



CITY OF DORAL, FLORIDA

Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2009



City of Doral, Florida

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2009

Prepared by:

THE FINANCE DEPARTMENT

City of Doral, Florida

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2009

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City of Doral, Florida

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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INTRODUCTORY SECTION



April 22, 2010

To the Honorable Mayor, Members of the City Council and Citizens of the City of Doral:

The Government Finance Officers Association (GFOA) recommends that all units of local government publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) in the United States and audited in accordance with auditing standards generally accepted in the United States and in accordance with Government Auditing Standards by a firm of licensed certified public accountants. Pursuant to that recommendation, we hereby issue the Comprehensive Annual Financial Report of the City of Doral for the fiscal year ended September 30, 2009.

This report consists of management's representation concerning the finances of the City of Doral. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Doral has established a comprehensive internal 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 of Doral's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Doral'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.

The firm of Rodriguez, Trueba & Company, licensed certified public accountants has audited the City of Doral's financial statements. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City of Doral for the fiscal year ended September 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amount and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Doral's financial statements for the fiscal year ended September 30, 2009, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally, and state mandated “Single Audit” designed to meet special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal control and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards.

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 of Doral's MD&A can be found immediately following the report of the independent certified public accountants. The remainder of the letter provides an overview of the City government as well as local economic conditions and prospects for the future.

Profile of the Government

The City of Doral, incorporated June 24, 2003, is located in northwestern Miami-Dade County, Florida approximately 10 miles west of Miami, Florida. The City of Doral occupies a land area of 15 square miles bordered on the west by the Ronald Reagan Turnpike, to the north by the Town of Medley, to the east by the Palmetto Expressway and to the south by the City of Sweetwater. The City serves a population of approximately 39,011. The City of Doral receives tax levies on real and personal property located inside its boundaries.

The City of Doral has operated under the mayor-council-manager form of government since incorporation. Policymaking and legislative authority are vested in a governing council consisting of the mayor and four other council members. The Council is responsible, among other things, for passing ordinances and resolutions, adopting the annual budget, and appointing the City Manager, City Attorney and City Clerk. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the daily operations of the government, and for appointing the heads of various departments. The City of Doral offers a wide range of services, including, police protection, public works maintenance, a full service building department, and parks and recreation activities. Certain services are provided through the County School System and the County Library System through Miami-Dade County.

The annual budget serves as a foundation for the City of Doral's financial planning and control. All departments of the City are required to submit requests for appropriations to the City Manager and these requests are the initiation of developing the proposed budget. The City Manager then presents this proposed budget to the Council for review. The Council 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. No department may legally expend in excess of the amount appropriated for that department within an individual fund. The City Manager may make transfers of appropriations within a department and between departments; however, appropriations between funds require the approval of the City Council. The City Council approves supplemental appropriations. Budget to actual comparisons are provided in this report for the general fund for which an appropriated annual budget has been adopted. The general fund budget to actual report is presented in the required supplemental information section of this report.

Economic Condition and Outlook

In fiscal year 2009 the City of Doral began to experience the negative impacts of property tax reform and a slowing housing market being felt statewide. However, unlike other cities throughout the state and nation, continued new investment has helped to improve the City's tax base, which was reduced to \$9.860 billion this fiscal year. Additionally, our regional economic base remains diversified, comprised of wholesale and retail trade, construction, light manufacturing, and tourism. The City has made great strides in the areas of telecommunications and tourism. Located in the center of a hemispheric market of more than 700 million people, and easily accessible to South and Central America and the Caribbean, Doral's strategic location and international commerce infrastructure make it the ideal location for international trade. As a result of expanding economies in several Latin American countries, international trade has been growing in the Doral area.

Airport

In 2009, the Miami International Airport (MIA) served nearly 33.9 million passengers, with nearly 47% of those being international passengers. MIA also shipped 1.7 million tons of domestic and international cargo during the year. MIA ranks among the top 5 in domestic airports for international freight and passenger volume. Currently, MIA has a \$6.2 billion Capital Improvement Program being implemented, including a new runway, terminal, and cargo facility. MIA's close proximity to the City of Doral provides a great avenue for increased activity in the industries dealing in international trade.

Public/Private Development Ventures

The City of Doral has a continuing collaboration with its local schools. Our Parks and Recreation Division have joint use agreements with various local schools to allow them the use of our parks facilities for athletic competitions and practices. In turn, the schools permit the city to use their facilities for certain events. The City budgets and makes available grants of \$5,000 per school every year in support of the Parent Teacher Association and or Parent Teacher Student Associations of our local schools. In addition, the City is currently in the process of installing a barrier net at Doral Academy Charter High School to protect both park users and equipment from the adjacent canal.

The City of Doral also provides, on a yearly basis, Community Based Organization Grants funded at a maximum of \$5,000 per eligible applicant. This program's primary goal is to provide the beneficiary with opportunities to plan, develop, and implement sustainable projects that will serve the needs of the Doral community. This grant is only offered to non-for-profit organizations meeting all eligibility criteria.

Long-Term Financial Planning

In order to meet the service demands of residents and visitors, the City continues to address the long-term financing necessary in order to fund the capital projects essential to the creation, improvement, enhancement, and preservation of public facilities and infrastructure.

The City celebrated its sixth anniversary of incorporation on June 24, 2009. It is clear that the City is in the beginning of a rapid growth phase that will significantly change the demographic makeup of our community over the next five years. Through a clear and consistent policy of smart growth, we will be able to create a community that provides residents with the amenities they need, while avoiding indiscriminate building of undesirable developments. The City's growing tax base, due to new construction, will continue to enhance its revenue capacity which will provide the means to improve and address infrastructure needs. During 2008 the City incorporated its own police force and will continue to pay mitigation to the County through 2010. However, projections show that the City can provide a balanced budget through the next several years without the need to raise taxes assuming there are no significant changes in the level of services provided.

Relevant Financial Policies

Cash Management Policies and Practices

The City's Cash Management strategy emphasizes immediate funds collection and deposit into the appropriate fund utilizing ACH debit or wire transfer methods in over 90% of all funds received. Currently, the City's investment policy follows Chapter 218, Florida Statutes. Surplus cash is invested with Smith Barney in US backed securities. Investment objectives are the preservation of principal, liquidity in accordance with planned cash flows, and return on investment in that order.

Risk Management

The City is exposed to various risks of loss related to torts, theft of or damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in the Florida League of Cities Municipal Insurance Trust for workers' compensation, liability and property insurance.

Pension and Other Post-Employment Benefits

The City of Doral sponsors a defined contribution pension plan 401(a) with the International City Managers' Association, Retirement Corporation (ICMA RC). Each full time employee contributes six percent (6%) of his or her pay to the plan; the City contributes twelve percent (12%). In addition, the City sponsors a 457 deferred compensation plan in which the employees may contribute on a voluntary basis. The City participates in the Florida Retirement System (the "System"), a multiple-employer cost sharing Public Employee Retirement System ("PERS").

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Doral for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2008. This was the fourth year that the City submitted and received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the 2008-2009 fiscal years. This is the fourth year that the City submitted and received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of all departments of the City of Doral. We would like to express our appreciation to all members of all of the departments who assisted and contributed to the preparation of this report. We would like to also express our appreciation to Rodriguez, Trueba & Company, our independent auditors, for their assistance and efforts in helping the City prepare the CAFR. Appreciation is also extended to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Doral's finances.

Respectfully submitted,


Yvonne Soler-McKinley
City Manager


Eliza Rassi
Finance Director

City of Doral, Florida

CITY OFFICIALS

SEPTEMBER 30, 2009

CITY COUNCIL

Juan Carlos Bermudez, Mayor
Robert Van Name, Vice Mayor
Pete Cabrera
Michael DiPietro
Sandra M. Ruiz

CITY MANAGER

Yvonne Soler-McKinley

CITY CLERK

Barbara Herrera

CITY ATTORNEY

Law Offices of Jimmy Morales, P.A.

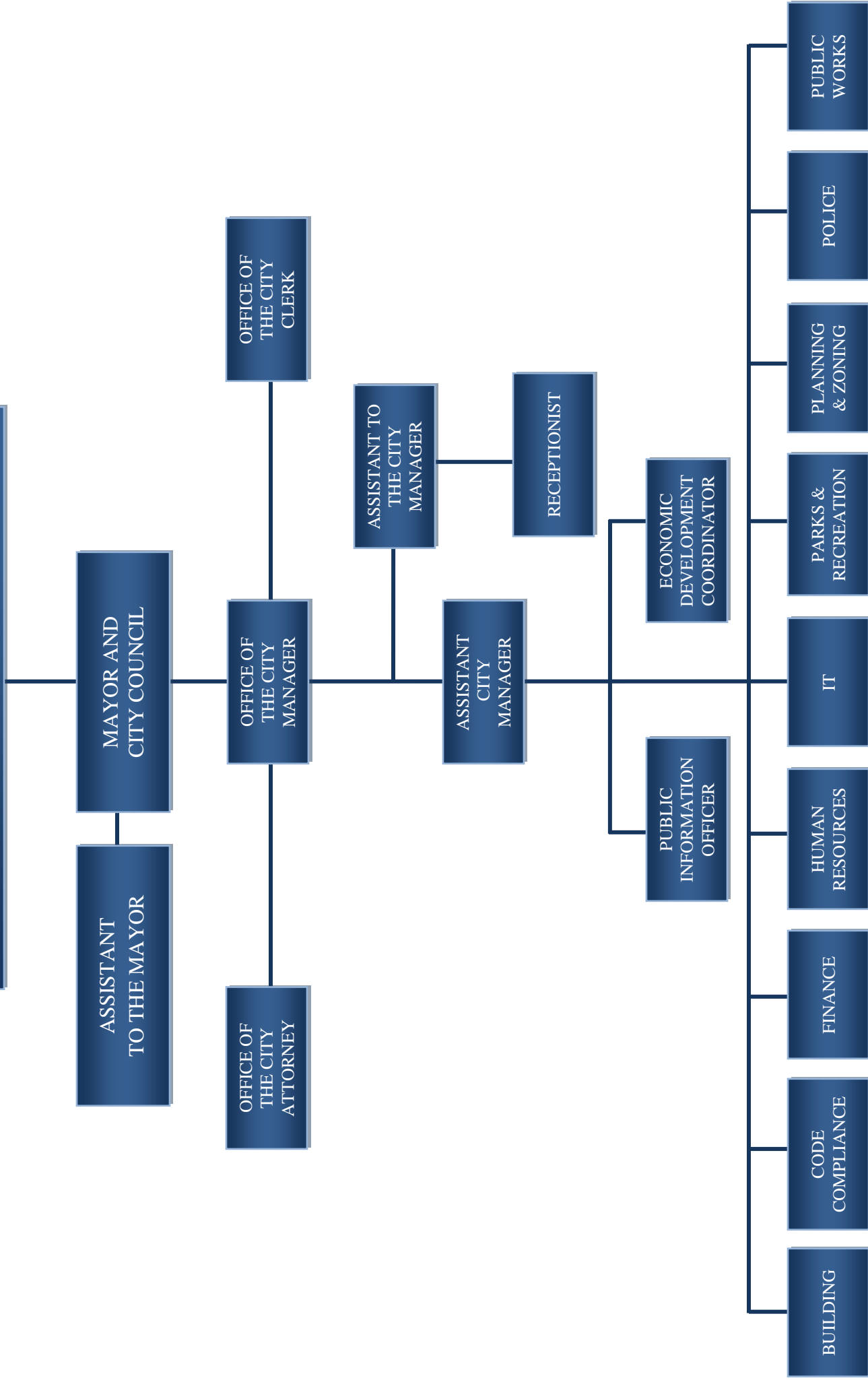
FINANCE DIRECTOR

Eliza Rassi

CITY AUDITORS

Rodriguez, Trueba & Co., P.A.
Certified Public Accountants

CITIZENS OF
THE CITY OF DORAL

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Doral
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, appearing to be "JHR".

President

A handwritten signature in black ink that reads "Jeffrey R. Emmer".

Executive Director

FINANCIAL SECTION

**REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS**



REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Honorable Mayor, City Council and City Manager
City of Doral, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Doral, Florida (the City) as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Doral, Florida as of September 30, 2009, and the respective changes in the financial position and cash flows, where applicable, thereof and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 22, 2010 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Honorable Mayor, City Council and City Manager
City of Doral, Florida
Page Two

Management's Discussion and Analysis and the Required Supplementary Information on pages 3-10 and pages 34-35, respectively, are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and the statistical section are presented for purposes of additional analysis and are not required part of the basic financial statements. The fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion thereon.

