



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

Financial Report
For the Fiscal Year Ending September 30, 2023

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

Financial Report
Fiscal Year Ended September 30, 2023

PREPARED BY

THE FINANCE DEPARTMENT

Cover picture
North Beach Oceanside Park
<http://www.miamibeachfl.gov/>

Table of Contents

Independent Auditor's Report	1 - 3
<hr/>	
Basic financial statements:	
Government-wide financial statements:	
Statement of net position	4
Statement of activities	5
Fund financial statements:	
Governmental funds:	
Balance sheet	6
Reconciliation of governmental funds balance sheet to the statement of net position	6
Statement of revenues, expenditures and changes in fund balances	7
Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities	7
Notes to financial statements	8-12
<hr/>	
Required supplementary information (unaudited):	
Budgetary comparison schedule	13
Notes to budgetary comparison schedule	14
<hr/>	
Other Audit Reports:	
Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i>	15-16
<hr/>	
Management Letter	17-18
<hr/>	
Independent accountant's report on compliance with Sections 163.387(6) and 163.387(7), Florida Statutes	19
Independent accountant's report on compliance with Section 218.415, Florida Statutes	20
<hr/>	
Other City Reports on Compliance with local government reporting section 163.371, Florida Statutes (unaudited)	
Property Values	21
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Independent Auditor's Report

RSM US LLP

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of the North Beach Community Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Agency, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule of the general fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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 financial statements in an appropriate operational, economic, or historical context. Our opinions on the financial statements are not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2024 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Agency's internal control over financial reporting and compliance.

RSM US LLP

Miami, Florida
June 28, 2024

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

**Statement of Net Position
 September 30, 2023**

	Governmental Activities
Assets	
Cash and investments	<u>\$ 931,313</u>
Total assets	<u>\$ 931,313</u>
Liabilities and net position	
Liabilities:	
Due to primary government	<u>68,526</u>
Total liabilities	<u>68,526</u>
Net Position:	
Restricted for economic development	<u>\$ 862,787</u>
Total net position	<u>\$ 862,787</u>

See notes to financial statements.

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

Statement of Activities
 Year Ended September 30, 2023

	Expenses	Net Revenue (Expense) and Changes in Net Position Total Governmental Activities
Functions:		
Governmental Activities:		
Economic environment	\$ 172,370	\$ (172,370)
	\$ 172,370	\$ (172,370)
General revenues:		
Tax increment		\$ 1,034,913
Interest		244
Total general revenues		1,035,157
Change in net position		862,787
Net position, beginning		-
Net position, ending		\$ 862,787

See notes to financial statements.

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

Balance Sheet
Governmental Fund
September 30, 2023

	General Fund
Assets	
Cash and investments	\$ 931,313
Total assets	<u>\$ 931,313</u>
Liabilities and fund balances	
Liabilities:	
Due to primary government	\$ 68,526
Total liabilities	<u>68,526</u>
Fund balances:	
Restricted for economic development	862,787
Total fund balances	<u>862,787</u>
Total liabilities and fund balances	<u>\$ 931,313</u>
Reconciliation of governmental fund balance sheet to the statement of net position:	
Total fund balance - General Fund	\$ 862,787
Amounts to be reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the general fund.	-
Net position of governmental activities	<u>\$ 862,787</u>

See notes to financial statements.

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

**Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
Year Ended September 30, 2023**

	General Fund
<hr/>	
Revenues:	
Tax increment	\$ 1,034,913
Interest	244
Total revenues	<u>1,035,157</u>
Expenditures:	
Current:	
Economic development	172,370
Total Expenditures	<u>172,370</u>
Change in net position	862,787
Fund balances, beginning	-
Fund balances, ending	<u>\$ 862,787</u>

Reconciliation of change in fund balance to change in net position of governmental activities:

Change in Fund balance - General Fund	\$ 862,787
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital assets	-
Current year depreciation expense	-

Change in net position of governmental activities	<u>\$ 862,787</u>
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See notes to financial statements.

Note 1 - Summary of Significant Accounting Policies

A. Financial Reporting Entity

The North Beach Community Redevelopment Agency (CRA) was created under the Community Redevelopment Act of 1969, enacted by the Florida Legislature, approved by City of Miami Beach Resolution No. 2021-31596 on February 10, 2021 and Miami-Dade County Resolution No. R-696-21 on July 20, 2021. Registration with the Florida Department of Economic Opportunity's Special District Accountability Program was completed in August 2021 and in accordance with section 189.012(2)(a) and (d), Florida Statutes, the North Beach CRA was classified as a special district.

The City of Miami Beach approved the Interlocal Cooperation Agreement by and among the City of Miami Beach, Miami-Dade County, and the North Beach CRA via Resolution No. 2021-31817 as amended on July 28, 2021. The North Beach CRA approved the Interlocal Cooperation Agreement by and among Miami-Dade County, the City of Miami Beach and the North Beach CRA via Resolution No. 005-2021 on July 28, 2021.

