ 14,067	$ 16,470	$ 17,346	$ 19,671	$ 21,680	$ 22,929	$ 23,748	$ 24,230	$ 29,851	$ 32,389
User surcharges	7,164	8,571	7,164	8,626	8,993	9,729	9,363	9,969	10,404	10,026
Franchise fees	2,072	2,138	2,126	3,110	3,149	4,055	4,013	4,816	4,791	4,891
Utility taxes	3,336	3,406	3,566	3,663	3,636	3,758	3,963	4,513	4,633	4,905
Impact Fees	-	-	-	-	-	-	-	564	885	43
Communication service tax	1,843	1,748	1,682	1,669	1,644	1,748	1,614	1,895	2,069	2,060
Other taxes	4,149	4,172	4,402	4,477	3,864	4,788	5,607	6,238	-	-
Licenses and permits	786	939	978	943	829	970	1,366	1,164	954	399
Intergovernmental revenue	4,841	5,334	5,465	6,064	6,534	7,487	15,185	8,686	14,238	14,575
Charges for services	1,847	1,570	1,793	1,768	1,215	1,324	1,671	1,621	1,541	1,538
Fines and forfeitures	3,183	2,842	3,030	3,368	1,968	1,224	1,808	1,544	1,807	1,734
Non-ad valorem assessments	-	-	-	706	657	655	650	833	835	1,026
Grant revenue	-	-	-	-	-	-	-	-	-	4,402
Other	1,832	1,224	957	1,848	1,017	2,181	741	2,762	-	-
Miscellaneous revenue	-	-	-	-	-	-	720	240	367	487
Investment income (losses)	146	176	295	1,112	857	167	(611)	1,593	5,158	5,570
Total revenues	45,266	48,590	48,804	57,025	56,043	61,015	69,838	70,668	77,533	84,045
Expenditures:										
Current:										
General government	13,179	13,300	16,506	16,000	19,234	19,771	20,026	20,504	22,622	34,333
Public safety	21,196	22,371	23,185	24,381	25,475	26,331	26,879	27,430	31,391	33,270
Library	-	839	937	1,058	1,043	1,138	1,376	1,563	1,778	2,093
Parks and Recreation	4,992	4,372	4,498	4,505	4,056	4,280	5,528	5,870	6,397	6,782
Public works	3,820	4,093	4,548	5,517	5,615	6,534	7,239	8,805	9,013	10,950
Capital outlay										
Capital outlay (capitalized)	6,055	3,708	4,018	5,323	5,952	5,354	7,110	5,767	1,268	12,194
Capital outlay (not capitalized)	-	-	-	-	-	-	1,388	202	-	242
Debt service:										
Principal	2,672	2,047	2,089	2,134	2,197	1,607	1,723	2,841	2,174	1,706
Interest and other fiscal charges	771	697	1,479	727	652	582	470	235	253	991
Debt issuance costs	-	-	-	-	-	-	45	-	-	-
Total expenditures	52,685	51,427	57,260	59,645	64,224	65,597	71,784	73,217	74,896	102,561
Deficiency of revenues over expenditures	(7,419)	(2,837)	(8,456)	(2,620)	(8,181)	(4,582)	(1,946)	(2,549)	2,637	(18,516)
Other financing sources (uses):										
Transfers in	9,628	10,085	11,526	7,507	7,580	7,289	9,161	7,648	12,714	20,699
Transfers out	(878)	(872)	(919)	(1,095)	(1,138)	(697)	(3,141)	(532)	(4,860)	(11,208)
Issuance of debt - lease	-	-	-	-	-	-	183	-	1,725	1,088
Issuance of debt - subscriptions	-	-	-	-	-	-	-	898	539	-
Issuance of debt	-	-	-	-	-	-	9,190	-	9,070	25,294
Payment to escrow agent	-	-	-	-	-	-	(9,000)	-	-	-
Total other financing sources (uses)	8,750	9,213	10,607	6,412	6,442	6,592	6,393	8,014	19,188	35,873
Net change in fund balances	1,331	6,376	2,151	3,792	(1,739)	2,010	4,447	5,465	21,825	17,357
Fund balances - beginning	34,684	36,015	42,391	44,542	48,334	46,595	48,605	53,052	58,517	75,263
Fund balances - ending	$ 36,015	$ 42,391	$ 44,542	$ 48,334	$ 46,595	$ 48,605	$ 53,052	$ 58,517	$ 80,342	$ 92,620
Debt service as a percentage of non-capital expenditures	7.38%	5.75%	6.70%	5.27%	4.89%	3.63%	3.39%	4.56%	3.30%	2.98%

Source: City of North Miami Beach

CITY OF NORTH MIAMI BEACH, FLORIDA

NET ASSESSED VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal Year Ended September 30,	Real Property	Personal Property	Centrally Assessed	Total Gross Assessed Value	Real Estate Exempt Properties	Total Net Assessed Value	Total Direct Tax Rate
2016	$ 1,882,680	$ 116,515	$ 1,392	$ 2,000,587	$ 4,444	$ 1,996,143	7.5769
2017	2,216,752	112,628	1,540	2,330,920	178,620	2,152,300	7.3360
2018	2,413,847	120,213	1,617	2,535,677	11,046	2,524,631	7.1752
2019	2,800,223	130,600	1,635	2,932,458	236,878	2,695,580	7.0158
2020	3,266,071	129,421	3,546	3,399,038	300,884	3,098,154	6.8194
2021	3,413,851	113,089	2,974	3,529,914	30,312	3,499,602	6.8021
2022	3,517,383	145,108	2,991	3,665,482	22,870	3,642,612	6.7740
2023	3,943,583	166,697	3,146	4,113,426	27,711	4,085,715	6.5743
2024	4,559,544	187,285	3,714	4,750,543	(768)	4,751,311	6.5111
2025	5,136,033	197,936	3,421	5,337,390	137,747	5,199,643	6.3232

Note: Property in the City is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per $1,000 of assessed value.

Source: Miami Dade County Property Appraiser's Office for Certification of Taxable Value for the City of North Miami Beach.

CITY OF NORTH MIAMI BEACH, FLORIDA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Fiscal Years

	City of North Miami Beach			Overlapping Rates (1) Miami-Dade County			Miami-Dade County School Board				
Fiscal Year	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Other Taxing Authorities & Special Districts	Total Direct and Overlapping Rates
2016	6.6036	0.9733	7.5769	4.6669	0.4500	5.1169	7.4130	0.1990	7.6120	3.3178	23.6236
2017	6.5000	0.8360	7.3360	4.6669	0.4000	5.0669	7.1380	0.1840	7.3220	3.2934	23.0183
2018	6.4000	0.7752	7.1752	4.6669	0.4000	5.0669	6.7740	0.2200	6.9940	3.2400	22.4761
2019	6.3000	0.7158	7.0158	4.6669	0.4644	5.1313	6.5040	0.2290	6.7330	3.1878	22.0679
2020	6.2000	0.6194	6.8194	4.6669	0.4780	5.1449	7.0250	0.1230	7.1480	3.2002	22.3125
2021	6.2000	0.6021	6.8021	4.6669	0.4780	5.1449	6.9360	0.1930	7.1290	3.1709	22.2469
2022	6.2000	0.5740	6.7740	4.6669	0.5075	5.1744	6.8290	0.1800	7.0090	3.2099	22.1673
2023	6.1000	0.4743	6.5743	4.6202	0.4853	5.1055	6.4240	0.1650	6.5890	3.1586	21.4274
2024	6.1000	0.4111	6.5111	4.5740	0.4355	5.0095	6.5660	0.1330	6.6990	3.1554	21.3750
2025	6.1000	0.2232	6.3232	4.5740	0.4271	5.0011	6.4680	0.1340	6.6020	3.1376	21.0639

Note: All millage rates are based on $1 for every $1,000 of assessed value.

(1) Overlapping rates are those of local and county governments and other special taxing districts that apply to property owners within the City of North Miami Beach. Not all overlapping rates apply to all City of North Miami Beach property owners (i.e., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

Sources: Miami-Dade County Property Appraiser's Office.

Note: Information was obtained from Appraiser's office under millage rate.