Rodriguez Trueba & Company

Rodriguez, Trueba & Co., P.A.
Doral, Florida
April 22, 2010

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD&A)**

Management's Discussion and Analysis

As management of the City of Doral, we offer readers of Doral's (the City) financial statements this narrative overview and analysis of the financial activities of the City of Doral for the fiscal year ended September 30, 2009.

Financial Highlights

- The assets of the City of Doral exceeded its liabilities at the close of the most recent fiscal year by \$105,661,412 (net assets). Of this amount, \$42,752,821 is invested in capital assets, \$5,515,965 is restricted for transportation related uses, \$9,060,722 is restricted for stormwater and drainage related uses, and \$48,331,904 (*unrestricted net assets*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$29,991,220. This increase is attributable to excess revenues over expenses for 2009.
- As of the close of the current fiscal year, Doral's governmental funds reported an ending fund balance of \$54,320,205. Of this amount, \$46,904,479 is available for spending at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$41,344,944, or 83% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Doral's basic financial statements. Doral's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

The *statement of activities* presents information showing how the City of Doral's net assets changed during the most recent fiscal year. All changes in net assets 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 periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Doral 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 of Doral include general government, building, planning, zoning and code enforcement, police, public works and physical environment, and parks and recreation.

The government-wide financial statements include only the City of Doral itself (known as the *primary government*).

The government-wide financial statements can be found on pages 11 and 12 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Doral, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City of Doral has two fund categories, the governmental funds and a proprietary fund.

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 a government's near-term financing requirements.

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

The City of Doral maintains three governmental funds, the general fund, the transportation fund and the capital improvement projects fund.

The City of Doral adopts an annual appropriated budget for the general fund. A budgetary comparison schedule has been provided for the fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13 - 15 of this report.

Proprietary funds. The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its stormwater operations.

The basic proprietary fund financial statements can be found on pages 16-18 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. The notes to the financial statements can be found on pages 19 - 33 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$105,661,412 at the close of the most recent fiscal year.

A portion of the City's net assets, \$42,752,821 or 40.5%, reflects an investment in capital assets (e.g., land infrastructure – construction in progress, public domain and system infrastructure, parks and recreational facilities, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Our comparative analysis of the financial statements of the City begins below. The statement of net assets and the statement of activities report information about the City's activities that will help answer questions about the position of the City.

Net Assets

A summary of the City's net assets is presented in Table A-1 and a summary of the changes in net assets is presented in Table A-2.

Table A-1

Summary of net assets

	Governmental Activities 2008	Governmental Activities 2009	Business Type Activities 2008	Business Type Activities 2009	Total 2008	Total 2009
Current assets	\$ 50,066,748	\$ 58,273,105	\$ 7,075,455	\$ 9,091,044	\$ 57,142,203	\$ 67,364,149
Capital assets	61,346,252	62,255,706	869,798	1,090,316	62,216,050	63,346,022
Total assets	<u>111,413,000</u>	<u>120,528,811</u>	<u>7,945,253</u>	<u>10,181,360</u>	<u>119,358,253</u>	<u>130,710,171</u>
Current liabilities	22,517,121	5,124,827	128,389	30,322	22,645,510	5,155,149
Long-term liabilities	21,042,551	19,893,610	-	-	21,042,551	19,893,610
Total liabilities	<u>43,559,672</u>	<u>25,018,437</u>	<u>128,389</u>	<u>30,322</u>	<u>43,688,061</u>	<u>25,048,759</u>
Net assets:						
Invested in capital assets, net of related debt	39,639,029	41,662,505	869,798	1,090,316	40,508,827	42,752,821
Restricted	3,754,632	5,515,965	6,947,066	9,060,722	10,701,698	14,576,687
Unrestricted	24,459,667	48,331,904	-	-	24,459,667	48,331,904
Total Net Assets	<u>\$ 67,853,328</u>	<u>\$ 95,510,374</u>	<u>\$ 7,816,864</u>	<u>\$ 10,151,038</u>	<u>\$ 75,670,192</u>	<u>\$ 105,661,412</u>

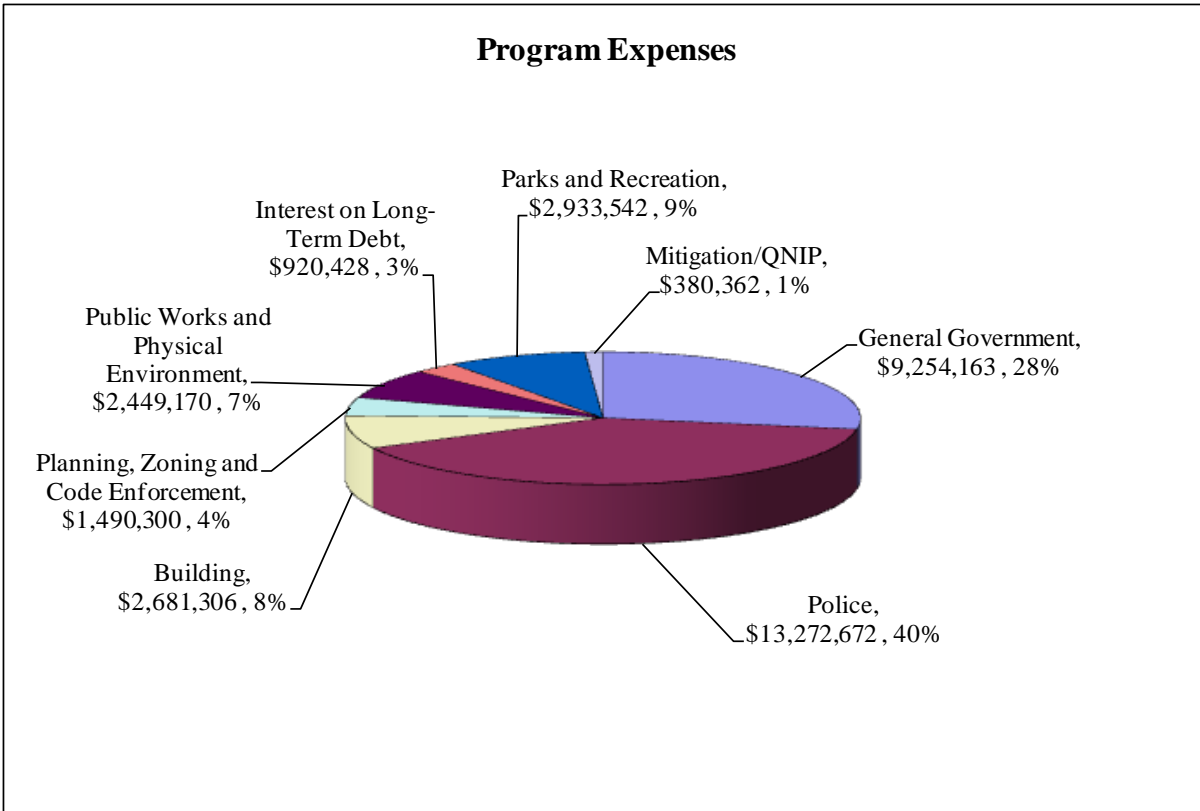
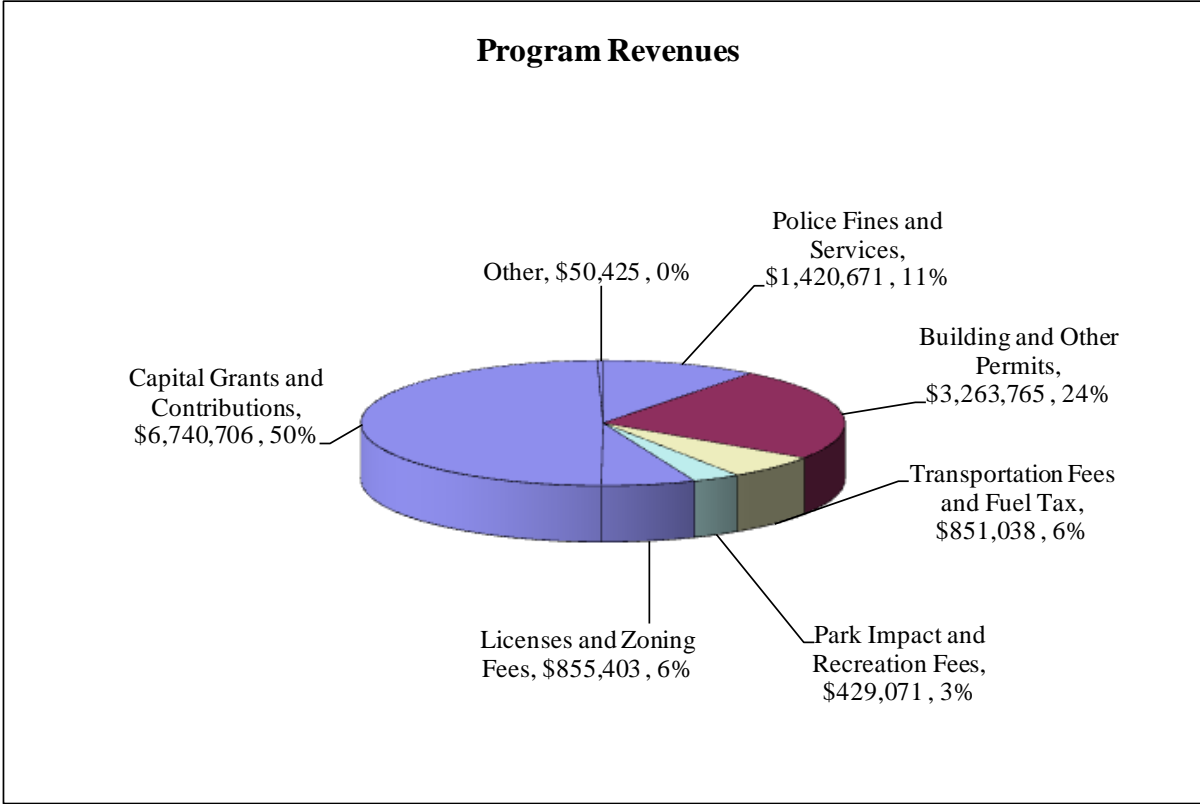
Table A-2