The North Beach CRA is generally bounded on the north by 87th Terrace, on the south by 65th street, on the east by the Atlantic Ocean and on the west by Rue Notre Dame. The Board of Directors is the City Commission and the executive director is the City Manager. The primary revenue source is, tax increment financing (TIF), the incremental growth of ad valorem revenues beyond an established base year. TIF is to be collected annually from Miami-Dade County and the City of Miami Beach beginning in fiscal year 2023.

Requests for Information

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

B. Government-Wide and Fund Financial Statements

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

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

The Management Discussion & Analysis was not provided as this is the CRA's first year of operation.

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

The basic financial statements consist of the government-wide financial statements and fund financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Only current assets and current liabilities are generally included on their balance sheet. The operating statements present sources (revenue and financing sources) and uses (expenditures and other financing uses) of available spendable resources during the period. Revenues are recognized as soon as they are both

measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

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

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

The Agency reports the following major governmental funds:

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

D. Assets & Fund Balance

1. Cash and Investments

Cash is comprised of deposits with financial institutions. Investments are comprised of U.S. Treasury obligations, money market funds and external governmental investment pools.

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

2. Fund Balance

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

- a. Non-spendable Fund Balance – amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Examples of non-spendable fund balance include leases, inventories and/or prepaid expenditures.
- b. Restricted Fund Balance - amounts that are restricted to specific purposes when constraints placed on the use of resources are either by (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- c. Committed Fund Balance - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. The commission adopts a City resolution, which includes the amount to be committed and the reason for the commitment. Only an adopted resolution by the Commission can establish, modify or rescind the commitment.
- d. Assigned Fund Balance – amounts that are constrained by the City Commission's or an official delegated by the governing body's (City Manager) intent to be used for specific purposes but are neither

restricted nor committed. Fund balance is primarily assigned based on the City's budgeting policy. Some amounts are approved and assigned by the City commission subsequent to September 30, 2023.

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

Net Position:

The government-wide financial statements utilize a net position presentation. Net Position is categorized as restricted. The restricted net position represents amounts that are restricted by requirement for future economic development.

3. Use of estimates

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

4. Recent accounting pronouncements adopted/implemented

For the year beginning October 1, 2022, the City implemented GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; GASB No. 96, *Subscription-Based Information Technology Arrangements*; and GASB No. 99, *Omnibus 2022*,

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. The Agency has determined that GASB Statement No. 94 has no impact on its financial statements as of September 30, 2023.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The Agency has determined that GASB Statement No. 96 has no impact on its financial statements as of September 30, 2023.

In January 2020, the GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of derivative instruments, leases, public-private and public-public partnerships and availability payment arrangements, subscription-based information technology arrangements, and London Interbank Offered Rate (LIBOR) (2) accounting and financial reporting for financial guarantees. As required, the City has implemented GASB Statement

North Beach Community Redevelopment Agency
(A Blended Component Unit of the City of Miami Beach, Florida)
Notes to Financial Statements
September 30, 2023

No. 99 as of September 30, 2023. The impact of GASB Statement No. 99 has been appropriately updated throughout this report.

Note 2 - Deposits

Deposits

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

The City's cash and cash equivalents at September 30, 2023 is \$931,313.

Note 3 - Tax Increment Revenue

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

Note 4 - Related-Party Transactions

The Agency obtains certain managerial and administrative services and support services from the City. The Agency incurred \$141,418 of expenditures for that support of which \$68,526 is due to the City as of September 30, 2023.

Governmental fund:	
Due to the primary government from:	
General fund	68,526

Note 5 - Governmental Fund – Fund Balance

Below is a table of fund balance categories and classifications at September 30, 2023 for the Agency's governmental funds:

	<u>General Fund</u>
Restricted:	
Economic environment	\$ <u>862,787</u>
Total Fund Balance	\$ <u><u>862,787</u></u>

Note 6 - Contingencies

The Agency, in the normal course of operations, is a party to various other actions in which plaintiffs have alleged certain damages. In all cases, management does not believe the disposition of these matters will materially affect the financial position of the Agency. Subsequent events are considered up to the report's date of issuance.

**REQUIRED SUPPLEMENTARY
INFORMATION (RSI)**

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

**Budgetary Comparison Schedule
General Fund**

(Unaudited)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget – Positive (Negative)
Revenues:				
Tax Increment	\$ 1,035,000	\$ 1,035,000	\$ 1,034,913	\$ (87)
Interest	-	-	244	244
Total revenues	1,035,000	1,035,000	1,035,157	157
Expenditures:				
Economic environment	1,032,000	1,032,000	172,370	859,630
Capital outlay	3,000	3,000	-	3,000
Total expenditures	1,035,000	1,035,000	172,370	862,630
Excess of revenues over expenditures	-	-	862,787	862,787
Net change in fund balance	-	-	862,787	862,787
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ 862,787	\$ 862,787

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

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

**Notes to Budgetary Comparison Schedule
September 30, 2023**

Note 1. Budgetary Policy

A. Budgetary Data

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

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

At least 65 days prior to the beginning of the fiscal year, the City Commission, which also serves as the Agency's Board of Directors, is presented with a proposed budget. The proposed budget includes anticipated expenditures and the means of financing them. After Commission review and public hearings, the budget is adopted prior to October 1st. The budget is approved by district and fund. Management may transfer amounts between line items within a fund as long as the transfer does not result in an increase in the fund's budget. Increases to fund budgets require Commission approval.