CITY OF NORTH MIAMI BEACH, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS

Current and Nine Years Ago
(Amounts Expressed in Thousands)

		2025			2016		
Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Value
Nomi Beach Holdings LLC.	Real Estate	$ 118,770	1	2.50%	$ -	-	0.00%
Florida power & Light Company	Utility	100,161	2	2.11%	41,850	2	2.24%
North MB Owner	Multi Family Units	73,667	3	1.55%	-	-	0.00%
Sontic Ward Inc.	Retail	55,149	4	1.16%	17,200	7	0.92%
Dezer Intracoastal Mall LLC	Retail	52,600	5	1.11%	54,000	1	2.89%
North Towne Phase I LLC	Real Estate	43,122	6	0.91%	-	-	0.00%
Biscayne Commons (Edens)	Real Estate	34,038	7	0.72%	28,427	4	1.52%
CK Prive Group 1800 LLC	Real Estate	31,496	8	0.66%	-	-	0.00%
Target Corp	Commercial Real Estate	25,078	9	0.53%	-	-	0.00%
Oleta Partners Biscayne	University Campus	24,800	10	0.52%	-	-	0.00%
A.Sur Net Inc.	Telecommunications	-	-	0.00%	20,663	6	1.11%
Costco Corporation	Retail	-	-	0.00%	20,663	5	1.11%
NMB Commerce Center	Real Estate	-	-	0.00%	14,012	8	0.75%
Grand Island Square LLC	Retail	-	-	0.00%	13,840	9	0.74%
Dayton Hudson Corp	Retail	-	-	0.00%	13,427	3	0.72%
Total		$ 558,881		11.77%	$ 224,082		12.00%
Total assessed value		$ 4,751,311			$ 1,866,066		

Source: Miami Dade County Property Appraisers Office.

CITY OF NORTH MIAMI BEACH, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal Year Ended September 30,	Total Taxes Levied for Operating Purposes for Fiscal Year	Levied Taxes Collected within the Fiscal Year: Amount	Levied Taxes Collected within the Fiscal Year: Percent of Levy	Delinquent Tax Collections (1)	Total Tax Collections: Amount	Total Tax Collections: Percent of Levy
2016	$ 12,092	$ 11,721	97%	$ 491	$ 12,212	101%
2017	15,159	13,923	92%	692	14,615	96%
2018	16,482	14,845	90%	633	15,478	94%
2019	18,474	16,823	91%	851	17,674	96%
2020	21,414	18,315	86%	1,363	19,678	92%
2021	21,885	19,886	91%	1,038	20,924	96%
2022	22,726	20,944	92%	802	21,746	96%
2023	23,837	23,347	98%	963	24,310	102%
2024	25,001	26,419	106%	1,575	27,994	112%
2025	28,770	29,721	103%	1,863	31,584	110%

(1) Property Taxes are levied and collected by Miami-Dade County for all municipalities within the County.

Information on delinquent taxes is not distributed by the County. Prior period delinquent real estate taxes are recorded as collections of the current year.

Source: City of North Miami Beach Certificate of Taxable Value. Tax Revenue Munis Ad valorem

CITY OF NORTH MIAMI BEACH, FLORIDA

WATER PRODUCED AND CONSUMED

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal Year Ended September 30,	Gallons of Water Produced by City's Norwood Treatment Plant (1)	Gallons of Water Purchased from Miami-Dade County WASA (1)	Gallons of Water Consumed (2)	Water Operating Revenue Collected	Direct Rate (3)
2016	7,380,058	585	6,490,459	$ 31,511	26.11
2017	7,410,600	889	6,566,017	32,232	26.11
2018	7,556,118	107	6,624,810	31,656	26.11
2019	7,508,100	49	6,387,217	34.804	26.11
2020	7,718,835	273	6,338,872	35.979	31.31
2021	8,322,432	231	6,589,103	36,717	32.70
2022	8,343,148	6,689	6,574,519	39,548	34.18
2023	8,102,027	51,244	6,616,044	33,426	37.36
2024	7,586,722	8,178	6,368,875	43,603	37.36
2025	8,472,621	34,758	7,402,675	44,266	37.36

Notes:
(1) Gallons are presented in thousands.
(2) Gallons are presented in thousands and includes bulk sales.
(3) Direct rate used represents a typical single-family residential customer consuming 7,000 gallons per month. For 2019 Billing went from quarterly to monthly.

Sources:
(1) & (2) City of North Miami Beach Water Department
(3) City of North Miami Beach Finance Department

CITY OF NORTH MIAMI BEACH, FLORIDA

WATER RATE HISTORY

Last Ten Fiscal Years
(Monthly)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
(1) Minimum Chg - Single Family:										
5/8"	$ 10.71	$ 10.71	$ 10.71	$ 10.71	$ 13.70	$ 14.32	$ 14.96	$ 16.33	$ 16.33	$ 16.33
3/4"	10.71	10.71	10.71	10.71	13.70	14.32	14.96	16.33	16.33	16.33
1"	26.78	26.78	26.78	26.78	34.25	35.79	37.40	40.84	40.84	40.84
1 1/2"	53.55	53.55	53.55	53.55	68.50	71.58	74.80	81.69	81.69	81.69
2"	85.68	85.68	85.68	85.68	109.60	114.53	119.68	130.70	130.70	130.70
3"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Minimum Chg - Multi-Fam/Non-Residential:										
5/8"	$ 12.40	$ 12.40	$ 12.40	$ 12.40	$ 12.40	$ 12.96	$ 13.54	$ 14.79	$ 14.79	$ 14.79
3/4"	12.40	12.40	12.40	12.40	12.40	12.96	13.54	14.79	14.79	14.79
1"	31.00	31.00	31.00	31.00	31.00	32.40	33.86	36.97	36.97	36.97
1 1/2"	62.00	62.00	62.00	62.00	62.00	64.79	67.71	73.94	73.94	73.94
2"	99.20	99.20	99.20	99.20	99.20	103.66	108.32	118.28	118.28	118.28
3"	198.40	198.40	198.40	186.00	186.00	194.37	203.12	221.81	221.81	221.81
4"	310.00	310.00	310.00	310.00	310.00	323.95	338.53	369.68	369.68	369.68
6"	620.00	620.00	620.00	620.00	620.00	647.90	677.06	739.37	739.37	739.37
8"	992.00	992.00	992.00	992.00	992.00	1,036.64	1,083.29	1,182.98	1,182.98	1,182.98
10"	1,426.00	1,426.00	1,426.00	1,426.00	1,426.00	1,490.17	1,557.23	1,700.54	1,700.54	1,700.54
(2) Conservation Increments (Blocks):										
Single Fam/Non-Resi										
0 - 7 mgs	$ 3.22	$ 3.22	$ 3.22	$ 3.22	$ 3.82	$ 3.99	4.17	$ 4.56	$ 4.56	$ 4.56
8 - 12 mgs	3.59	3.59	3.59	3.59	4.25	4.44	4.64	5.07	5.07	5.07
over 12 mgs	4.47	4.47	4.47	4.47	5.30	5.54	5.79	6.32	6.32	6.32
Multi-family										
0 - 5 mgs/unit	$ 3.22	$ 3.22	$ 3.22	$ 3.22	$ 3.82	$ 3.99	4.17	$ 4.56	$ 4.56	$ 4.56
6 - 9 mgs/unit	3.59	3.59	3.59	3.59	4.25	4.44	4.64	5.07	5.07	5.07
over 9 mgs/unit	4.47	4.47	4.47	4.47	5.30	5.54	5.79	6.32	6.32	6.32

(1) Single family customers are charged minimum charge based on the meter size.
(2) Non-Residential customers are charged for all consumption based on the Tier Rates