Summary of changes in net assets

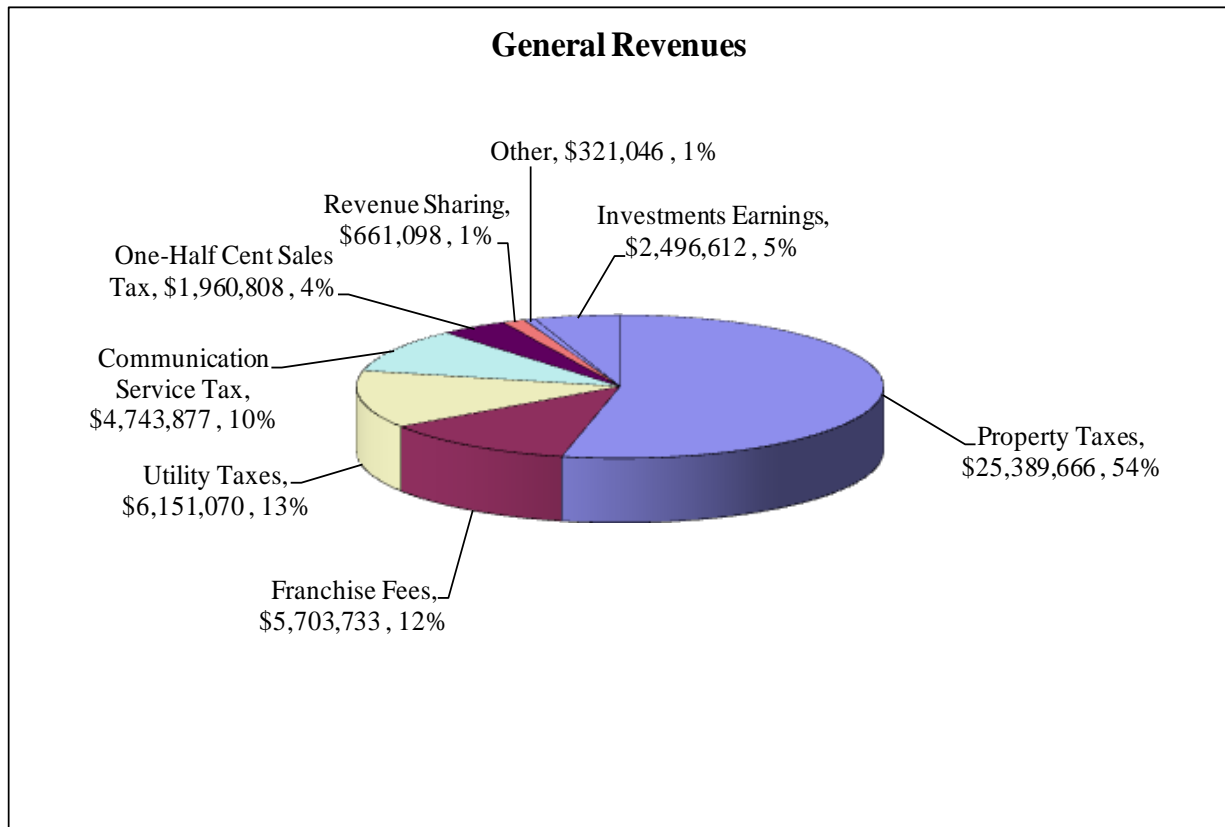
	Governmental Activities 2008	Governmental Activities 2009	Business Type Activities 2008	Business Type Activities 2009	Total 2008	Total 2009
Program Revenues:						
Charges for services	\$ 8,315,403	\$ 6,820,924	\$ 3,201,885	\$ 2,899,271	\$ 11,517,288	\$ 9,720,195
Operating grants and contributions	-	49,449	110,845	-	110,845	49,449
Capital grants and contributions	-	6,740,706	-	-	-	6,740,706
General Revenues:						
Property taxes	24,179,740	25,389,666	-	-	24,179,740	25,389,666
Utility taxes	6,020,561	6,151,070	-	-	6,020,561	6,151,070
Franchise fees	5,586,792	5,703,733	-	-	5,586,792	5,703,733
Communication service tax	4,085,310	4,743,877	-	-	4,085,310	4,743,877
One-half cent sales tax	2,076,521	1,960,808	-	-	2,076,521	1,960,808
Alcoholic beverage taxes	48,752	43,604	-	-	48,752	43,604
Revenue sharing	740,054	661,098	-	-	740,054	661,098
Investments earnings	991,239	2,496,612	-	240,321	991,239	2,736,933
Other income	394,205	277,442	-	-	394,205	277,442
Total Revenues	52,438,577	61,038,989	3,312,730	3,139,592	55,751,307	64,178,581
Expenses:						
General government	6,392,127	9,254,163	-	-	6,392,127	9,254,163
Building	3,431,312	2,681,306	-	-	3,431,312	2,681,306
Police	15,608,252	13,272,672	-	-	15,608,252	13,272,672
Planning, zoning and code enforcement	1,271,656	1,490,300	-	-	1,271,656	1,490,300
Public works and physical environment	1,596,806	2,449,170	-	-	1,596,806	2,449,170
Parks and recreation	2,414,919	2,933,542	-	-	2,414,919	2,933,542
Interest on long-term debt	928,928	920,428	-	-	928,928	920,428
Mitigation/QNIP	17,371,673	380,362	-	-	17,371,673	380,362
Stormwater utility	-	-	770,723	805,418	770,723	805,418
Total expenses	49,015,673	33,381,943	770,723	805,418	49,786,396	34,187,361
Transfers	-	-	-	-	-	-
Changes in net assets	\$ 3,422,904	\$ 27,657,046	\$ 2,542,007	\$ 2,334,174	\$ 5,964,911	\$ 29,991,220

The government's net assets increased by \$29,991,220 during the current fiscal year. This increase represents the results of the City's efforts in obtaining grants as well as operating under prudent adherence to budgeted allocations and with a streamlined and efficient management of the City's finances.

Program Revenues and Expenses – Governmental Activities



Revenues by Source – Governmental Activities



Financial Analysis of the Government's Funds

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

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

At the end of the current fiscal year, fund balance of the general fund was \$43,244,705; of which \$41,344,944 of constitutes *unreserved fund balance*, which is available for spending at the City's discretion.

The general fund is the chief operating fund of the City of Doral. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 83% of total general fund expenditures.

A comparative summary of the governmental fund's condensed balance sheet and statement of revenues, expenditures and changes in fund balances is presented in Table B-1 and B-2 for September 30, 2008 and 2009 follows.

Table B-1*Summary of condensed Balance Sheet*

	September 30, 2008	September 30, 2009
Total assets	\$ 50,975,143	\$ 58,289,769
Total liabilities	\$ 5,096,657	\$ 3,969,564
Unreserved fund balance	\$ 27,988,648	\$ 46,904,479
Reserved fund balance	\$ 17,889,838	\$ 7,415,726
Total liabilities and fund balances	\$ 50,975,143	\$ 58,289,769

Table B-2*Summary of condensed statement of revenues, expenditures, and changes in fund balance*

	Fiscal Year 2008	Fiscal Year 2009
Total revenues	\$ 52,413,257	\$ 61,038,989
Total expenditures	\$ 47,940,908	\$ 52,597,270
Excess of revenues over expenditures	\$ 4,472,349	\$ 8,441,719

Governmental fund activities. Governmental fund activities increased the City of Doral's general fund balance by \$1,019,931. A key element of this increase was due to the City's efforts in obtaining grants as well as operating under prudent adherence to budgeted allocations.

General Fund Budgetary Highlights

The original general fund budget was amended by the City Council during 2009 to cover mitigation/QNIP expenditures not previously appropriated in the budget. The budgetary comparison schedule in page 34 of the CAFR provides the variances between the final amended budget and the actual revenues and expenditures. In the current year there were significant budgetary variances between the final amended budget and actual results for grant revenues. This occurred due to grant revenues being received in 2009 which were originally budgeted and expected to be received in prior years. Actual expenditures in the police, public works, and building department were significantly less than budgeted. This was due to efficient operations and careful management of the City's finances. An explanation for expenditures exceeding appropriated balances can be found in the notes to budgetary comparison schedule in page 35 of the CAFR.

Capital Assets

As of September 30, 2009, the City's investment in capital assets for governmental activities amounted to \$62,255,706. The capital assets in business-type activities amounted to \$1,090,316. The total increase in capital assets was as follows:

- Park improvements at JC Bermudez Park
- Street and Roadway improvement projects
- Purchases of furniture, computer equipment, and a vehicle
- Stormwater infrastructure

Additional detail is provided in Note 4 to the basic financial statements in pages 24 - 25 of this document.

Long-Term Debt

Excluding compensated absences, the City's debt totaled approximately \$20.6 million at September 30, 2009. Total debt outstanding, excluding compensated absences, at the end of the prior fiscal year was approximately \$21.7 million. The decrease when compared to the prior year is attributable to scheduled principal payments on revenue bonds and capital leases throughout the year. A detailed schedule of debt activity can be found on pages 25 - 28 of the notes to the financial statements.

Economic Factors and Next Years Budgets and Rates

- The unemployment rate for South Florida is currently 11.3 percent, which is an increase from a rate of 7.2 percent a year ago. This compares favorably to the state's average unemployment rate of 12.3 percent and unfavorably to the national average rate of 10.4 percent.
- The occupancy rate of the government's central business district has remained stable.

These factors were considered in preparing the City of Doral's budget for the 2010 fiscal year.

During the current fiscal year, unreserved fund balance in the general fund increased. The City of Doral has this entire amount available for spending in the 2010 fiscal year budget. It is intended that the use of available fund balance will avoid the need to raise taxes or charges during the 2010 fiscal year, and further build reserve funds. The City will continue to increase reserves for the future development of infrastructure. It is an objective of management to always maintain adequate reserves to preserve the City's bond rating status.

Requests for Information

This financial report is designed to provide a general overview of the City of Doral's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Manager, 8300 N.W. 53rd Street, Suite 100, Doral, Florida 33166.

BASIC FINANCIAL STATEMENTS

City of Doral, Florida
Statement of Net Assets
September 30, 2009

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Current Assets			
Cash and cash equivalents	\$ 35,814,103	\$ 4,972,424	\$ 40,786,527
Investments	19,415,387	3,569,653	22,985,040
Receivables, net	2,759,327	640,866	3,400,193
Internal balances	91,899	(91,899)	-
Prepays	192,389	-	192,389
Total Current Assets	<u>58,273,105</u>	<u>9,091,044</u>	<u>67,364,149</u>
Non-Current Assets			
Capital assets not being depreciated	29,096,730	134,351	29,231,081
Capital assets, net of accumulated depreciation	<u>33,158,976</u>	<u>955,965</u>	<u>34,114,941</u>
Total Non-Current Assets	<u>62,255,706</u>	<u>1,090,316</u>	<u>63,346,022</u>
Total Assets	<u>\$ 120,528,811</u>	<u>\$ 10,181,360</u>	<u>\$ 130,710,171</u>
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 1,266,221	\$ 30,322	\$ 1,296,543
Accrued interest	209,906	-	209,906
Escrow deposits	2,292,011	-	2,292,011
Capital leases and compensated absences payable - current	552,899	-	552,899
Long term bonds payable - current	567,153	-	567,153
Deferred income and deposits	<u>236,637</u>	<u>-</u>	<u>236,637</u>
Total Current Liabilities	<u>5,124,827</u>	<u>30,322</u>	<u>5,155,149</u>
Non-Current Liabilities			
Compensated absences	220,461	-	220,461
Capital lease payable	756,094	-	756,094
Long term bonds payable	<u>18,917,055</u>	<u>-</u>	<u>18,917,055</u>
Total Non-Current Liabilities	<u>19,893,610</u>	<u>-</u>	<u>19,893,610</u>
Total Liabilities	<u>25,018,437</u>	<u>30,322</u>	<u>25,048,759</u>
Net Assets			
Invested in capital assets, net of related debt	41,662,505	1,090,316	42,752,821
Restricted for:			
Stormwater and drainage	-	9,060,722	9,060,722
Transportation	5,515,965	-	5,515,965
Unrestricted	<u>48,331,904</u>	<u>-</u>	<u>48,331,904</u>
Total Net Assets	<u>\$ 95,510,374</u>	<u>\$ 10,151,038</u>	<u>\$ 105,661,412</u>

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

City of Doral, Florida

Statement of Activities

Fiscal Year Ended September 30, 2009

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
FUNCTIONS							
Governmental Activities							
General government	\$ 9,634,525	\$ 976	\$ 40,586	\$ 147,000	\$ (9,445,963)	\$ -	\$ (9,445,963)
Building	2,681,306	3,263,765	-	-	582,459	-	582,459
Planning, zoning and code enforcement	1,490,300	855,403	-	-	(634,897)	-	(634,897)
Police	13,272,672	1,420,671	8,863	-	(11,843,138)	-	(11,843,138)
Public works and physical environment	2,449,170	851,038	-	764,951	(833,181)	-	(833,181)
Parks and recreation	2,933,542	429,071	-	5,828,755	3,324,284	-	3,324,284
Interest on long-term debt	920,428	-	-	-	(920,428)	-	(920,428)
Total Governmental Activities	33,381,943	6,820,924	49,449	6,740,706	(19,770,864)	-	(19,770,864)
Business-type Activities							
Stormwater utility	805,418	2,899,271	-	-	-	2,093,853	2,093,853
Total Business-type Activities	805,418	2,899,271	-	-	-	2,093,853	2,093,853
General Revenues:							
Property taxes					25,389,666	-	25,389,666
Franchise fees based on gross receipts					5,703,733	-	5,703,733
Utility taxes					6,151,070	-	6,151,070
Communication service tax					4,743,877	-	4,743,877
One-half cent sales tax					1,960,808	-	1,960,808
Alcoholic beverage taxes					43,604	-	43,604
Revenue sharing					661,098	-	661,098
Unrestricted investments earnings					2,496,612	240,321	2,736,933
Other					277,442	-	277,442
Total General Revenues and Transfers					47,427,910	240,321	47,668,231
Change in Net Assets					27,657,046	2,334,174	29,991,220
Net Assets - October 1, 2008					67,853,328	7,816,864	75,670,192
Net Assets - September 30, 2009					\$ 95,510,374	\$ 10,151,038	\$ 105,661,412