There was one (1) supplemental budgetary appropriation during fiscal year ended September 30, 2023. A budget appropriation was approved to reclassify funds to support beautification projects totaling \$549,000. Funds were reclassified from budgeted project expenditure reserves (\$391,000) and other budgeted project expenditures (\$151,000) and CMB administration (\$7,000).

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

OTHER REPORTS

**Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the North Beach Community Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated June 28, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

RSM US LLP

Miami, Florida
June 28, 2024

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

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

Report on the Financial Statements

We have audited the financial statements of the North Beach Community Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2023, and have issued our report thereon dated June 28, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and Chapter 10.550, *Rules of the Auditor General* of the State of Florida.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*; and Independent Accountant's Reports on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated June 28, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no recommendations made in the preceding financial audit report.

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Special District Component Unit

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 that the special district component unit failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Agency reported:

- a. There were no Agency employees compensated in the last pay period of the Agency's fiscal year.
- b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the Agency's fiscal year was 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e. There are no construction projects with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin on or after October 1 of the fiscal year being reported.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes, is disclosed as required supplementary information in the Agency's September 30, 2023, financial statements.

Additional Matters

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

Purpose of This Letter

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

RSM US LLP

Miami, Florida
June 28, 2024

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

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

We have examined the North Beach Community Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida's (the City), compliance with Sections 163.387(6) and 163.387(7), *Florida Statutes* during the period from October 1, 2022 to September 30, 2023. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements during the period from October 1, 2022 to September 30, 2023.

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

RSM US LLP

Miami, Florida
June 28, 2024

**Independent Accountant's Report
on Compliance with Section 218.415, *Florida Statutes***

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

We have examined the North Beach Community Redevelopment Agency (the Agency), a component unit of the City of Miami Beach, Florida's (the City), compliance with Section 218.415, *Florida Statutes* during the period from October 1, 2022 to September 30, 2023. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements during the period from October 1, 2022 to September 30, 2023.

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

RSM US LLP

Miami, Florida
June 28, 2024

North Beach Community Redevelopment Agency
Report for the fiscal year end
September 30, 2023

OTHER RDA REPORTS
UNAUDITED

LOCAL GOVERNMENT REPORTING
SECTION 163.371, FLORIDA STATUTES

A. Property values (Form DR-420 TIF)



Reset Form

Print Form

TAX INCREMENT ADJUSTMENT WORKSHEET

Year : 2022	County : MIAMI-DADE
Principal Authority : CITY OF MIAMI BEACH	Taxing Authority : CITY OF MIAMI BEACH
Community Redevelopment Area : NORTH BEACH CRA	Base Year : 2021

SECTION I : COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value in the tax increment area	\$	1,585,511,443	(1)
2.	Base year taxable value in the tax increment area	\$	1,420,227,377	(2)
3.	Current year tax increment value <i>(Line 1 minus Line 2)</i>	\$	165,284,066	(3)
4.	Prior year Final taxable value in the tax increment area	\$	1,420,227,377	(4)
5.	Prior year tax increment value <i>(Line 4 minus Line 2)</i>	\$	0	(5)

SIGN HERE	Property Appraiser Certification	I certify the taxable values above are correct to the best of my knowledge.		
	Signature of Property Appraiser : Electronically Certified by Property Appraiser	Date :	7/1/2022 11:40 AM	

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

6. If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:				
6a.	Enter the proportion on which the payment is based.		60.00 %	(6a)
6b.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 6a)</i> If value is zero or less than zero, then enter zero on Line 6b	\$	99,170,440	(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	\$	0	(6c)
7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:				
7a.	Amount of payment to redevelopment trust fund in prior year	\$	0	(7a)
7b.	Prior year operating millage levy from Form DR-420, Line 10		0.0000 per \$1,000	(7b)
7c.	Taxes levied on prior year tax increment value <i>(Line 5 multiplied by Line 7b, divided by 1,000)</i>	\$	0	(7c)
7d.	Prior year payment as proportion of taxes levied on increment value <i>(Line 7a divided by Line 7c, multiplied by 100)</i>		0.00 %	(7d)
7e.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 7d)</i> If value is zero or less than zero, then enter zero on Line 7e	\$	0	(7e)

S I G N H E R E	Taxing Authority Certification	I certify the calculations, millages and rates are correct to the best of my knowledge.		
	Signature of Chief Administrative Officer : Electronically Certified By Taxing Authority	Date :	7/22/2022 11:19 AM	
	Title : CITY MANAGER	Contact Name and Contact Title :	TAMEKA OTTO STEWART, BUDGET DIRECTOR	
	Mailing Address : 1700 CONVENTION CENTER DR	Physical Address :	1700 CONVENTION CENTER DRIVE	
	City, State, Zip : MIAMI BEACH, FL 33139	Phone Number :	305-673-7510	Fax Number :