Source: City of North Miami Beach GSA-Customer Service Department

CITY OF NORTH MIAMI BEACH, FLORIDA

PRINCIPAL WATER CUSTOMERS

Current and Nine Years Ago

		2025			2016		
Customer	Type of Business	Water Units Sold (MG)	Rank	% of Water Consumption	Water Units Sold (MG)	Rank	% of Water Consumption
Miami-Dade Water & Sewer	Water Mgmt District	215,553	1	3.38%	83,742	2	1.29%
Intracoastal Yacht Club	Condominium	49,128	2	0.77%	61,137	4	0.94%
Commodore Plaza Association	Condominium	44,417	3	0.70%	44,989	10	0.69%
Plaza of the Americas Club	Condominium	42,705	4	0.67%	-	N/A	0.00%
Williams Island Ocean Club	Condominium	42,604	5	0.67%	54,869	6	0.85%
Plaza Del Prado	Condominium	41,490	6	0.65%	46,078	8	0.71%
Biscayne Cove Condo	Condominium	41,480	7	0.65%	-	N/A	0.00%
Admirals Port	Condominium	40,169	8	0.63%	58,810	5	0.91%
South Florida Stadium	Stadium	37,848	9	0.59%	45,555	9	0.70%
Arlen House	Condominium	35,704	10	0.56%	-	N/A	0.00%
Dade County Public School	Public School	-	N/A	0.00%	83,948	1	1.29%
Williams Island	Condominium	-	N/A	0.00%	63,976	3	0.99%
City of Sunny Isles Beach	Condominium	-	N/A	0.00%	51,253	7	0.79%
Total		591,098		9.27%	594,357		9.16%
Total Consumption		6,368,875			6,490,459		

CITY OF NORTH MIAMI BEACH, FLORIDA

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years
(Amounts Expressed in Thousands, Except Per Capita)

	Governmental Activities						Business-type Activities							
Fiscal Year	General Obligation Bonds	Special Obligation Bonds	Leases	Subscription	Redevelopment Notes	Revenue Bonds	Revenue Bonds	Stormwater Notes	Leases	Subscription	State Revolving Loans	Total	Per Capita (1)	Percentage of Personal Income (1)
2016	$ 18,660	$ -	$ 1,448	$ -	$ 1,750	$ 2,518	$ 57,889	$ 931	$ 1,384	$ -	$ 21,996	$ 106,576	$ 2,395	12.07%
2017	17,430	-	729	-	1,583	1,906	55,230	753	698	-	20,619	98,948	2,178	10.97%
2018	16,150	-	-	-	1,417	1,283	52,470	571	-	-	20,524	92,415	2,025	9.79%
2019	14,820	-	-	-	1,250	645	49,640	385	-	-	20,184	86,924	1,894	9.16%
2020	13,435	-	-	-	1,083	-	105,962	194	-	-	19,016	139,690	3,245	13.97%
2021	11,995	-	81	-	917	-	101,444	-	321	-	17,820	132,578	3,039	13.08%
2022	10,695	-	194	-	750	-	96,769	-	36	-	16,595	125,039	2,941	12.66%
2023	9,010	-	33	1,050	-	-	92,171	-	709	-	15,341	118,314	2,805	11.60%
2024	7,290	9,070	1,739	941	-	-	87,510	-	483	64	14,056	121,153	2,859	8.87%
2025	6,305	34,364	2,388	948	-	-	126,974	-	251	-	12,741	183,971	3,979	13.21%

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

(1) See the Schedule of Demographic and Economic Statistics on page 166 for personal income and population data.

Note: Implemented GASB-96
Note: Subscription Liability started 2023

CITY OF NORTH MIAMI BEACH, FLORIDA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years
(Amounts Expressed in Thousands, Except Per Capita)

	Net Bonded Debt Outstanding					
Fiscal Year	General Obligation Bonds	Special Obligation Bonds	Less Amount in Debt Service	Net Amount	Percentage of Assessed Property Value (1)	Per Capita(2)
2016	$ 18,660	$ -	$ 31	$ 18,629	0.93%	419
2017	17,430	-	31	17,399	0.81%	383
2018	16,150	-	-	16,150	0.64%	354
2019	14,820	-	-	14,820	0.55%	323
2020	13,435	-	-	13,435	0.43%	312
2021	11,995	-	-	11,995	0.34%	275
2022	10,695	-	-	10,695	0.29%	252
2023	9,010	-	-	9,010	0.22%	214
2024	7,290	9,070	-	16,360	0.34%	386
2025	6,305	34,364	-	40,669	0.78%	880

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

(1) See the Schedule of Net Assessed Value of Taxable Property on Page 151 for net assessed property value data.
(2) See the Schedule of Demographic and Economic Statistics on Page 166 for population data.

CITY OF NORTH MIAMI BEACH, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

For the Fiscal Year Ended September 30, 2025
(Amounts Expressed in Thousands)

Government Unit	2025 Net Debt Outstanding	Percentage Applicable to the City of North Miami Beach (1)	Amount Applicable to the City of North Miami Beach
Debt repaid with property taxes:			
Miami-Dade County	$ 2,310,220	1.12%	$ 25,874
Miami-Dade County School Board	1,025,088	0.96%	9,841
Subtotal, Overlapping Debt			35,715
City of North Miami Beach Direct Debt			21,064
Total Direct and Overlapping Debt			$ 56,779

Sources: Data provided by the Miami-Dade County Finance Department and the Miami-Dade County School Board.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses 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 residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using net taxable assessed property values. It is calculated by taking the value that is within the City's boundaries and dividing it by the County's and School Board's total net taxable assessed value. This approach was also used for the other debt.

CITY OF NORTH MIAMI BEACH, FLORIDA

PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Transit System Surtax Refunding Revenue Note, Series 2013

Fiscal Year Ended September 30,	Gross Revenues	Less: Operating Expenses	Net Available Resources	Actual Debt Service: Principal	Actual Debt Service: Interest	Coverage
2016	$ 1,733	$ -	$ 1,733	$ 582	$ 46	2.76
2017	1,904	-	1,904	588	36	3.05
2018	1,725	-	1,725	599	27	2.76
2019	1,945	-	1,945	613	16	3.09
2020	1,706	-	1,706	620	5	2.73
2021 (1)	N/A	N/A	N/A	N/A	N/A	N/A
2022 (1)	N/A	N/A	N/A	N/A	N/A	N/A
2023 (1)	N/A	N/A	N/A	N/A	N/A	N/A
2024 (1)	N/A	N/A	N/A	N/A	N/A	N/A
2025 (1)	N/A	N/A	N/A	N/A	N/A	N/A

(1) The Transit System Surtax Refunding Revenue Note, Series 2013 was fully paid off in fiscal year 2020. Schedule is intended to show information for 10 years.

Pledged revenues: Payable from the county transit system 1/2 cent sales surtax revenues.

Redevelopment Revenue Note, Series 2007A

Fiscal Year Ended September 30,	Gross Revenues	Less: Operating Expenses	Net Available Resources	Actual Debt Service: Principal	Actual Debt Service: Interest	Coverage
2016	$ 694	$ -	$ 694	$ 167	$ 32	3.49
2017	1,023	-	1,023	167	28	5.25
2018	1,340	-	1,340	167	38	6.54
2019	1,748	-	1,748	167	41	8.40
2020	2,601	-	2,601	167	29	13.27
2021	2,837	-	2,837	167	16	15.50
2022	3,159	-	3,159	167	16	17.26
2023	3,683	-	3,683	750	19	4.79
2024 (1)	N/A	N/A	N/A	N/A	N/A	N/A
2025 (1)	N/A	N/A	N/A	N/A	N/A	N/A

(1) The Redevelopment Revenue Note, Series 2007A was fully paid off in fiscal year 2023. Schedule is intended to show information for 10 years.

Pledged revenues: Payable from tax increment revenues (TIFF) and any interest earnings in the CRA fund.

CITY OF NORTH MIAMI BEACH, FLORIDA

PLEDGED REVENUE COVERAGE (CONTINUED)

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Stormwater - Series 2011A

Fiscal Year Ended September 30,	Gross Revenues	Less: Operating Expenses	Net Available Resources	Actual Debt Service: Principal	Actual Debt Service: Interest	Coverage
2016	$ 1,241	$ 974	$ 267	$ 174	$ 24	1.35
2017	1,308	975	333	178	20	1.68
2018	1,221	1,005	216	182	16	1.09
2019	1,468	1,190	278	186	12	1.40
2020	1,500	1,372	128	190	8	0.65
2021	1,553	894	659	194	4	3.33
2022(1)	N/A	N/A	N/A	N/A	N/A	N/A
2023(1)	N/A	N/A	N/A	N/A	N/A	N/A
2024(1)	N/A	N/A	N/A	N/A	N/A	N/A
2025(1)	N/A	N/A	N/A	N/A	N/A	N/A

(1) The Stormwater - Series 2011A bond was fully paid off in fiscal year 2021. Schedule is intended to show information for 10 years.