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

City of Doral, Florida

Balance Sheet

Governmental Funds

September 30, 2009

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 24,732,815	\$ 11,081,288	\$ 35,814,103
Investments	19,415,387	-	19,415,387
Receivables, net	2,714,053	45,274	2,759,327
Due from other funds	-	108,563	108,563
Prepays	192,389	-	192,389
Total Assets	<u>\$ 47,054,644</u>	<u>\$ 11,235,125</u>	<u>\$ 58,289,769</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable and accrued liabilities	\$ 1,376,291	\$ 47,961	1,424,252
Escrow deposits	2,197,011	95,000	2,292,011
Deferred revenues	236,637	-	236,637
Due to other fund	-	16,664	16,664
Total Liabilities	<u>3,809,939</u>	<u>159,625</u>	<u>3,969,564</u>
Fund Balances			
Reserved			
Encumbrances	1,707,372	526,481	2,233,853
Prepays	192,389	-	192,389
Transportation	-	4,989,484	4,989,484
Unreserved, designated for			
Police	895,671	-	895,671
Parks and recreation	4,558,095	-	4,558,095
Unreserved reported in			
General fund	35,891,178	-	35,891,178
Capital projects fund	-	5,559,535	5,559,535
Total Fund Balances	<u>43,244,705</u>	<u>11,075,500</u>	<u>54,320,205</u>
Total Liabilities and Fund Balances	<u>\$ 47,054,644</u>	<u>\$ 11,235,125</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	62,255,706
Liabilities, such as accrued interest payable, compensated absences and capital leases, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(21,065,537)
Net assets of governmental activities	<u>\$ 95,510,374</u>

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

City of Doral, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended September 30, 2009

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Other Governmental Funds</u>	
Revenues			
Property taxes	\$ 25,389,666	\$ -	\$ 25,389,666
Utility taxes	6,151,070	-	6,151,070
Franchise fees	5,703,733	-	5,703,733
Intergovernmental	2,665,510	572,807	3,238,317
Licenses, permits and fines	5,189,771	-	5,189,771
Communication service tax	4,743,877	-	4,743,877
Charges for services	863,319	195,027	1,058,346
Grant revenues	3,822,869	-	3,822,869
County contributions	5,523	2,961,763	2,967,286
Interest	2,490,008	6,604	2,496,612
Other	277,442	-	277,442
Total revenues	<u>57,302,788</u>	<u>3,736,201</u>	<u>61,038,989</u>
Expenditures			
Current			
General government	7,944,991	-	7,944,991
Police	12,424,819	-	12,424,819
Public works	1,844,249	2,492,830	4,337,079
Parks and recreation	4,023,264	19,910	4,043,174
Building	2,595,514	-	2,595,514
Planning and zoning	660,443	-	660,443
Code enforcement	827,722	-	827,722
Debt			
Principal payments	1,114,022	-	1,114,022
Interest	897,471	-	897,471
Mitigation/QNIP	17,752,035	-	17,752,035
Total expenditures	<u>50,084,530</u>	<u>2,512,740</u>	<u>52,597,270</u>
Excess of revenues over (under) expenditures	<u>7,218,258</u>	<u>1,223,461</u>	<u>8,441,719</u>
Other financing sources (uses)			
Transfers in	-	6,198,327	6,198,327
Transfers (out)	(6,198,327)	-	(6,198,327)
Total other financing sources (uses)	<u>(6,198,327)</u>	<u>6,198,327</u>	<u>-</u>
Net change in fund balances	1,019,931	7,421,788	8,441,719
Fund balances, beginning of year	42,224,774	3,653,712	45,878,486
Fund balances, end of year	<u>\$ 43,244,705</u>	<u>\$ 11,075,500</u>	<u>\$ 54,320,205</u>

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

City of Doral, Florida
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balance of Governmental Funds to the Statement of Activities
 Fiscal Year Ended September 30, 2009

Net Change in Fund Balances - Total Governmental Funds \$ 8,441,719

Amounts reported for *governmental activities* in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlays in the current period.

The details of the difference are as follows:

Capital outlay	3,737,187	
Depreciation expense	<u>(2,827,733)</u>	909,454

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.

Bond principal payments	738,165	
Change in accrued interest payable	(22,957)	
Change in long-term compensated absences	(156,865)	
Capital lease principal payments	375,857	
Mitigation reported as an expenditure in governmental funds but accrued in prior year statement of activities	<u>17,371,673</u>	<u>18,305,873</u>

Change in Net Assets of Governmental Fund Activities \$ 27,657,046

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

City of Doral, Florida
Statement of Net Assets
Proprietary Funds
September 30, 2009

	Business-type Activities
	Enterprise Fund
	Major Fund
	Stormwater Fund
Assets	
Current Assets	
Cash and cash equivalents	\$ 4,972,424
Investments	3,569,653
Due from other fund	13,800
Accounts receivable	630,419
Interest receivable	10,447
Total Current Assets	9,196,743
 Capital Assets, net of accumulated depreciation	 1,090,316
Total Assets	10,287,059
 Liabilities and Net Assets	
Current Liabilities	
Accounts payable and accrued liabilities	30,322
Due to other fund	105,699
Total Current Liabilities	136,021
 Net Assets	
Invested in capital assets	1,090,316
Restricted for stormwater and drainage	9,060,722
Total Net Assets	\$ 10,151,038

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

City of Doral, Florida
Statement of Revenues, Expenses, and Changes in Net Assets
Proprietary Funds
Fiscal Year Ended September 30, 2009

	Business-type Activities Enterprise Fund Major Fund
	Stormwater Fund
Operating Revenues	
Stormwater fees	\$ 2,899,271
Operating Expenses	
Operating, administrative and maintenance	785,909
Depreciation	19,509
Total Operating Expenses	805,418
Operating Income	2,093,853
Nonoperating Revenues	
Interest Income	187,449
Unrealized gain on investment	52,872
Total Nonoperating Revenues	240,321
Change in Net Assets	2,334,174
Net Assets, beginning	7,816,864
Net Assets, ending	\$ 10,151,038

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

City of Doral, Florida
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended September 30, 2009

	Business-type Activities Enterprise Fund Major Fund
	Stormwater Fund
Cash Flows from Operating Activities	
Cash received from customers	\$ 3,135,856
Cash paid to suppliers and vendors	(992,958)
Cash paid to employees	(55,488)
Net Cash Provided By Operating Activities	2,087,410
Cash Flows from Capital and Related Financing Activities	
Payments on construction in progress and stormwater improvements	(240,027)
Cash Flows from Investing Activities	
Purchase of investment securities	(3,516,781)
Interest received	178,240
Net Cash (Used In) Investing Activities	(3,338,541)
Cash Flows from Noncapital Financing Activities	-
Net Increase in Cash and Cash Equivalents	(1,491,158)
Cash and Cash Equivalents at Beginning of Year	6,463,582
Cash and Cash Equivalents at End of Year	\$ 4,972,424
Reconciliation of Operating Income to Net Cash Flows from Operating Activities	
Operating Income	\$ 2,093,853
Changes in Current Assets and Current Liabilities	
Depreciation	19,509
Decrease in accounts receivable	236,585
(Decrease) in accounts payable and accrued liabilities	(98,067)
(Decrease) in amounts due to other funds	(164,470)
Net Cash Flows from Operating Activities	2,087,410
Cash and Cash Equivalents Per Statement of Net Assets:	
Restricted for stormwater and drainage improvements	\$ 4,972,424

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

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Doral, Florida (the City), located in Miami-Dade County is a political subdivision of the State of Florida. The City, which was incorporated on June 24, 2003, operates under a Mayor-Council-Manager form of government. In addition to the general government function, the City provides its residents with public safety (police), community development (building, zoning and planning functions), parks and recreation and public works. The City does not provide educational or hospital facilities; those services are provided by the Miami-Dade County School Board and Miami-Dade County, respectively.

The 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. The more significant of the City's accounting policies are described below:

A. Financial Reporting Entity

The financial statements were prepared in accordance with governmental accounting standards, which establish standards for defining and 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 City, 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 it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. Based upon the application of these criteria, there were no organizations that met the criteria described above.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from those statements. *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 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 or applicants who purchase, use or directly benefit from goods, services, or privileges 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 instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining nonmajor governmental funds are aggregated and reported as other governmental funds.

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the 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 liability is incurred, as under accrual accounting. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

Property taxes, franchise fees and other taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The City also reports the following nonmajor governmental funds:

The *Transportation Fund* accounts for the revenues received from the transportation surtax and expenditures for related transportation costs.

The *Capital Improvement Projects Fund* accounts for the acquisition or construction of various major capital projects.

The City also reports the following major proprietary fund:

The *Stormwater Fund* accounts for the maintenance of and construction of the City's stormwater system. Future revenues in this fund will cover all operating costs.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The City has the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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 stormwater fund is charges to customers for services. Operating expenses for enterprise 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.

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and deposits held with Smith Barney Money Fund. Investments in government backed mortgage securities are recorded at fair value.

2. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/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".

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital Assets

Capital assets which include infrastructure – construction in progress, public domain and system infrastructure, parks and recreational facilities, vehicles, furniture, fixtures and equipment 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 \$750 or more and an estimated useful life in excess of one year. Such assets are recorded at actual cost.

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

4. Capital Assets (Continued)

The costs of normal maintenance and repairs that does not add to the value of the asset or materially extend asset lives are not capitalized.

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

<u>Assets</u>	<u>Years</u>
Infrastructure - construction in progress	-
Public domain and system infrastructure	20
Parks and recreational facilities	20
Furniture, fixtures and equipment	3-10
Vehicles	5

5. 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. Additionally, during December of each year the City allows employees to "sell" their accumulated earned vacation and sick leave to the City. 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 general fund is used to liquidate such amounts. Payments of compensated absences during the year amounted to \$247,049.

6. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts of assets, liabilities, disclosures of contingent liabilities, revenues and expenditures/expenses reported in the financial statements and accompanying notes. These estimates include assessing the collectability of receivables, the useful lives of capital assets, and the accrual of expenses. Although these estimates as well as all estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

7. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. New Pronouncements

During 2008 and 2009 GASB issued the following new pronouncements, none of which came into effect for fiscal year ended September 30, 2009. The City did not elect to early implement any of the newly issued pronouncements:

<u>GASB Statement No. 54</u> (March 2009)	Fund Balance Reporting and Governmental Fund Type Definitions
<u>GASB Statement No. 51</u> (June 2007)	Accounting and Financial Reporting for Intangible Assets

In March 2009 GASB issued Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* and Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards* to establish a hierarchy for GAAP in GASB (as opposed to the AICPA) and to improve financial reporting by contributing to GASB's efforts to codify all GAAP for state and local governments so that they derive from a single source. The Statements make it easier for preparers of state and local government financial statements to identify and apply relevant guidance.

NOTE 2. DEPOSITS AND INVESTMENTS

GAAP are designed to inform financial statement users about deposit and investment risk that could affect a government's ability to provide services and meet its obligations as they become due. Accordingly, the City addresses common deposit and investment risk related to credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk and discloses deposit and investment policies related to the risk, as follows:

Deposits

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 every qualified public depository to deposit with the Treasurer or another banking institution eligible collateral equal to or in excess of the required collateral of the depository. 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 insured or collateralized with securities held by the entity or its agent in the entity's name.

Investments

The City's investments at September 30, 2009 are in U.S. government backed mortgage securities. Obligations of the U.S. government on these guaranteed investments are generally assumed to have no audit risk, consequently, where shares are owned in the fund rather than the actual underlying investments, disclosures for foreign currency risk, custodial credit risk and concentration of credit risk are not applicable. For credit quality risks, the GNMA and FNMA securities are not rated by a nationally recognized statistical rating agency. Investments are reported at its fair value.

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 2. DEPOSITS AND INVESTMENTS (Continued)

The reconciliation of deposits and investments on the Statement of Net Assets is as follows:

Deposits and Money Market Funds	\$	40,786,527
Investments		22,985,040
Total cash, cash equivalents and investments	\$	<u>63,771,567</u>

NOTE 3. RECEIVABLES

Receivables as of September 30, 2009 for the City's individual major fund and nonmajor funds in the aggregate, including the allowances for uncollectible accounts are as follows:

	<u>General</u>	<u>Nonmajor</u>	<u>Total</u>
Intergovernmental	\$ 2,478,052	\$ 45,274	\$ 2,523,326
Grants	160,000	-	160,000
Interest	76,001	-	76,001
Less allowance for uncollectibles	-	-	-
Net total receivables	<u>\$ 2,714,053</u>	<u>\$ 45,274</u>	<u>\$ 2,759,327</u>

NOTE 4. CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 29,096,730	\$ -	\$ -	\$ 29,096,730
Infrastructure assets - construction in progress	1,254,502	-	1,254,502	-
Total capital assets not being depreciated	<u>30,351,232</u>	<u>-</u>	<u>1,254,502</u>	<u>29,096,730</u>
Capital assets being depreciated:				
Public domain and system infrastructure	4,070,160	1,869,599	-	5,939,759
Parks and recreational facilities	23,082,926	2,266,610	-	25,349,536
Furniture, fixtures and equipment	6,153,910	750,316	-	6,904,226
Vehicles	697,079	105,164	-	802,243
Total capital assets being depreciated	<u>34,004,075</u>	<u>4,991,689</u>	<u>-</u>	<u>38,995,764</u>
Less accumulated depreciation for:				
Public domain and system infrastructure	(101,609)	(290,401)	-	(392,010)
Parks and recreational facilities	(577,093)	(1,154,187)	-	(1,731,280)
Furniture, fixtures and equipment	(1,898,649)	(1,255,097)	-	(3,153,746)
Vehicles	(431,704)	(128,048)	-	(559,752)
Total accumulated depreciation	<u>(3,009,055)</u>	<u>(2,827,733)</u>	<u>-</u>	<u>(5,836,788)</u>
Total capital assets being depreciated, net	<u>30,995,020</u>	<u>2,163,956</u>	<u>-</u>	<u>33,158,976</u>
Governmental activities capital assets, net	<u>\$ 61,346,252</u>	<u>\$ 2,163,956</u>	<u>\$ 1,254,502</u>	<u>\$ 62,255,706</u>
Business-type activities				
Capital assets not being depreciated:				
Infrastructure assets - construction in progress	\$ 869,798	\$ 240,027	\$ 975,474	\$ 134,351
Capital assets being depreciated:				
Infrastructure assets - stormwater improvements	-	975,474	-	975,474
Less accumulated depreciation for:				
Infrastructure assets - stormwater improvements	-	(19,509)	-	(19,509)
Total capital assets being depreciated, net	<u>-</u>	<u>955,965</u>	<u>-</u>	<u>955,965</u>
Business-type activities capital assets, net	<u>\$ 869,798</u>	<u>\$ 1,195,992</u>	<u>\$ 975,474</u>	<u>\$ 1,090,316</u>

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 4. CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 1,672,969
Police	951,747
Public works	74,805
Recreation	39,622
Building	81,887
Planning and zoning	6,703
Total depreciation expense - governmental activities	\$ 2,827,733
Business-type activities:	
Stormwater	\$ 19,509

NOTE 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund receivables and payables as of September 30, 2009 is as follows:

Receivable Fund	Payable Fund	Amount	Purpose
Capital Projects	Transportation	\$ 2,864	Additions on Capital Outlays
Capital Projects	Stormwater	\$ 105,699	Additions on Capital Outlays
Stormwater	Transportation	\$ 13,800	Additions on Capital Outlays

Transfers are used to move unrestricted general fund revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations. In the fiscal year ended September 30, 2009, the City made a transfer of \$6,198,327 from the general fund to the transportation fund for future road constructions projects.

NOTE 6. LONG TERM DEBT

Long-term liability activity for the year ended September 30, 2009, was as follows:

Primary Government	October 1, 2008	Additions	Reductions	September 30, 2009	Due Within 1 Year
Capital Improvement Revenue Bonds					
Series 2006A	\$ 9,506,941	\$ -	\$ 346,469	\$ 9,160,472	\$ 269,612
Series 2007A	9,517,100	-	354,111	9,162,989	268,932
Series 2007B	1,198,332	-	37,585	1,160,747	28,609
Total Bonds	20,222,373	-	738,165	19,484,208	567,153
Other Liabilities					
Capital leases	1,484,850	-	375,857	1,108,993	352,899
Compensated absences	263,596	403,914	247,049	420,461	200,000
Total Other Liabilities	1,748,446	403,914	622,906	1,529,454	552,899
Total Governmental Activities					
Long Term Liabilities	\$ 21,970,819	\$ 403,914	\$ 1,361,071	\$ 21,013,662	\$ 1,120,052

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 6. LONG TERM DEBT (Continued)

Capital Improvement Bonds Payable

On May 4, 2006 the City issued \$21,250,000 of Capital Improvement Revenue Bonds, Series 2006A (tax-exempt bonds) for \$10,000,000 and Series 2006B (taxable bonds) for \$11,250,000. The Bonds were issued to finance the acquisition of land for City parks and for improvements to Doral Park and Doral Meadows Park, including financing, architectural, engineering, environmental, legal and planning costs. In January of 2007, the City refunded these bonds with Capital Improvement Revenue Refunding Bonds Series 2007A for \$10 million (tax-exempt) and 2007B for \$1.25 million (taxable) bonds.

Capital Improvement Revenue Bond Series 2006A: This facility is a bank qualified tax-exempt bond in the amount of \$10 million. This bond bears interest on the outstanding principal at a variable rate equal to 65% of 3-month Libor plus .45%. Principal and interest payments are due quarterly through the maturity of the bonds in April 1, 2027. During the fiscal year 2007 the effective interest rate fluctuated around 3.934%. On April 21, 2006, Regions Bank and the City of Doral entered into a master swap agreement to make the effective interest rate on the outstanding balance of the bonds to be a fixed 4.24%. The details of the swap transactions are discussed below.

Capital Improvement Revenue Bond Series 2007A: This facility is a bank qualified tax exempt bond that was issued for the purpose of refunding, on a tax-exempt basis, \$10,000,000 of the City's Capital Improvement Revenue Bonds, Series 2006B (taxable). This bond bears interest on the outstanding principal at a variable rate equal to 65% of 3-month Libor plus .45%. Principal and interest payments are due quarterly through the maturity of the bonds in April 1, 2027. During the fiscal year 2007 the effective interest rate fluctuated around 3.934%. On April 27, 2006, Regions Bank and the City of Doral entered into a master swap agreement to make the effective interest rate on the outstanding balance of the bonds to be a fixed 4.27%. The details of the swap transactions are discussed below.

Capital Improvement Revenue Bond Series 2007B: This facility is a bank qualified taxable bond that was issued for the purpose of refunding, on a taxable basis, \$1,250,000 of the City's Capital Improvement Revenue Bonds, Series 2006B (taxable). This bond bears interest at a variable rate, initially fixed at 5.88% per annum as of January 1, 2007 through April 1, 2010. Principal and interest payments are due quarterly through the maturity of the bonds in April 1, 2027.

Annual debt service requirements for the bonds outstanding as of September 30, 2009 are as follows:

Fiscal Year Ended	September 30,	Interest	Principal	Total
2010	\$	845,209	\$ 567,153	\$ 1,412,362
2011		811,946	786,203	1,598,149
2012		777,207	820,887	1,598,094
2013		740,924	857,111	1,598,035
2014		703,027	894,945	1,597,972
2015-2019		2,884,996	5,103,843	7,988,839
2020-2024		1,649,929	6,336,911	7,986,840
2025-2027		274,680	4,117,155	4,391,835
Total	\$	8,687,918	\$ 19,484,208	\$ 28,172,126

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 6. LONG TERM DEBT (Continued)

Capital Improvement Bonds Payable (Continued)

Bond Covenants

According to the bond indentures, the City agrees to appropriate in its annual budget, from non-ad valorem tax revenues, the amounts necessary to pay the interest and principal due on the Bonds. Additionally, on each interest payment date the City shall deposit into a bond fund account sufficient amount funds to pay the principal and interest due. The City must submit to the owners of the bonds audited annual financial statement within 180 days after fiscal year end and a copy of the operating budget for the upcoming fiscal year end within 30 days of its final adoption. Additionally, the City must maintain the debt service coverage ratio of 1 to 1.

Interest Rate Swaps

The City uses interest rate swaps (“Swaption”) to manage interest costs and the risk associated with the changing interest rates of long-term debt. The City does not hold or issue derivative instruments for trading purposes. Derivatives are used for hedging purposes only and must be designated as, and effective as, a hedge of identified risk exposure at the inception of the derivative contract. As of September 30, 2009, the City had the following interest rate swaps:

	Bond Amount	Fair Value	Interest rate		Maturity Date
			Pay Fixed	Received Floating	
Fair value hedges					
Non-amortizing swap	10,000,000	(841)	4.24%	4.03%	April 1, 2027
Non-amortizing swap	11,250,000	(1,593)	5.60%	5.98%	April 1, 2027

The City sold to Regions bank the right to enter into two interest rate swap with the City, in which the City would pay a specified fixed rate and receive a floating rate based on the 1month LIBOR (London Inter Bank Offered Rate) Index. The swaps were effective during 2006 and 2007. The fixed rate on the swap was set so the City's swap payments and support costs on the variable rate debt are approximately equal to the debt service prior to the refunding. No additional material debt service savings are expected to be achieved from the actual refunding, but rather the entire benefit of the Swaption is realized through the annual payments from Regions Bank.

As of September 30, 2009, the City was not exposed to credit risk because the Swaption had a negative fair value. However, should interest rates change and the value of the Swaption become positive, the City could be exposed to credit risk in the amount of the Swaption's fair value. As of September 30, 2009, the Swaption does not expose the City to basis risk.

The Swaption provides for certain events that could cause the Counterparty of the City to terminate the swap. The swap may be terminated by the Counterparty or the City if the other party fails to perform under the terms of the swap agreement. The City has the right to optionally terminate the Swaption agreement at any time. The termination amount owed by either the City or the Counterparty is determined by market quotation.

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 6. LONG TERM DEBT (Continued)

Capital Lease

The City has acquired equipment under capital leases with bargain purchase options. Equipment acquired under capital leases was included in capital assets under furniture, fixtures and equipment for a total amount of \$1,484,850. Payments related to capital leases during the current year are detailed above.

Compensated Absences

Additions and payments related to liabilities for compensated absences during the current year are detailed above. Payments of compensated absences during the year amounted to \$247,049. Estimated payments for the fiscal year ending in September 2010 are approximately \$200,000.

NOTE 7. FUND BALANCES / NET ASSETS

As of September 30, 2009, there were no deficits in undesignated fund balance.

NOTE 8. PROPERTY TAXES

Property values are assessed on a county-wide basis by the Miami-Dade County Property Appraiser as of January 1, the lien date, of each year and are due the following November 1. Taxable value of property within the City is certified by the Property Appraiser and the City levies a tax millage rate upon the taxable value, which will provide revenue required for the fiscal year beginning October 1.

Property taxes levied each November 1, by the City and all other taxing authorities within the County, are centrally billed and collected by Miami-Dade County, with remittances to the City of their proportionate share of collected taxes. Taxes for the fiscal year beginning October 1 are billed in the month of November, subject to a 1% per month discount for the period November through February, and are due no later than March 31. On April 1, unpaid amounts become delinquent with interest and penalties added thereafter. Beginning June 1, tax certificates representing delinquent taxes with interest and penalties are sold by Miami-Dade County, with remittance to the City for its share of those receipts.

NOTE 9. RETIREMENT PLANS

The City participates in the Florida Retirement System (the "System"), a multiple-employer cost sharing Public Employee Retirement System ("PERS"). The Division of Retirement, Department of Administration of the State of Florida administers the System. The City's payroll for the 89 employees covered by the System for the year ended September 30, 2009 was approximately \$6.045 million.

All budgeted City employees are eligible to participate in the system. Normal retirement is at 6 years of credited service and age 62 or at 30 years of credited service regardless of age for regular members. Normal retirement for special risk members (police) is at 25 or 30 years and these individuals are entitled to an annual retirement benefit equal to 2 to 3 percent for each year of credited service times their average final compensation.

Benefits vest after six years of credited service. Early retirement may be taken any time after vesting; however, there is a five percent benefit reduction for each year prior to normal retirement age or date. The System also provides disability and survivor benefits. Benefits are established by State statute.

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 9. RETIREMENT PLANS (Continued)

Funding Policy

Employees cannot contribute to the System. The City is required by statute to contribute 9.85%, 11.07% and 20.92% of salaries for regular, senior management and special risk members, respectively. Total contributions for the year ended September 30, 2009 were approximately \$1,203,157. Employees within 5 years of retirement may elect to participate in the DROP program. The City contributes 10.91% of salaries for participants of the DROP program. During 2009 the City had no employees participating in this program.