Pledged revenues: Payable from Stormwater Utility Fees collected from residential and nonresidential developed property in the City.

Sewer Revenue Note, Series 2020

Fiscal Year Ended September 30,	Gross Revenues	Less: Operating Expenses	Net Available Resources	Actual Debt Service: Principal	Actual Debt Service: Interest	Coverage
2020	$ 10,040	$ 11,199	$ (1,159)	$ -	$ 55	(21.07)
2021	10,694	7,014	3,680	600	310	4.04
2022	11,108	7,139	3,969	615	293	4.37
2023	10,923	9,565	1,358	635	276	1.49
2024	11,014	10,411	603	650	258	0.66
2025	10,884	11,121	(237)	670	240	(0.26)

Pledged revenues: Payable from net operating revenues from the Sewer system.

CITY OF NORTH MIAMI BEACH, FLORIDA

PLEDGED REVENUE COVERAGE (CONTINUED)

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Water Revenue Refunding Bonds, Series 2012

Fiscal Year Ended September 30,	Gross Revenues	Less: Operating Expenses	Net Available Resources	Actual Debt Service Principal	Actual Debt Service Interest	Coverage
2016	$ 32,232	$ 24,329	$ 7,903	$ 1,695	$ 2,327	1.96
2017	31,656	31,825	(169)	1,785	2,242	(0.04)
2018	34,804	33,477	1,327	1,880	2,153	0.33
2019	35,979	33,085	2,894	1,940	2,097	0.72
2020(1)	N/A	N/A	N/A	N/A	N/A	N/A
2021(1)	N/A	N/A	N/A	N/A	N/A	N/A
2022(1)	N/A	N/A	N/A	N/A	N/A	N/A
2023(1)	N/A	N/A	N/A	N/A	N/A	N/A
2024(1)	N/A	N/A	N/A	N/A	N/A	N/A
2025(1)	N/A	N/A	N/A	N/A	N/A	N/A

(1) The Water Revenue Refunding Bonds, Series 2012 was fully refunded in fiscal year 2020. Schedule is intended to show information for 10 years.

Pledged revenues: Payable from net operating revenues from the Water system.

Refunding Revenue Note, Series 2015

Fiscal Year Ended September 30,	Gross Revenues	Less: Operating Expenses	Net Available Resources	Actual Debt Service Principal	Actual Debt Service Interest	Coverage
2016	$ 32,232	$ 24,329	$ 7,903	$ 516	$ 40	14.21
2017	31,656	31,825	(169)	571	35	(0.28)
2018	34,804	33,477	1,327	578	26	2.20
2019	35,979	33,085	2,894	588	18	4.78
2020	36,717	25,127	11,590	598	9	19.09
2021(1)	N/A	N/A	N/A	N/A	N/A	N/A
2022(1)	N/A	N/A	N/A	N/A	N/A	N/A
2023(1)	N/A	N/A	N/A	N/A	N/A	N/A
2024(1)	N/A	N/A	N/A	N/A	N/A	N/A
2025(1)	N/A	N/A	N/A	N/A	N/A	N/A

(1) The Refunding Revenue Note, Series 2015 was fully paid off in fiscal year 2020. Schedule is intended to show information for 10 years.

Pledged revenues: Payable from net operating revenues from the Water system.

CITY OF NORTH MIAMI BEACH, FLORIDA

PLEDGED REVENUE COVERAGE (CONTINUED)

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Water Revenue Bonds, Series 2020A

Fiscal Year Ended September 30,	Gross Revenues	Less: Operating Expenses	Net Available Resources	Actual Debt Service: Principal	Actual Debt Service: Interest	Coverage
2020	$ 35,979	$ 33,085	$ 2,894	$ -	$ 1,012	2.86
2021	36,717	25,127	11,590	220	2,002	5.22
2022	39,548	23,808	15,740	235	1,991	7.07
2023	41,441	32,463	8,978	-	1,979	4.54
2024	43,603	29,266	14,337	-	1,979	7.24
2025	44,266	27,675	16,591	-	1,979	8.38

Pledged revenues: Payable from net operating revenues from the Water system.

Taxable Water Revenue Refunding bonds, Series 2020B

Fiscal Year Ended September 30,	Gross Revenues	Less: Operating Expenses	Net Available Resources	Actual Debt Service: Principal	Actual Debt Service: Interest	Coverage
2020	$ 35,979	$ 33,085	$ 2,894	$ 980	$ 470	2.00
2021	36,717	25,127	11,590	375	911	9.01
2022	39,548	23,808	15,740	380	904	12.26
2023	41,441	32,463	8,978	3,455	896	2.06
2024	43,603	29,266	14,337	3,520	830	3.30
2025	44,266	27,675	16,591	3,595	759	3.81

Pledged revenues: Payable from net operating revenues from the Water system.

CITY OF NORTH MIAMI BEACH, FLORIDA

PLEDGED REVENUE COVERAGE (CONTINUED)

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Safe drinking water revolving loans

Fiscal Year Ended September 30,	Gross Revenues	Less: Operating Expenses	Net Available Resources	Actual Debt Service Principal	Actual Debt Service Interest	Coverage
2016	$ 29,933	$ 23,109	$ 6,824	$ 829	$ 444	5.36
2017	32,232	24,329	7,903	857	444	6.07
2018	31,656	31,825	(169)	919	383	(0.13)
2019	34,804	33,477	1,327	854	267	1.18
2020	35,979	33,085	2,894	774	357	2.56
2021	36,717	25,127	11,590	794	337	10.25
2022	39,548	23,808	15,740	815	316	13.92
2023	41,441	32,463	8,978	836	295	7.94
2024	43,603	29,266	14,337	858	273	12.68
2025	44,266	27,675	16,591	880	251	14.67

Pledged revenues: Payable from net operating revenues from the Water system.

Clean water revolving loans

Fiscal Year Ended September 30,	Gross Revenues	Less: Operating Expenses	Net Available Resources	Actual Debt Service Principal	Actual Debt Service Interest	Coverage
2016	$ 6,956	$ 5,169	$ 1,787	$ 426	$ 179	2.95
2017	7,451	5,934	1,517	469	136	2.51
2018	7,029	11,798	(4,769)	493	111	(7.90)
2019	9,878	9,256	622	322	130	1.38
2020	10,040	11,199	(1,159)	394	122	(2.25)
2021	10,694	7,014	3,680	402	114	7.13
2022	11,108	7,139	3,969	410	106	7.69
2023	10,923	9,565	1,358	418	98	2.63
2024	11,014	10,411	603	427	90	1.17
2025	10,884	11,121	(237)	435	81	(0.46)

Pledged revenues: Payable from net operating revenues from the Sewer system.

The pledged revenue schedules were prepared as per GASB 44 "Economic Condition Reporting: The Statistical Section". The statement does not require the use of the coverage formulas stipulated in their bond covenants because the purpose is to help the user assess the City's ability to generate sufficient resources to pay debt, rather than to demonstrate legal compliance. Therefore, the schedules herein presented do not necessarily represent legal compliance.

CITY OF NORTH MIAMI BEACH, FLORIDA

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Year	Population (1)	Personal Income (in Thousands) (1)	Per Capita Personal Income (2)	Median Age (2)	Unemployment Rate (3)
2016	44,512	$ 883,341	$ 19,845	38.1	5.2%
2017	45,437	901,924	19,850	37.7	4.5%
2018	45,612	943,667	20,689	36.4	3.8%
2019	45,887	948,943	20,680	38.5	3.1%
2020	43,041	999,885	23,231	37.2	10.9%
2021	43,645	1,013,917	23,231	37.3	4.9%
2022	42,507	987,480	23,231	38.9	2.9%
2023	42,183	1,019,858	24,177	38.1	1.4%
2024	42,347	1,365,140	32,237	39.6	2.8%
2025	46,236	1,392,721	30,122	39.6	2.9%

Sources:
(1) Estimated by City of North Miami Beach Economic Development (for years 2008 to 2011).
Census Bureau 2012-2019
(2) United States Census Bureau.
(3) U.S. Bureau of Labor Statistics.
(4)The drastic increase in the unemployment rate reflects the ramifications of the COVID-19 pandemic.
Note: Population information is based on surveys conducted during the last quarter of the calendar year. Unemployment rate information is an adjusted yearly average.
Personal income information is a total for the year.