Actuarial Accrued Liability

The “pension benefit obligation” is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to indicate the system’s funding status on a going concern basis, assets progress made in accumulating sufficient assets to pay benefits when due, and to make comparisons among public employee retirement systems and employers. The system does not make separate measurements of assets and pension benefit obligations of participating employers.

The System does not make separate measurements of assets and the actuarial accrued liability for individual employers. The actuarial liability, which is the actuarial present value of credited projected benefits, is a standardized disclosure measurement of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits, estimated to be payable in the future as a result of employee service to date. The actuarial accrued liability at June 30, 2009 for the System as a whole, determined through an actuarial valuation update performed as of that date, was \$136 billion. The System’s valuation assets were \$118.7 billion, leaving an under-funded actuarial accrued liability of approximately \$17.6 billion. The City’s fiscal year 2009 contributions represented approximately .05 percent of total contributions required of all participating entities. Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System’s June 30, 2009 annual report.

Section 401(A) Money Purchase Retirement Plan

The City as a single-employer contributes to the City of Doral Money Purchase Plan, which is a defined contribution plan created in accordance with Internal Revenue Code Section 401(a). Under the plan, which is available to all full time City employees, the City contributes 12%, and the employees contribute 6%.

Section 457 Deferred Compensation Plan

The City established a deferred compensation plan for the employees and elected officials of the City. The adopted deferred compensation plan was created in accordance with Internal Revenue Code Section 457. The plan is available for all employees and officials who elect to participate. The purpose of the plan is to provide additional benefits to City employees and officials who elect to voluntarily set aside and invest portions of their current income to meet future financial requirements and to supplement existing retirement programs. The plan is administered by an independent plan administrator through an administrative service agreement. The City’s administrative involvement is limited to transmitting amounts withheld from payroll to the Plan Administrator, who performs investing functions. Plan assets are held in trust for the benefit of the participants and their beneficiaries. The assets will not be diverted for any other purpose.

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 10. COMMITMENTS AND CONTINGENCIES

Municipal Service Trust Fund

The City was required to contribute municipal property tax revenues into a municipal service Trust Fund (MSTF) of the County. The MSTF was to be utilized by the County to (1) maintain police services in the unincorporated areas proximate to the City, and (2) to provide a municipal assistance retainer enabling the City to obtain certain advice, expertise, training, financial planning and technological services, and other assistance from the County. The contribution ("Mitigation Payment") varied yearly and was based on the Consumer Price Index and other calculations. The mitigation payment by the City to the County for the fiscal year ended September 30, 2005 was \$7,516,763. In subsequent years, the mitigation amount payable from the City to the County was to be adjusted by the CPI for the residential area, not to exceed 3% over the previous year and by tax growth for the CBI area multiplied by 1.5 mills. In May 2007, the Florida Legislature resolved to eliminate mitigation payments to Miami-Dade County by local governments incorporated after the year 2000. During 2007 the Miami Dade County Board of County Commissioners resolved to sue the State over this law and was successful as the Florida Supreme Court deemed the law unconstitutional. The City of Doral and Miami Dade County negotiated a settlement agreement where the City of Doral paid \$17,371,673 for all its mitigation payments through September 30, 2009. This amount was paid on May 12, 2009. The payment was expensed on the government wide financial statements with a corresponding payable for the year ended September 30, 2008. In the governmental fund financial statements the amount was reserved, as the City has made provisions for budget amendments to the 2008-2009 budget to appropriate the funds in accordance with Florida statutes. Under the terms of the settlement agreement, the City has one more \$6 million mitigation payment due during the 2009-2010 fiscal year that will be included in next year's budget.

Quality Neighborhood Improvement Program (QNIP)

The City is required to pay the County its pro rata share for the Public Service Tax Revenue Bonds, Series 1999 and 2002 issued prior to the City's incorporation. The payment for the fiscal year ended September 30, 2009 was \$398,178 and the balance of the remaining payments are estimated to be approximately less than \$500,000 per year until the debt is due in September of 2027.

Litigation and Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the City carries commercial insurance. Settlements have not exceeded the general liability insurance coverage of \$1,000,000 million in any of the past three fiscal years.

The City is exposed to various risks of loss related to workmen's compensation benefits under its insurance policy through Miami-Dade County. As of September 30, 2009, the City was liable for \$657,161, which have been accrued in the government wide financial statements and reserved in the governmental fund financial statements.

The City is involved in several lawsuits incidental to its operations. In the opinion of management and legal counsel, the ultimate outcome of such matters would not have a material adverse effect upon the financial condition of the City.

On September 30, 2009, a City employee filed a charge of discrimination with the Equal Opportunity Commission ("EEOC") and the Florida Commission of Human Relations on the basis of her gender (female) and sexual harassment and subsequent retaliation by a City Councilman. As of the date of the audit submission, the EEOC has not completed the investigation of the case

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 10. COMMITMENTS AND CONTINGENCIES (Continued)

Litigation and Risk Management (Continued)

On August 2009, the employee filed a lawsuit against the Councilman. The City has not been added to the complaint as of the date of submission of the audit.

On October 2009, the City received a complaint seeking relief and compensatory damages for a violation of the claimant First Amendment rights. The City is vigorously defending this action and, in the opinion of the City's legal counsel, the likelihood of an unfavorable outcome for the City is neither probable nor remote.

In a similar case, the City settled with the plaintiff to allow for the permitting, construction and use of up to 12 billboard signs containing up to 3 LED faces at locations within the City limits. The City will recover a fee of \$75,000 for each new sign of \$150,000 for converted signs. The settlement provides for fees and conditions for future signs.

Agreement for Office Space Leases

City Hall

The City executed various lease agreements for office space commencing on July 16, 2004 and expiring through November 2012. The City is to pay both a monthly base rent and operating expenses as determined by the landlord. Rent expense for the year ended September 30, 2009 approximated \$863,000. Future commitments for base rent approximate \$910,000 per year. The agreement gives the City the right to terminate the lease with a written notice 365 days prior to the desired termination date.

Police Department

On April 30, 2008, the City executed a lease agreement with Bellsouth Telecommunications for office space for the Police Department, commencing on April 1, 2008 and expiring March 31, 2011 for \$7,800 during the first year of the term of the lease and an increase by a factor of 3% beginning each April 1st through the term of this lease.

On October 2009, the City executed an agreement with Koala Miami Realty Holding for space for the City's police department that expires in March 2012. Annual rental expense approximates \$187,000 per year subject to an annual increase of 2.5% per annum after September of each year of the lease through its termination.

Public Works Warehouse

The City's Public Works Department also rents warehouse space on a month to month lease agreement for \$3,240 a month.

On August 2009, the City executed a lease agreement with the Board of Trustees of the Internal Improvement Trust of the state of Florida (the "Trust") for the land used by the City's JC Bermudez Park. The lease expires in August 2059.

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 10. COMMITMENTS AND CONTINGENCIES (Continued)

Agreement for Office Space Leases (Continued)

Public Works Warehouse (Continued)

Under the terms of the lease, the City shall manage the premises in accordance with the terms of the lease and to be used as a resource for outdoor activities and education as set forth in Florida statutes. The City will pay the Trust an annual administration fee of \$300 and defray all expenses related to the lease promises.

The City is required to submit a management plan for the leased premises by May 2010 to provide guidance for all management activities discussed by the City and the Trust when establishing the land's public purpose.

On June 2009, the City executed a lease agreement with 8875 Investments, LLC for over 12,000 sq feet of warehouse space that expires on May 2012. Base rent for the lease approximates \$149,000 with cost of living increases each year. The lease agreement provides for a two year extension at prevailing rates.

Construction Contract/Projects

At September 30, 2009, the City had commitments for future construction projects related to J.C. Bermudez Park.

Agreement with Miami-Dade County for Local Police Patrol Services

Effective June 3, 2004, the City executed an agreement with Miami-Dade County for specialized police services. A payment or credit is provided to the City based on the contribution made by Doral residents in their countywide millage for specialized police services. This ensures that there is no double taxation to the residents of Doral. Payments for the services provided by the County for subsequent fiscal years shall be determined by

the County based on factors detailed in the agreement. The initial term of the agreement expires in three years, unless otherwise terminated in accordance with Article X of the agreement; the agreement is automatically renewed for consecutive three year terms in perpetuity.

Agreement for Professional Services

On April 14, 2004, the City executed a contract for professional services with a consulting firm to provide all of the City's financial advisory services. Fees for the financial and advisory services total \$186,000 per year and are paid monthly. The City may consider fee adjustments each twelve month period to compensate for market conditions and anticipated type of work to be performed. The City extended its last agreement to January 2009 for \$75,000. The agreement is effective unless terminated by either party in accordance with the agreement. The agreement was terminated in January 2009 as the City hired a finance director.

During 2008 the City has executed other professional service agreements related to governmental consulting services, audit, engineering and project management required to carry out its regular operations and services in the normal course of business. These contracts are for periods not ranging from two to five years (some with options to renew) and are easily cancelled with notice by the City or the service provider.

CITY OF DORAL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 10. COMMITMENTS AND CONTINGENCIES (Continued)

Agreement for Professional Services (Continued)

During October 2008 the City entered into a contract with the City manager. The contract provides for the manager's duties salary benefits and expense allowances as well as a severance provision for 6 months of salary and retirement benefits for termination "without cause".

Operating Agreements

The City has executed various operating lease agreements to provide for the operational use of office equipment and a vehicle. Future monthly payments approximate \$16,000 expiring through September 2012.

The City has 3 Trolley lease agreements to provide for the operational use of vehicle. Future monthly payments approximate \$201,000 expiring on September 30, 2010.

Federal and State Awards

The City also receives several grants from governmental agencies that require compliance with certain provisions stated in the grant agreements. Failure to comply with the provisions could result in the return of funds to the grantors. Although that is a possibility, management of the City deems the contingency remote since, in their opinion; the City has complied in all material respects with the provisions of the grants.

REQUIRED SUPPLEMENTARY INFORMATION

City of Doral, Florida
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended September 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 25,676,515	\$ 25,676,515	\$ 25,389,666	\$ (286,849)
Utility taxes	5,556,500	5,556,500	6,151,070	594,570
Franchise fees	5,584,277	5,584,277	5,703,733	119,456
Intergovernmental	2,823,191	2,823,191	2,665,510	(157,681)
Licenses, permits and fines	6,190,000	6,190,000	5,189,771	(1,000,229)
Communication service tax	4,383,837	4,383,837	4,743,877	360,040
Charges for services	1,295,000	1,295,000	863,319	(431,681)
Grant revenues	-	69,034	3,822,869	3,753,835
County contributions	-	-	5,523	5,523
Interest	2,414,000	2,414,000	2,490,008	76,008
Other	100,000	100,000	277,442	177,442
Appropriation of fund balance - mitigation/QNIP	-	8,171,673	-	(8,171,673)
Total revenues	54,023,320	62,264,027	57,302,788	(4,961,239)
Expenditures				
Current				
General government				
Elected officials	825,715	825,715	705,751	119,964
Manager's office	611,420	611,420	565,510	45,910
City clerk	501,474	501,474	402,004	99,470
Finance department	640,155	640,155	527,575	112,580
City attorney	382,000	382,000	495,319	(113,319)
Human resources	235,620	235,620	224,326	11,294
Information technology	2,393,230	2,393,230	2,347,386	45,844
General government	3,529,858	3,472,496	2,677,120	795,376
Total general government	9,119,472	9,062,110	7,944,991	1,117,119
Police	14,323,023	14,392,057	12,424,819	1,967,238
Public works	2,882,470	2,882,470	1,844,249	1,038,221
Parks and recreation	4,158,866	4,158,866	4,023,264	135,602
Building	3,615,882	3,615,882	2,595,514	1,020,368
Planning and zoning	993,131	993,131	660,443	332,688
Code enforcement	984,491	984,491	827,722	156,769
Debt	1,596,838	1,653,838	2,011,493	(357,655)
Mitigation/QNIP	9,580,000	17,752,035	17,752,035	-
Total expenditures	47,254,173	55,494,880	50,084,530	5,410,350
Other financing uses:				
Transfers in	-	-	-	-
Transfers (out)	(6,198,327)	(6,198,327)	(6,198,327)	-
Total other financing uses	(6,198,327)	(6,198,327)	(6,198,327)	-
Net change in fund balance	\$ 570,820	\$ 570,820	\$ 1,019,931	\$ 449,111

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

CITY OF DORAL, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

NOTES TO BUDGETARY COMPARISON SCHEDULE

FISCAL YEAR ENDED SEPTEMBER 30, 2009

NOTE 1. BUDGETS AND BUDGETARY ACCOUNTING

An annual appropriated budget is prepared for the general fund. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The City Manager submits to the Council a proposed operating budget for the ensuing fiscal year. The operating budget includes appropriations and the means of financing them with an explanation regarding each expenditure that is not of a routine nature.
- b) Public hearings are conducted to obtain taxpayer comments.
- c) Prior to October 1, the budget is legally enacted through passage of an ordinance.
- d) The City Council, by motion, may make supplemental appropriations for the year up to the amount of revenues in excess of those estimated. During fiscal year ended September 30, 2009, there were no supplemental appropriations.
- e) Formal budgetary integration is employed as a management control device for the general fund.
- f) The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).

NOTE 2. EXPENDITURES EXCEEDING APPROPRIATED BALANCES

Revisions that alter the total expenditures of any department within a fund must be approved by the City Council. Actual expenditures and operating transfers out may not exceed budget appropriations at the individual fund level. Appropriations that are neither expended, encumbered, nor specifically designated to be carried over, lapse at the end of the fiscal year.

For the fiscal year ended September 30, 2009, expenditures exceeded appropriations in the following City Departments: City attorney and Debt. Although these Departments exceeded its appropriations, the overall actual expenditures in the general fund did not exceed overall appropriations. All expenditures were properly approved by the Council.

NOTE 3. BUDGET/GAAP RECONCILIATION

There are no differences to be reconciled between the budgetary comparison schedule and the statement of revenues, expenditures and changes in fund balances-governmental funds.

**COMBINING AND
INDIVIDUAL FUND STATEMENTS**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Fund

Transportation – This fund accounts for the revenues received from the transportation surtax and expenditures for related transportation costs.

Capital Projects Fund

Capital Improvement Projects – This fund accounts for the acquisition or construction of various major capital projects.

City of Doral, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2009

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
	Transportation Fund	Capital Improvement Projects Fund	
Assets			
Cash and cash equivalents	\$ 5,630,316	\$ 5,450,972	\$ 11,081,288
Accounts receivable	45,274	-	45,274
Due from other funds	-	108,563	108,563
Total Assets	\$ 5,675,590	\$ 5,559,535	\$ 11,235,125
 Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ 47,961	\$ -	\$ 47,961
Escrow deposits	95,000	-	95,000
Due to other funds	16,664	-	16,664
Total liabilities	159,625	-	159,625
 Fund balances:			
Reserved for encumbrances	526,481	-	526,481
Unreserved, undesignated	4,989,484	5,559,535	10,549,019
Total fund balances	5,515,965	5,559,535	11,075,500
Total liabilities and fund balances	\$ 5,675,590	\$ 5,559,535	\$ 11,235,125

City of Doral, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Fiscal Year Ended September 30, 2009

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	Transportation Fund	Capital Improvement Projects Fund	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental	\$ 572,807	\$ -	\$ 572,807
Interest	570	6,034	6,604
Charges for services	195,027	-	195,027
County contributions	759,428	2,202,335	2,961,763
Total revenues	<u>1,527,832</u>	<u>2,208,369</u>	<u>3,736,201</u>
Expenditures			
Public works	2,492,830	-	2,492,830
Parks and recreation	-	19,910	19,910
Total expenditures	<u>2,492,830</u>	<u>19,910</u>	<u>2,512,740</u>
Excess of revenues over (under) expenditures	<u>(964,998)</u>	<u>2,188,459</u>	<u>1,223,461</u>
Other financing sources:			
Transfers in	<u>6,198,327</u>	<u>-</u>	<u>6,198,327</u>
Net changes in fund balance	5,233,329	2,188,459	7,421,788
Fund balance, beginning	<u>282,636</u>	<u>3,371,076</u>	<u>3,653,712</u>
Fund balance, ending	<u>\$ 5,515,965</u>	<u>\$ 5,559,535</u>	<u>\$ 11,075,500</u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Doral'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 City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	38-41
Revenue Capacity <i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	42-45
Debt Capacity <i>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.</i>	46-49
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	50-51
Operating Information <i>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.</i>	52-54

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

THE CITY OF DORAL, FLORIDA

NET ASSETS BY COMPONENT

LAST THREE FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year		
	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities:			
Invested in capital assets, net of related debt	\$ 23,202,258	\$ 39,639,029	\$ 41,662,505
Restricted	3,177,068	3,754,632	5,515,965
Unrestricted	<u>38,051,098</u>	<u>24,459,667</u>	<u>48,331,904</u>
Total governmental activities net assets	<u>64,430,424</u>	<u>67,853,328</u>	<u>95,510,374</u>
Business-type activities:			
Invested in capital assets, net of related debt	164,604	869,798	1,090,316
Restricted	5,110,253	6,947,066	9,060,722
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities net assets	<u>5,274,857</u>	<u>7,816,864</u>	<u>10,151,038</u>
Total government:			
Invested in capital assets, net of related debt	23,366,862	40,508,827	42,752,821
Restricted	8,287,321	10,701,698	14,576,687
Unrestricted	<u>38,051,098</u>	<u>24,459,667</u>	<u>48,331,904</u>
Total government net assets	<u>\$ 69,705,281</u>	<u>\$ 75,670,192</u>	<u>\$ 105,661,412</u>

THE CITY OF DORAL, FLORIDA

CHANGES IN NET ASSETS

LAST THREE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year		
	<u>2007</u>	<u>2008</u>	<u>2009</u>
Expenses:			
Governmental activities:			
General government	\$ 4,042,423	\$ 6,392,127	\$ 9,254,163
Public safety	13,318,322	15,608,252	13,272,672
Community development **	-	-	-
Building department **	3,075,941	3,431,312	2,681,306
Planning & zoning department **	851,765	1,271,656	1,490,300
Public works	894,629	1,596,806	2,449,170
Parks and recreation	2,166,591	2,414,919	2,933,542
Mitigation/QNIP	398,178	17,371,673	380,362
Interest on long-term debt	984,740	928,928	920,428
Total governmental activities	<u>25,732,589</u>	<u>49,015,673</u>	<u>33,381,943</u>
Business-type activities:			
Stormwater utility	49,501	770,723	805,418
Total business-type activities	<u>49,501</u>	<u>770,723</u>	<u>805,418</u>
Total government expenses	<u>\$ 25,782,090</u>	<u>\$ 49,786,396</u>	<u>\$ 34,187,361</u>
Program revenues:			
Governmental activities:			
Charges for services:			
General government	\$ 925,276	\$ 874,751	\$ 976
Building department **	7,046,317	4,841,501	3,263,765
Planning & zoning department **	152,749	440,845	855,403
Public safety	1,357,086	1,059,257	1,420,671
Public works	-	-	851,038
Parks/recreation	2,139,521	532,021	429,071
Operating grants and contributions			
General government	-	-	40,586
Parks/recreation	416,319	-	-
Public safety	-	-	8,863
Capital grants and contributions			
General government	-	-	147,000
Public works	-	-	764,951
Parks/recreation	-	-	5,828,755
Total governmental activities program revenues	<u>12,037,268</u>	<u>7,748,375</u>	<u>13,611,079</u>
Business-type activities:			
Charges for services:			
Stormwater utility	2,990,054	3,207,457	2,899,271
Operating grants and contributions	-	110,845	-
Total business-type activities program revenues	<u>2,990,054</u>	<u>3,318,302</u>	<u>2,899,271</u>
Total program revenues	<u>\$ 15,027,322</u>	<u>\$ 11,066,677</u>	<u>\$ 16,510,350</u>
Net (expense) revenue:			
Governmental activities	\$ (13,695,321)	\$ (41,267,298)	\$ (19,770,864)
Business-type activities	2,940,553	2,547,579	2,093,853
Total net expense	<u>\$ (10,754,768)</u>	<u>\$ (38,719,719)</u>	<u>\$ (17,677,011)</u>
General revenues:			
Governmental activities:			
Taxes:			
Property taxes	\$ 20,893,975	\$ 24,179,740	\$ 25,389,666
Utility taxes	4,339,239	6,020,561	6,151,070
Communications services tax	4,019,547	4,085,310	4,743,877
Franchise taxes	3,278,696	5,586,792	5,703,733
Intergovernmental	7,765,837	3,432,355	2,665,510
Investment earnings and other	2,114,194	991,239	2,496,612
Miscellaneous	190,337	394,205	277,442
Total governmental activities	<u>42,601,825</u>	<u>44,690,202</u>	<u>47,427,910</u>
Business-type activities:			
Investment earnings and other	-	(5,572)	240,321
Total business-type activities	<u>-</u>	<u>(5,572)</u>	<u>240,321</u>
Total general revenues	<u>\$ 42,601,825</u>	<u>\$ 44,684,630</u>	<u>\$ 47,668,231</u>
Change in net assets:			
Governmental activities	\$ 28,906,504	\$ 3,422,904	\$ 27,657,046
Business-type activities	2,940,553	2,542,007	2,334,174
Total change in net assets	<u>\$ 31,847,057</u>	<u>\$ 5,964,911</u>	<u>\$ 29,991,220</u>

** Community development was re-organized into building and planning & zoning for fiscal year 2006.

THE CITY OF DORAL, FLORIDA

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST THREE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year		
	<u>2007</u>	<u>2008</u>	<u>2009</u>
General fund:			
Reserved	\$ 617,475	\$ 17,607,202	\$ 1,899,761
Unreserved	<u>43,759,009</u>	<u>24,617,572</u>	<u>41,344,944</u>
Total general fund	<u>44,376,484</u>	<u>42,224,774</u>	<u>43,244,705</u>
All other governmental funds:			
Reserved	2,659,838	282,636	5,515,965
Unreserved, reported in:			
Special revenue funds	-	-	-
Capital projects fund	<u>(5,630,185)</u>	<u>3,371,076</u>	<u>5,559,535</u>
Total all other governmental funds	<u>(2,970,347)</u>	<u>3,653,712</u>	<u>11,075,500</u>
Total governmental funds	<u>\$ 41,406,137</u>	<u>\$ 45,878,486</u>	<u>\$ 54,320,205</u>

THE CITY OF DORAL, FLORIDA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST THREE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year		
	2007	2008	2009
Revenues:			
Ad valorem taxes	\$ 20,893,975	\$ 24,179,740	\$ 25,389,666
Franchise fees	3,278,696	5,586,792	5,703,733
Utility taxes	4,339,239	6,020,561	6,151,070
Communications services tax	4,019,547	4,085,310	4,743,877
Impact fees	1,304,751	304,993	-
Licenses, permits and fines	8,911,239	6,476,391	5,189,771
Intergovernmental revenue	7,765,837	3,432,355	3,238,317
Grants	416,319	-	3,822,869
Charges for services	1,404,959	941,671	1,058,346
Investment income	2,114,194	991,239	2,496,612
County contributions	-	-	2,967,286
Miscellaneous	190,337	394,205	277,442
Total revenues	54,639,093	52,413,257	61,038,989
Expenditures:			
Current:			
General government	4,361,334	12,324,554	7,944,991
Public safety	13,321,448	17,696,614	12,424,819
Community development **	-	-	-
Building department **	3,136,195	3,360,946	2,595,514
Planning & zoning department **	840,422	1,373,831	660,443
Public works	1,532,432	4,835,676	4,337,079
Parks and recreation	17,976,592	6,272,388	4,043,174
Mitigation/ QNIP	398,178	379,062	17,752,035
Code enforcement	-	-	827,722
Debt service:			
Principal retirement	283,145	797,827	1,114,022
Interest and other fiscal charges	984,740	900,010	897,471
Total expenditures	42,834,486	47,940,908	52,597,270
Excess (deficiency) of revenues over expenditures	11,804,607	4,472,349	8,441,719
Other financing sources (uses):			
Bond proceeds	-	-	-
Proceeds from capital leases	-	-	-
Transfers in	4,774,650	11,473,072	6,198,327
Transfers out	(4,774,650)	(11,473,072)	(6,198,327)
Total other financing sources (uses)	-	-	-
Net change in fund balances	\$ 11,804,607	\$ 4,472,349	\$ 8,441,719
Debt service as a percentage of non-capital expenditures	4.98%	5.85%	4.17%

** Community development department re-organized into building and planning & zoning in fiscal year 2006

THE CITY OF DORAL, FLORIDA

NET ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year Ended <u>September 30,</u>	<u>Real Property</u>			Personal <u>Property</u>	Total Net Assessed <u>Value</u>	Total Direct Tax <u>Rate</u>	Tax	Estimated Actual Value as a Percentage of Net Assessed <u>Value</u>
	<u>Residential Property</u>	<u>Commercial Property</u>						
2003	1,980,974,946	2,539,734,652		391,919,744	4,912,629,342	2.447	\$ 12,021,204	0.24%
2004	2,186,766,144	2,803,571,930		432,628,824	5,422,966,898	2.447	\$ 13,270,000	0.24%
2005	2,561,789,226	3,284,375,143		640,920,540	6,487,084,909	2.447	\$ 15,873,897	0.24%
2006	3,694,495,528	4,736,650,285		727,775,178	9,158,920,991	2.447	\$ 22,411,880	0.24%
2007	4,609,913,198	5,102,505,640		735,736,830	10,448,155,668	2.447	\$ 25,566,637	0.24%
2008	5,196,232,044	5,200,628,803		644,981,156	11,041,842,003	2.447	\$ 27,019,387	0.24%
2009	4,877,305,322	3,882,254,803		701,979,329	9,461,539,454	2.447	\$ 23,152,387	0.24%

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.