CITY OF NORTH MIAMI BEACH, FLORIDA

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer		2025 Employees	2025 Rank	2016 Employees	2016 Rank
Jackson North Medical Center	Medical	1,400	1	1,030	1
Grand Reality of America	Real Estate	714	2	N/A	N/A
City of North Miami Beach	Municipality	445	3	606	2
ECE Consulting Group	Outsourcing/Offshoring	269	4	N/A	N/A
Klika Tech	Information Technology	234	5	N/A	N/A
Marken Realty	Real Estate	145	6	N/A	N/A
Equity One	Real Estate	143	7	N/A	N/A
C & W Networks	Telecommunications	139	8	N/A	N/A
Bryant Security Corporation	Retail	100	9	240	6
Compass Health Systems, PA	Healthcare	100	10	N/A	N/A
Publix		N/A		292	5
Waste Management of Dade County		N/A		300	4
Costco		N/A		302	3
Target		N/A		167	8
IPIC Theaters		N/A		184	7
Duffy's		N/A		150	9
P. F. Chang's China Bistro		N/A		122	10
Total		3,765		3,393	

Special Note: The above list includes private and public employers in the Greater North Miami Beach area. City of NMB total includes 144 part-timers.

CITY OF NORTH MIAMI BEACH, FLORIDA

FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Number of employees:											
Attorney's office	6	6	6	6	5	5	-	-	-	-	-
Clerk's office	4	4	4	4	4	4	4	4	4	4	5
Mayor and Council's office	1	1	1	-	-	2	2	2	1	3	1
Executive	27	27	32	36	34	37	36	36	36	33	33
Human Resources	6	6	11	8	8	8	8	8	8	8	5
Financial Services	12	13	11	12	13	14	14	14	15	16	15
Police:											
Police Officers	106	105	108	113	113	113	113	113	95	115	96
Civilians	36	36	34	35	35	38	33	33	35	35	31
Library	7	6	8	8	8	9	9	9	13	9	11
Parks and R.E.C.	28	28	29	29	29	31	30	30	30	30	28
Public Works	36	32	34	35	38	38	38	38	41	45	48
Stormwater	6	4	4	6	6	5	6	6	6	20	20
Water	91	92	84	4	4	9	101	101	94	100	98
Sewer	14	14	13	-	-	-	-	-	-		-
Building Permit	13	13	14	15	14	15	15	15	24	24	24
Solid Waste	46	18	14	14	14	15	15	15	1	1	1
Customer Service	23	26	22	-	-	-	26	26	32	29	29
Total number of employees	462	431	429	325	325	343	450	450	435	472	445

Source: City of North Miami Beach annual budgets

CITY OF NORTH MIAMI BEACH, FLORIDA

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020[1]	2021	2022	2023	2024	2025
Public safety:										
Police:										
Police calls for service	98,684	100,883	98,304	98,809	68,669	85,744	89,125	96,920	101,730	93,035
Parking citations	1,316	1,332	1,351	1,368	744	913	1,027	1,502	672	763
Traffic citations	5,726	5,949	5,145	5,644	1,989	5,413	3,722	3,495	6,897	8,841
Arrests	1,600	1,453	1,351	1,491	665	1,025	868	839	1,116	1,258
SRT call outs	13	12	27	26	14	15	17	16	24	41
Community development:										
Building permits issued	3,712	3,584	3,180	3,537	769	2,522	2,699	2,757	2,701	3,287
Library:										
Number of registered borrowers	36,410	38,541	38,828	39,299	39,336	40,989	25,461	29,054	30,462	33,984
Total annual circulation	136,532	150,773	226,347	271,320	198,743	232,597	245,648	315,314	340,225	90,858
Total reference transactions	94,241	93,632	92,928	91,837	74,055	58,133	58,345	42,888	67,922	83,302
Annual number of users of public internet computers	69,630	69,718	69,889	83,265	58,336	41,256	41,290	20,984	22,345	23,422
Annual WiFi Sessions	n/a	n/a	n/a	51,336	36,581	39,916	41,854	40,984	18,231	8,617
Visitors	n/a	n/a	n/a	287,126	156,875	240,313	506,382	883,432	885,322	702,709
Program Attendees	n/a	n/a	n/a	59,843	56,396	58,905	54,965	44,778	106,539	79,376
Programs Provided	n/a	n/a	n/a	737	905	972	860	873	3,115	3,341
Parks and recreation:										
After school program enrollment	300	256	272	349	261	109	196	245	282	250
Summer camp program enrollment	556	554	442	574	48	285	285	358	519	480
Sanitation:										
Refuse collected (tons / year)	28,788	32,559	42,644	44,954	40,698	42,899	43,723	38,168	42,823	37,731
Water:										
Number of customers	32,424	34,053	39,700	32,579	32,507	34,484	32,806	33,426	34,632	33,163
Average daily water consumption (millions of gallons)	20.22	20.30	20.70	17.50	21.09	18.10	18.01	22.70	16.07	20.37
Annual water produced (millions of gallons)	7,380	7,410	7,556	7,508	7,806	8,322	8,343	8,102	9,427	8,627
Sewer:										
Number of customers	7,754	8,003	8,058	7,804	7,783	7,844	7,879	7,991	7,980	7,888

(1) The numbers reflect the impact of COVID-19 due to the worldwide pandemic of 2020

Sources: Various city departments

CITY OF NORTH MIAMI BEACH, FLORIDA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government:										
General government buildings	1	1	1	1	1	1	1	1	1	1
Public safety:										
Police:										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire stations (operated by Miami-Dade County)	3	3	3	3	3	3	3	3	3	3
Library:										
Libraries	1	1	1	1	1	1	1	1	1	1
Print materials in catalog	55,091	46,227	33,642	50,960	48,587	58,762	60,932	77,205	83,045	85,956
Number of licensed databases	66	74	74	74	55	57	57	57	58	71
Audio materials volumes	1,162	1,290	1,300	1,396	2,841	2,705	2,147	2,356	642	648
Video materials volumes	4,230	5,748	5,758	4,405	5,424	3,405	4,278	4,298	4,344	4,358
Non-print Material	n/a	n/a	n/a	12,203	15,145	17,029	17,674	18,772	31,219	62,775
Total number of outlets (1+ Bookmobile)	n/a	n/a	n/a	1	1	2	1	1	1	2
Library Service Hours	n/a	n/a	n/a	66	48	52	50	48	48	48
Professional Staff per Capita	n/a	n/a	n/a	0.2	0.13	0.04	4	3	4	5
Support Staff per Capita	n/a	n/a	n/a	0.29	0.27	0.23	11	10	10	20
Materials per Capita	n/a	n/a	n/a	1.4	1.4	1.6	1.7	1.8	1.8	2
Total FTE	n/a	n/a	n/a	16	16	13	14	13	13	15
Parks and R.E.C.:										
Parks	27	27	28	28	28	28	28	28	28	28
Senior centers	1	1	1	1	1	1	1	1	1	1
Municipal swim centers	3	3	3	3	3	3	3	3	3	3
Tennis centers	1	1	1	1	1	1	1	1	1	1
Recreational centers	5	5	5	5	5	5	6	6	6	6
Performing arts centers	1	1	1	1	1	1	1	1	1	1
Amphitheaters	1	1	1	1	1	1	1	1	1	1
Parks acreage	87.0	87.0	88.0	88.0	88.0	88.0	83.8	83.8	83.8	84
Streets:										
Miles of streets and alleys	119.99	120.0	119.99	120.0	119.99	119.99	119.99	119.99	119.99	121
Water:										
Water mains (miles)	555	603	605	566	565	565	568	565	575	617
Fire hydrants	2,959	3,052	3,052	3,062	3072	3,070	3,145	3153	3159	3,183
Valves	10,996	11,000	11,627	11,682	11,331	11,380	11,740	11,933	12,062	12,187
Sewer:										
Lift stations	33	35	35	35	35	35	35	37	37	37
Sewer mains (miles)	113	132	132	132	131	131	117	118	132	132

Sources: Various city departments

CITY OF NORTH MIAMI BEACH, FLORIDA

COMPLIANCE REPORTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

CITY OF NORTH MIAMI BEACH, FLORIDA

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Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Mayor, City Commission and City Manager
City of North Miami Beach, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of North Miami Beach, Florida (the "City"), as of and for the fiscal 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. Our report includes a reference to other auditors who audited the financial statements of the Retirement Plan for Police Officers and Firefighters of the City of North Miami Beach, and the Retirement Plan for the General Employees of the City of North Miami Beach, component units of the City, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those other auditors.

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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses and significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we considered to be material weaknesses and significant deficiencies.

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 City's financial statements will not be prevented, or detected and corrected, on a timely basis. We considered the deficiency described in the accompanying schedule of findings and questioned costs as item MW2025-001 to be a material weakness.

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. We considered the deficiencies described in the accompanying schedule of findings and questioned costs as items SD2025-001, SD2025-002, SD2025-003, SD2025-004 and SD2025-005 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questions costs as SD2025-001, SD2025-003, SD2025-004 and SD2025-005.

City’s Response to Findings

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CBIZ CPAs P.C.

Coral Gables, Florida
June 30, 2026

CBIZ CPAs P.C.

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Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the Honorable Mayor, City Commission and City Manager
City of North Miami Beach, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of North Miami Beach, Florida (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 each of the City's major federal programs for the fiscal year ended September 30, 2025. The City's major federal programs are identified in the summary of auditors' 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 major federal program for the fiscal 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 ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200 , *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditors' 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 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.

Auditors' 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 GAAS, *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 GAAS, *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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which is required to be reported in accordance with the Uniform Guidance, and which are described in the accompanying schedule of findings and questioned costs as items MW2025-001 and SD2025-005. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weakness and significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item MW2025-001 to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item SD2025-005 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated June 30, 2026, which contained unmodified opinions on those basic financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

CBIZ CPAs P.C.

Coral Gables, Florida
August 11, 2026, except for our report on the Schedule of Expenditures of Federal Awards,
for which the date is June 30, 2026

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended September 30, 2025

Federal Grantor, Pass-through Entity, Federal Program	Assistance Listing Number (ALN)	Contract/Grant Number	Expenditures
U.S. Department of Justice			
Direct Programs:			
Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-23-GG-03257-JAGX	$ 2,126
Edward Byrne Memorial Justice Assistance Grant	16.738	6N219	4,754
Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-22-02441-JAGX	14,005
Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-24-GG-05601-JAGX	23,945
Total Edward Byrne Memorial Justice Assistance Grant Program			44,830
Total U.S. Department of Justice			44,830
U.S. Department of Transportation			
Indirect Program:			
Passed through Florida Department of Transportation			
Safe Streets and Roads for All	20.939	693JJ32340316	125,970
Total U.S. Department of Transportation			125,970
U.S. Department of Housing and Urban Development			
Indirect Program:			
Passed through Florida Department of Economic Opportunity			
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii			
Community Development Block Grant (CDBG)	14.228	MT054	4,064,568
Total U.S. Department of Housing and Urban Development			4,064,568
U.S. Department of the Treasury			
Direct Program:			
Coronavirus State and Local Fiscal Recovery Funds - Prior-year adjustmen	21.027	Y5233	(1,135,028)
Coronavirus State and Local Fiscal Recovery Funds - Allowable expenditures (including reclassified amounts)	21.027	Y5233	5,536,986
Total Coronavirus State and Local Fiscal Recovery Funds			4,401,958
Total U.S. Department of the Treasury			4,401,958
U.S. Environmental Protection Agency			
Direct Program:			
Water Infrastructure Finance and Innovation	66.958	N18118FL	44,204,486
Total U.S. Environmental Protection Agency			44,204,486
Total Expenditures of Federal Awards			$ 52,841,812

Note: No amounts were provided to subrecipients.

See notes to schedule of expenditures of federal awards.

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the expenditure activity of all federal awards of the City of North Miami Beach, Florida (the "City") for the fiscal year ended September 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts reflected in the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – INDIRECT COST RATE

The City has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – FEDERAL LOAN PROGRAM

During fiscal year 2025, the City received a Water Infrastructure Finance and Innovation Act (WIFIA) loan (Assistance Listing No. 66.958) in the amount of $44,204,486, which is reported on the Schedule. The outstanding balance of the WIFIA loan as of September 30, 2025 was $44,204,486.

CITY OF NORTH MIAMI BEACH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:	*Unmodified*
Internal control over financial reporting:	
Material weakness(es) identified?	_X_ Yes ____ No
Significant deficiency(ies) identified?	_X_ Yes ____ None reported
Noncompliance material to financial statements noted?	_X_ Yes ____ No

Federal Awards

Internal control over major federal programs:	
Material weakness(es) identified?	_X_ Yes ____ No
Significant deficiency(ies) identified?	_X_ Yes ____ None reported
Type of auditor's report issued on compliance for the major Federal programs:	*Unmodified*
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	_X_ Yes ____ No

Identification of the Major Federal Programs:

Federal Program or Cluster	ALN
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228
Water Infrastructure Finance and Innovation (WIFIA)	66.958

Dollar threshold used to distinguish between Type A and Type B Federal Programs:	$1,000,000
Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	___ Yes _X_ No

SECTION II – FINANCIAL STATEMENT FINDING

MATERIAL WEAKNESS

MW2025-001 – INACCURATE REPORTING OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Criteria

Title 2 U.S, Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”) requires that the recipient of grant awards must be able to prepare an accurate schedule of expenditures and be able to identify in its accounts all federal awards and state assistance received and expended.

Condition

The original Schedule of Expenditures of Federal Awards (“SEFA”) provided by the City erroneously omitted the Water Infrastructure Finance and Innovation Act (“WIFIA”) federal loan program (ALN 66.958) in the amount of $44,204,486. As a result of this omission, the auditor was required to modify its audit approach in accordance with Uniform Guidance requirements and perform additional procedures to evaluate the WIFIA program as a major federal program. Accordingly, the WIFIA program was identified and tested as an additional major program under the Single Audit.

Cause

Lack of sufficient review controls over the preparation and review of the SEFA.

Effect

The SEFA was not accurately prepared and could result in incorrect reporting of expenditures to federal and state agencies.

Recommendation

We recommend that the staff responsible for the preparation of the SEFA and monitoring of Federal and State Awards receive additional training to possess a thorough understanding of grants and their related program requirements. Additionally, the SEFA should be reviewed and approved by management personnel identified by the City who possesses the adequate knowledge and expertise. Such review and approval should take place during the City’s financial close process.

Views of Responsible Officials

See accompanying Corrective Action Plan.

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

SIGNIFICANT DEFICIENCIES

SD2025-001 – NON-COMPLIANCE WITH 553.80(7)(A) FLORIDA STATUTES (REPEAT FINDING PREVIOUSLY REPORTED AS – SD2024-003)

Criteria

Section 553.80(7)(a), Florida Statutes, states that a local government may not carry forward an amount exceeding the average of its operating budget for enforcing the Florida Building Code for the previous 4 fiscal years. A local government must use any excess funds that it is prohibited from carrying forward to rebate and reduce fees, to upgrade technology hardware and software systems to enhance service delivery, to pay for the construction of a building or structure that houses a local government's building code enforcement agency, or for training programs for building officials, inspectors, or plans examiners associated with the enforcement of the Florida Building Code.

Condition

We analyzed the fund balance for the Building Fund (reported as a non-major enterprise fund) and determined the City did not comply with Section 553.80(7)(a), Florida Statutes for the year ended September 30, 2025.

Cause

No policies or procedures exist to support periodic review of the fund balance or to monitor the balance to ensure compliance with the Florida Statute.

Effect

The City was not in compliance with Section 553.80(7)(a), Florida Statutes as of September 30, 2025.

Recommendation

The City should develop policies and procedures to periodically review the fund balance of the Building Fund to ensure compliance with the Florida Statute and define procedures to identify corrective action if needed.

Views of Responsible Officials

See accompanying Corrective Action Plan.

SECTION II – FINANCIAL STATEMENT FINDING (CONTINUED)

SIGNIFICANT DEFICIENCIES (CONTINUED)

SD2025-002 – PERMIT FEE CHARGE

Criteria

The City is required to assess and collect permit fees in accordance with its formally adopted permit fee schedule, as approved by ordinance/resolution. The fee schedule establishes the authorized rates to ensure consistency, transparency, and proper revenue recognition within the enterprise fund.