The City was incorporated on July 23, 2003, therefore years prior to 2003 are not applicable.

THE CITY OF DORAL, FLORIDA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS

Fiscal Year	City of Doral		Overlapping Rates (1)												Total Direct and Overlapping Rates	
	Tax Roll Year	General Operations	Total City	Miami-Dade County			Miami-Dade Fire & Rescue			Miami-Dade Schools			SFWMD Millage	FIND Millage		Total State Millage
				Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total Fire & Rescue Millage	Operating Millage	Debt Service Millage	Total School Millage				
2003	2002	2.447	2.447	5.969	0.285	6.254	2.582	0.079	2.661	8.418	0.682	9.100	0.597	0.039	0.636	22.184
2004	2003	2.447	2.447	5.935	0.285	6.220	2.582	0.079	2.661	8.090	0.597	8.687	0.597	0.039	0.636	21.681
2005	2004	2.447	2.447	5.835	0.285	6.120	2.592	0.069	2.661	7.947	0.491	8.438	0.597	0.039	0.636	21.316
2006	2005	2.447	2.447	5.615	0.285	5.900	2.609	0.042	2.651	7.691	0.414	8.105	0.597	0.039	0.636	20.747
2007	2006	2.447	2.447	4.580	0.285	4.865	2.207	0.042	2.249	7.570	0.378	7.948	0.535	0.035	0.569	18.973
2008	2007	2.447	2.447	4.838	0.285	5.123	2.185	0.042	2.227	7.533	0.264	7.797	0.535	0.035	0.569	19.056
2009	2008	2.447	2.447	4.838	0.285	5.123	2.185	0.042	2.227	7.698	0.297	7.995	0.535	0.035	0.569	19.333

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

Sources: The City of Doral Finance Department and Miami Dade County Property Appraiser's Office.

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Doral. Not all overlapping rates apply to all City of Doral 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).

The City was incorporated on July 23, 2003, therefore years prior to 2003 are not applicable.

THE CITY OF DORAL, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

2009		2000		Percent of Total City Net Assessed Value	Taxpayer	Net Assessed Value	Rank	Percent of Total Village Net Assessed Value
	Net Assessed Value	Rank	Percent of Total City Net Assessed Value	Taxpayer	Net Assessed Value	Rank	Percent of Total Village Net Assessed Value	
Century Grand One LLP	\$ 227,718,080	1	2.41%		\$ -		0.00%	
PSBP Industrial LLC	189,411,191	2	2.00%		-		0.00%	
Koala Miami Realty Holdings	135,288,568	3	1.43%		-		0.00%	
West Dade County Associates	124,700,000	4	1.32%		-		0.00%	
Blueview Golf Villas LLC	83,707,164	5	0.88%		-		0.00%	
KSL Hotel Corporation	72,655,930	6	0.77%		-		0.00%	
Summit Properties LP	69,501,246	7	0.73%		-		0.00%	
AMB Property LP	64,401,411	8	0.68%		-		0.00%	
FDG Beacon Commons LLC	62,969,800	9	0.67%		-		0.00%	
CV Miami LLC	<u>58,328,591</u>	10	<u>0.62%</u>		<u>-</u>		<u>0.00%</u>	
	<u>\$1,088,681,981</u>		<u>11.51%</u>		<u>\$ -</u>		<u>0.00%</u>	

Source: Tax roll provided by Miami-Dade County Property Appraisers Office.

Note: The City did not exist nine years ago.

The City was incorporated on July 23, 2003, therefore years prior to 2003 are not applicable.

THE CITY OF DORAL, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year Ended <u>September 30,</u>	Total Taxes Levied for Fiscal Year	Collected within the Fiscal Year		Collections in Subsequent Year's		Total Collections to Date	
		<u>Amount</u>	<u>Percent of Levy</u>	<u>Amount</u>	<u>Percent of Levy</u>	<u>Amount</u>	<u>Percent of Levy</u>
2003	3,333,787	3,205,654	96.16%	-	-	3,205,654	96.16%
2004	12,606,500	13,252,700	105.13%	-	-	13,252,700	105.13%
2005	15,808,202	14,875,808	94.10%	-	-	14,875,808	94.10%
2006	17,362,280	17,300,211	99.64%	-	-	17,300,211	99.64%
2007	21,198,869	20,893,975	98.56%	-	-	20,893,975	98.56%
2008	24,219,557	24,179,740	99.84%	-	-	24,179,740	99.84%
2009	25,676,515	25,389,666	98.88%	-	-	25,389,666	98.88%

Source: City of Doral Finance Department and Miami-Dade County Tax Collector's Office.

The City was incorporated on July 23, 2003, therefore years prior to 2003 are not applicable.

THE CITY OF DORAL, FLORIDA

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Governmental Activities				Business-Type Activities		Total	Percentage of Personal Income (1)	Debt Per Capita
	General		Loans		Revenue				
	Obligation Bonds	Revenue Bonds	Payable		Bonds				
2003	-	-	-	-	-	-	0.00%	-	
2004	-	-	-	-	-	-	0.00%	-	
2005	-	-	-	-	-	-	0.00%	-	
2006	-	21,250,000	-	-	-	21,250,000	1.97%	634	
2007	-	20,992,886	-	-	-	20,992,886	1.89%	609	
2008	-	21,198,171	-	-	-	21,198,171	1.75%	562	
2009	-	19,482,208	-	-	-	19,482,208	1.55%	499	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. The City was incorporated on July 23, 2003, therefore years prior to 2003 are not applicable.

(1) Personal income amounts obtained from the U.S. Census Bureau.

THE CITY OF DORAL, FLORIDA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

All bonded indebtedness is in the form of revenue bonds.

THE CITY OF DORAL, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

SEPTEMBER 30, 2009

<u>Government Unit</u>	2009	
<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Doral</u>	<u>Amount Applicable to City of Doral</u>
Direct:		
City of Doral	\$ 19,482,208	100.00%
		\$ 19,482,208
Other debt:		
Miami-Dade County	843,961,000	0.801%
Miami-Dade County School Board	405,070,000	0.801%
Subtotal, Overlapping Debt		10,004,738
Total Direct and Overlapping Debt		\$ 29,486,946

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 taxpayers of the City of Doral. 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 taxable assessed property values. Value that is within the City's boundaries and dividing it by the County's and School Board's total taxable assessed value. This approach was also used for the other debt.

THE CITY OF DORAL, FLORIDA

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

None of the City's revenues are pledged for debt service.

THE CITY OF DORAL, FLORIDA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Median Family Income (2)</u>	<u>Unemployment Rate (3)</u>	<u>Total Personal Income (2) (4)</u>
2003	27,000	68,836	5.7%	-
2004	29,670	70,901	5.0%	-
2005	32,485	73,028	3.9%	-
2006	33,500	75,218	3.7%	-
2007	34,472	77,475	4.2%	-
2008	37,735	74,050	4.5%	1,547,135
2009	39,011	74,016	10.7%	1,254,126

Sources:

- (1) University of Florida, Bureau of Economic Research, 2007 estimated/U.S. Census Bureau
- (2) United States Census Bureau
- (3) Florida Department of Labor/United States Department of Labor
- (4) Not available for years prior to 2008

The City was incorporated on July 23, 2003, therefore years prior to 2003 are not applicable.

Note: Population amounts are based on surveys conducted during the last quarter of each fiscal year. Unemployment rate information is an adjusted yearly average, and are Miami-Dade County amounts. Median family income amounts are based on geographic area.

THE CITY OF DORAL, FLORIDA

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	2009			2000		
	<u>Employees</u>	<u>Rank</u>	Percentage of Total City <u>Employment</u>	<u>Employees</u>	<u>Rank</u>	Percentage of Total City <u>Employment</u>
Carnival Corporation	2,380	1	24.10%			
Superb Auto Sales	2,100	2	21.26%			
Boston Scientific	1,200	3	12.15%			
Marriott International	1,031	4	10.44%			
Univision Network LTD	800	5	8.10%			
Amadeus North America, LLC	462	6	4.68%			
Supreme International Corporation	420	7	4.25%			
Perry Ellis International, Inc.	420	7	4.25%			
Blue Cross and Blue Shield of Florida, Inc.	412	8	4.17%			
Brinks Incorporated	366	9	3.71%			
Gold Coast Beverage Dist.	286	10	2.90%			
Total	9,877					

Source: City of Doral Economic Development Coordinator

Note: The City did not exist nine years ago, incorporated July 23, 2003.

THE CITY OF DORAL, FLORIDA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Number of Employees:										
City Council			-		1	1	2	2	3	1
City Manager's Office			1		4	4	5	6	5	6
City Clerk's Office			-		1	2	3	4	3	3
City Attorney's Office *			1		1	1	1	1	1	-
Finance Department *			1		2	2	2	3	4	6
Administrative Services			-		2	1	1	2	-	-
Police Department *			-		75	93	110	110	123	127
Community Development **			-		15	29	-	-	-	-
Building and Permitting **			-		-	-	18	28	31	31
Planning & Zoning **			-		-	-	7	5	8	7
Code Compliance **			-		-	-	8	10	10	9
Licensing **			-		-	-	2	2	2	-
Public Works			-		6	6	6	10	15	16
Parks and Recreation			-		29	29	28	27	46	48
Human Resources									3	3
IT									4	7
Total Number of Employees	-	-	-	3	136	168	193	210	258	264

Source: City of Doral Finance Department

The City was incorporated on July 23, 2003, therefore years prior to 2003 are not applicable.

* Includes contractual personnel.

** Community development divided into separate departments; building, planning & zoning, code compliance and licensing

THE CITY OF DORAL, FLORIDA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Public safety:										
Police:										
Police personnel and officers				-	75	93	110	110	123	127
Police calls for service				13,346	9,660	13,814	21,258	35,406	42,545	29,308
Planning and development:										
Building permits issued				(A)	(A)	(A)	1,631	3,500	2,320	3,730

Sources: Various City Departments

Note: Indicators are not available for the general government function, the City utilizes Miami-Dade County for Fire & Rescue and Police services.

(A) Information not available, permits issued by Miami-Dade County

The City was incorporated on July 23, 2003, therefore years prior to 2003 are not applicable.

THE CITY OF DORAL, FLORIDA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General government:										
Number of 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
Shifts	3	3	3	3	3	3	3	3	3	3
Fire:										
Fire stations	2	2	2	2	2	2	2	2	2	2
Planning and development										
Building permits issued	(A)	(A)	(A)	1,631	3,500	2,320	3,730			
Engineering and public works										
Total square miles	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Surface water management										
Miles of storm drainage	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Transportation:										
Miles of streets	175.0	175.0	175.0	175.0	175.0	175.0	175.0	175.0	175.0	175.0
Number of street lights	410	410	410	410	410	410	410	410	410	410
Number of traffic signals	61	61	61	61	61	61	61	61	61	61
Culture and recreation:										
Miles of waterways	11.30	11.30	11.30	11.30	11.30	11.30	11.30	11.30	11.30	11.30
Utility system:										
Miles of mains	203.0	203.0	203.0	203.0	203.0	203.0	203.0	203.0	203.0	203.0
Fire hydrants - City of Doral	2,166	2,166	2,166	2,166	2,166	2,166	2,166	2,166	2,166	2,166

Sources: Various City Departments

The City was incorporated on July 23, 2003, therefore years prior to 2003 are not applicable.

(A) Information not available, permits issued by Miami-Dade County