Condition

As a result of the permit fee testing performed by the auditor, the auditor noted (15) instances out of thirty (30) selections where the fees charged did not agree to the approved permit fee schedule. The variances identified included both overcharges and undercharges.

Cause

Inadequate controls related to the calculation and review of permit fees, to ensure compliance with the approved permit fee schedule.

Effect

The City was not in compliance with its adopted permit fee schedule for the fiscal year ended September 30, 2025. Additionally, these discrepancies resulted in inaccurate revenue amounts recorded within the enterprise fund and may lead to inequitable charges to permit applicants.

Recommendation

The City should examine its controls and develop policies and procedures to ensure permit fees are consistently assessed in accordance with the approved fee schedule. Such procedures may include implementing a formal review process, enhancing staff training, and strengthening system controls to ensure fees are calculated accurately.

Views of Responsible Officials

See accompanying Corrective Action Plan.

SECTION II – FINANCIAL STATEMENT FINDING (CONTINUED)

SIGNIFICANT DEFICIENCIES (CONTINUED)

SD2025-003 – NON-COMPLIANCE WITH STATE REVOLVING LOAN RATE COVERAGE REQUIREMENT

Criteria

Article V, Section 5.01 Rate Coverage, of the Clean Water State Revolving Fund Loan Agreement (“Agreement”) requires that the City maintain rates and charges for the services furnished by the Water and Sewer Systems be sufficient to provide, in each fiscal year, pledged revenues equal to or exceeding 1.15 times the sum of the semiannual loan payments due in such fiscal year.

"Pledged Revenues," as defined in the Agreement, refers to the specific revenues designated as security for the repayment of the Loan. These revenues consist of the gross annual revenues generated from the operation of the Water and Sewer Systems, after deducting Operation and Maintenance Expenses and fulfilling all annual payment obligations related to any senior obligations issued.

Condition

For the fiscal year ended September 30, 2025, the City did not maintain sufficient rates and charges to provide pledged revenues to meet the required rate coverage ratio of 1.15 for the Sewer Department.

Cause

The City is not performing necessary review of its Water and Sewer fund operations to ensure sufficient pledged revenues are maintained to meet the rate coverage ratio per the agreement.

Effect

The City did not comply with Article V, Section 5.01 Rate Coverage of the Agreement.

Recommendation

The City should continuously monitor and compare actual results of the Water and Sewer fund operations to ensure future water and sewer utility rates/revenues are sufficient in order to continue funding annual operating and maintenance costs, debt service and meet rate coverage ratio requirements.

Views of Responsible Officials

See accompanying Corrective Action Plan.

SECTION II – FINANCIAL STATEMENT FINDING (CONTINUED)

SIGNIFICANT DEFICIENCIES (CONTINUED)

SD2025-004 – NON-COMPLIANCE WITH LOAN AGREEMENT REPORTING REQUIREMENTS

Criteria

Pursuant Article IV, Covenants of the Issuer, Section 4.08(1) of the loan agreement for the City's General Obligation Refunding Note, Series 2022 requires the Issuer to provide the Noteholder with a copy of the Issuer's audited financial statements for the preceding fiscal year within two hundred ten (210) days following the end of each fiscal year. Timely submission of audited financial statements is required to comply with the terms and conditions of the debt agreement and to provide the lender with current financial information necessary to monitor the Issuer's financial condition and ongoing compliance with loan requirements.

Condition

For the fiscal year ended September 30, 2025, the City did not provide its audited financial statements to the applicable Noteholder within the timeframe required by the respective debt agreement and did not obtain an approved waiver of reporting requirement from lender.

Cause

The City did not maintain procedures sufficient to monitor and ensure compliance with all reporting deadlines contained within its debt agreements.

Effect

The City did not comply with Article IV, Covenants of the Issuer, Section 4.08(1) Financial and Budget Information of the loan agreement.

Recommendation

The City should establish procedures to monitor all debt agreement reporting requirements and deadlines, including the timely submission of audited financial statements and other required information, to ensure compliance with debt agreement provisions.

Views of Responsible Officials

See accompanying Corrective Action Plan.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

MATERIAL WEAKNESS

MW2025-001 – INACCURATE REPORTING OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal agency name: U.S. Environmental Protection Agency
Federal program title: Water Infrastructure Finance and Innovation (WIFIA)
ALN: 66.958
Grant No.: N18118FL
Grant Period: October 1, 2024 through September 30, 2025

Criteria

Title 2 U.S, Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires that the recipient of grant awards must be able to prepare an accurate schedule of expenditures and be able to identify in its accounts all federal awards and state assistance received and expended.

Condition

The original Schedule of Expenditures of Federal Awards (“SEFA”) provided by the City erroneously omitted the Water Infrastructure Finance and Innovation Act (“WIFIA”) federal loan program (ALN 66.958) in the amount of $44,204,486. As a result of this omission, the auditor was required to modify its audit approach in accordance with Uniform Guidance requirements and perform additional procedures to evaluate the WIFIA program as a major federal program. Accordingly, the WIFIA program was identified and tested as an additional major program under the Single Audit.

Cause

Lack of sufficient review controls over the preparation and review of the SEFA.

Effect

The SEFA was not accurately prepared and could result in incorrect reporting of expenditures to federal and state agencies.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

MATERIAL WEAKNESS (CONTINUED)

MW2025-001 – INACCURATE REPORTING OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

Recommendation

We recommend that the staff responsible for the preparation of the SEFA and monitoring of Federal and State Awards receive additional training to possess a thorough understanding of grants and their related program requirements. Additionally, the SEFA should be reviewed and approved by management personnel identified by the City who possesses the adequate knowledge and expertise. Such review and approval should take place during the City's financial close process.

Views of Responsible Officials

See accompanying Corrective Action Plan.

SIGNIFICANT DEFICIENCY

SD 2025-005 Reporting – Data Collection Form (REPEAT FINDING – SD2024-005)

Federal agency name: U.S. Dept. of Justice, U.S. Dept. of Transportation, U.S. Dept. of Housing and Urban Development, U.S. Dept. of Treasury, and U.S. Environmental Protection Agency
Federal program title: Edward Byrne Memorial Justice Assistance Grant, Safe Streets and Roads for All, Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii, Coronavirus State and Local Fiscal Recovery Funds, and Water Infrastructure Finance and Innovation
ALN: 14.228, 16.738, 20.939, 21.027 and 66.958
Grant No.: 15PBJA-23-GG-035257-JAGX, 6N219, 15PBJA-22-02441-JAGX, 15PBJA-24-GG-05601-JAGX, 693JJ32340316, MT054, Y5233 and N18118FL
Grant Period: October 1, 2024 through September 30, 2025
Pass Through Entity: Florida Depart. of Transportation and Florida Depart. of Economic Opportunity

Criteria

2 CFR Section 200.512(a) requires the reporting package and Data Collection Form ("DCF") to be submitted to the Federal Audit Clearinghouse the earlier of thirty calendar days after the reports are received from the auditor or nine months after the end of the audit period.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

SIGNIFICANT DEFICIENCY (CONTINUED)

SD 2025-005 Reporting – Data Collection Form (REPEAT FINDING PREVIOUSLY REPORTED AS – SD2024-005)

Condition

During the completion of the fiscal year 2025 Single Audit, it was determined that the original SEFA omitted the WIFIA federal loan program (ALN 66.958) totaling $44,204,486. Upon identification of the omission, the SEFA was revised, and the auditor was required to perform additional audit procedures in accordance with Uniform Guidance, including testing the WIFIA program as an additional major program. The additional procedures required to address the omitted federal program resulted in the Single Audit not being completed by the June 30, 2026 reporting deadline.

Cause

Lack of sufficient review controls over the preparation and review of the SEFA.

Effect

The City is not in compliance with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Recommendation

Management should implement policies to ensure timely financial reporting and ensure the timely completion of an audit.

View of Responsible Official and Planned Corrective Action

See accompanying Corrective Action Plan.

CITY OF NORTH MIAMI BEACH, FLORIDA

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS

MATERIAL WEAKNESSES

MW2024-001 – was addressed and not repeated in the current year.

SIGNIFICANT DEFICIENCIES

SD2024-002 – was addressed and not repeated in the current year.

SD2024-003 – was not addressed and was repeated in the current year as SD2025-001.

SD2024-004 – was addressed and not repeated in the current year.

II. PRIOR YEAR FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

SD2024-005 – was not addressed and was repeated in the current year as SD2025-005.

CBIZ CPAs P.C.

2811 Ponce De Leon Blvd., Suite 1100
Coral Gables, FL 33134

P: 305.995.9600

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

To the Honorable Mayor, City Commission and City Manager
City of North Miami Beach

Report on the Financial Statements

We have audited the financial statements of the City of North Miami Beach (the "City"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated August 11, 2026. We did not audit the financial statements of the Retirement Plan for Police Officers and Firefighters of the City of North Miami Beach, and the Retirement Plan for the General Employees of the City of North Miami Beach, which are component units of the City. This management letter does not include any matters reported on separately by those other auditors in their management letter, if any.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for the Each Major Federal Program; Report on Internal Control over Compliance and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated August 11, 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. The status of findings and recommendations made in the preceding annual financial audit report have been addressed in the Summary Schedule of Prior Year Findings.

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 Note 1 to the financial statements. Also, as discussed in Note 1, the City included the North Miami Beach Community Redevelopment Agency (the "CRA") as a blended component unit of the City.

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures to the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. The results of our procedures disclosed no matters that are required to be reported. Our assessment was performed as of the fiscal year end.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any additional recommendations, other than those noted in the accompanying Schedule of Findings and Questioned Costs.

Property Assessed Clean Energy (PACE) Program

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the City's geographical boundaries during the fiscal year under audit. There was no PACE Program operating within the City's geographical boundaries.

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.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7., Rules of the Auditor General, the CRA required information is reported in the Other Information section of the CRA's stand-alone financial statements for the fiscal year ended September 30, 2025.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that have occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. See accompanying Schedule of Findings and Questioned Costs.

Purpose of this Letter

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

CBIZ CPAs P.C.

Coral Gables, Florida
August 11, 2026

CBIZ CPAs P.C.

2811 Ponce De Leon Blvd., Suite 1100
Coral Gables, FL 33134

P: 305.995.9600

Independent Accountants' Report on Compliance
Pursuant to Section 218.415, Florida Statutes

To the Honorable Mayor, City Commission and City Manager
City of North Miami Beach, Florida

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the 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 engagement.

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

In our opinion, the City complied, in all material respects, with Section 218.415, Florida Statutes, as of and for the fiscal year ended September 30, 2025.

This report is intended solely to describe our testing of compliance with Section 218.415, Florida Statutes, and is not suitable for any other purpose.

CBIZ CPAs P.C.

Coral Gables, Florida
June 30, 2026

City of North Miami Beach, Florida

Finance Department 17011 NE 19th Avenue N. Miami Beach, FL 33162

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority personally appeared **Patrick Williams,** Chief Accountant, who being duly sworn, deposes and says on oath that:

1. I am the Chief Accountant of **City of North Miami Beach** which is a local governmental entity of the State of Florida.

2. The governing body of City of North Miami Beach adopted (Ordinance No. **1974-18 & 1983-3A)** implementing an impact fee or authorizing the City of North Miami Beach to receive and expend proceeds of an impact fee implemented by **City of North Miami Beach.**

3. **City of North Miami Beach** has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

____

Patrick Williams Chief Accountant

STATE OF FLORIDA
COUNTY OF **Miami Dade County**
SWORN TO AND SUBSCRIBED before me this 1st day of JUNE ,2026

____

NOTARY PUBLIC
Print Name MARVA SIMMONDS

Personally known ✓ produced identification __________

Type of identification produced: ______________________________

My Commission Expires:
AUG. 17, 2027

NOTARY PUBLIC STATE OF FLORIDA
MARVA SIMMONDS
MY COMMISSION # HH 387275
EXPIRES: August 17, 2027

1. Pursuant to Section 163.31801 (8), Florida Statutes, if there is no chief financial officer, the executive officer must sign the affidavit.

City of North Miami Beach, Florida
City Manager's Office

August 11, 2026

To: CBIZ CPAs P.C.
2811 Ponce De Leon blvd., Suite 1100
Coral Gables, FL 33134

From: Darvin E. Williams, JD, MBA, MPH
City Manager, North Miami Beach
17011 NE 19th Avenue
North Miami Beach, FL 33162

Re: Corrective Action Plan Fiscal Year 2025

MW2025-001 – INACCURATE REPORTING OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Current Year Corrective Action Response:
Management concurs with the findings. Management recognizes the importance of ensuring all federal awards are accurately reported, in accordance with Uniform Guidance requirements.

The City will establish formal procedures to review federal/state grant award agreements and loan documentation for compliance and reporting requirements to ensure awards and loans are properly reported. In addition, the City will provide responsible staff appropriate training to strengthen their knowledge and understanding of Uniform Guidance reporting requirements.

SD2025-001 – NON-COMPLIANCE WITH 553.80(7)(A) FLORIDA STATUTES (REPEAT FINDING PREVIOUSLY REPORTED AS – SD2024-003)

Current Year Corrective Action Response:
Recognizing the importance of maintaining transparency, accountability, and regulatory compliance, the City has engaged two independent consultants, Raftelis and RC & Associates, LLC, to conduct a comprehensive review of Building Fund operations. These reviews include a Building Department rate study and an operational compliance assessment intended to identify contributing factors to the excess fund balance and recommend corrective actions.

The City has initiated several corrective measures.

Raftelis has been retained as an independent consulting firm to perform a comprehensive rate study of the Building Department.

The objectives of the rate study include:

- Evaluating current permit fees and charges.
- Assessing operational and administrative costs.

- Determining whether existing fees appropriately reflect service delivery costs.
- Recommending fee adjustments where necessary.
- Establishing a sustainable financial model for future operations.

The rate study will provide data-driven recommendations to help align revenues with actual departmental expenditures.

In addition to the rate study, the City also engaged RC & Associates, LLC, to conduct an operational and financial assessment of the Building Fund.

RC & Associates, LLC responsibilities include:
- Reviewing historical financial data.
- Examining Building Fund revenue and expenditure trends.
- Identifying factors that contributed to the excess net position.
- Evaluating compliance with applicable state statutes.
- Recommending corrective measures and implementation strategies.

This assessment will assist the City in understanding how the current condition developed and provide guidance for returning to compliance.

City administration and departmental leadership are actively monitoring Building Fund activity and coordinating with the consultants throughout the review process. Financial data continues to be evaluated to ensure informed decision-making and accountability.

Both studies are expected to be completed by the end of Fiscal Year 2026.

SD2025-002 – PERMIT FEE CHARGE

Current Year Corrective Action Response:
Management concurs with the findings. The City will review its current permitting and fee assessment procedures to strengthen internal controls and implement policies and review procedures to verify that permit fees are calculated and assessed in accordance with the approved fee schedule.

SD2025-003 – NON-COMPLIANCE WITH STATE REVOLVING LOAN RATE COVERAGE REQUIREMENT

Current Year Corrective Action Response:
Management concurs with the finding. The City has engaged a consultant to perform a comprehensive Water and Sewer rate study. The goal is to evaluate the adequacy of the current utility rate structure, projected operating and capital needs, debt service requirements, and compliance with the rate coverage covenant along with providing recommendations for opportunity for operating efficiencies. The city expects to use the study to implement measures to become compliant with Article V, Section 5.01 Rate Coverage, of the Agreement.

In the interim, management will continue to strengthen its monitoring of the Water and Sewer Fund by establishing procedures and performing periodic reviews of operating results, debt service coverage, and projected revenues and expenditures throughout the fiscal year to ensure rate coverage ratio requirements are met.

SD2025-004 – NON-COMPLIANCE WITH LOAN AGREEMENT REPORTING REQUIREMENTS

Current Year Corrective Action Response:

Management concurs with the findings. The City will implement a debt compliance tracking process to identify reporting requirements This will enhance the City's ability to comply with important deadlines, including submission of audited financial statements and other required information.

SD 2025-005 REPORTING – DATA COLLECTION FORM (REPEAT FINDING PREVIOUSLY REPORTED AS – SD2024-005)

Current Year Corrective Action Response:
Management concurs with the findings. Management will implement policies and procedures as per the auditor's recommendation.