

2015

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



City of Doral, Florida  
Fiscal Year Ended September 30, 2015

**CITY OF DORAL, FLORIDA**  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2015

Prepared by:  
THE FINANCE DEPARTMENT

**CITY OF DORAL, FLORIDA  
TABLE OF CONTENTS**

	<b>PAGE</b>
<b>INTRODUCTORY SECTION (Unaudited)</b>	
Letter of Transmittal	i-iv
GFOA Certificate of Achievement	v
Organizational Chart	vi
List of City Officials	vii
 <b>FINANCIAL SECTION</b>	
Independent Auditors' Report	1-2
Managements' Discussion and Analysis (Unaudited)	3-11
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds	14
Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Net Position – Proprietary Fund	18
Statement of Revenues, Expenses and Changes in Net Postion – Proprietary Fund	19
Statement of Cash Flows – Proprietary Fund	20
Notes to Basic Financial Statements	21-50
 <b>Required Supplementary Information (Unaudited)</b>	
Budgetary Comparison Schedule:	
General Fund	51
Transportation Fund	52
Notes to Budgetary Comparison Schedule	53
Pension Schedules:	
Schedule of the Proportionate Share of the Net Pension Liability	54
Schedule of Contributions	55
 <b>Combining and Individual Financial Statements and Schedules</b>	
Combining Balance Sheet – Nonmajor Governmental Funds	56
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	57
Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual Nonmajor Governmental Funds	58-61

**CITY OF DORAL, FLORIDA  
TABLE OF CONTENTS**

	<b>PAGE</b>
<b>STATISTICAL SECTION (Unaudited)</b>	
Net Position by Component	62
Changes in Net Position	63
Fund Balances of Governmental Funds	64
Changes in Fund Balances of Governmental Funds	65
Net Assessed Value and Estimated Actual Value of Taxable Property	66
Property Tax Rates – Direct and Overlapping Governments	67
Principal Property Taxpayers – Current Year and Ten Years Ago	68
Property Tax Levies and Collections	69
Ratios of Outstanding Debt by Type	70
Ratios of General Bonded Debt Outstanding	71
Direct and Overlapping Governmental Activities Debt	72
Pledged Revenue Coverage	73
Demographic and Economic Statistics	74
Principal Employers – Current Year and Ten Years Ago	75
Full Time Equivalent City Government Employees by Function	76
Operating Indicators by Function/Program	77
Capital Asset Statistics by Function/Program	78
 <b>COMPLIANCE SECTION</b>	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	79-80
Management Letter Required by Section 10.550 of the Rules of the Auditor General of the State of Florida	81-82
Independent Auditors' Report on Compliance with the Requirements of Section 218.415, Florida Statutes in Accordance with Chapter 10.550, Rules of the Auditor General of the State of Florida	83
Independent Auditors' Report on Compliance for Each Major State Project and Report on Internal Control Over Compliance required by Chapter 10.550, Rules of the Auditor General	84-85
Schedule of Expenditures of State Financial Assistance	86
Notes to Schedule of Expenditures of State Financial Assistance	87
Summary Schedule of Prior Audit Findings	88
Schedule of Findings and Questioned Costs	89
Impact Fee Ordinance Affidavit	90

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## **INTRODUCTORY SECTION**

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April 26, 2016

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 (CAFR) of the City of Doral for the fiscal year ended September 30, 2015.

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 control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City 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 & Co., PA, 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 financial statements of the City of Doral for the fiscal year that ended September 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Doral's financial statements for the fiscal year ended September 30, 2015, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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 the 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 55,660. 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 Council members. The Council is responsible, among other things, for adopting ordinances and resolutions, adopting the annual budget, appointing the City Manager, City Attorney and City Clerk. The City Manager is responsible for carrying out the policies and directives of the Council, for overseeing the daily operations of the government, and for appointing the heads of various departments.

The City offers a wide range of services, including, police protection, public works maintenance, a full service building department, planning and zoning, parks and recreation and stormwater services. Educational services are provided through the County School System. Miami-Dade County provides for Libraries and Fire & Rescue Service.

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 in a line item based format. These requests are the foundation for developing a proposed budget. The City Manager will review and present 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, both by fund and department for the purpose of meeting Florida Statutes. No department may legally expend in excess of the amount appropriated for that department within an individual fund. The City Manager may authorize transfers of appropriations within a department's operating and capital accounts of up to \$15,000. Transfers between departments and funds require the approval of City Council. The City Council may approve supplemental appropriations through an Ordinance.

Budget to actual comparisons are provided in this report for the general fund, transportation fund, park impact fee fund and the police impact fee fund for which an appropriated annual budget has been adopted. These reports are presented in the required supplemental information and combining financial statements sections of this report.

## **Economic Condition and Outlook**

In fiscal year 2015 the City of Doral continued to experience increases in construction and new investments that have helped to maintain the City's tax base fairly stable and estimated at \$10.2 billion for this fiscal year. Additionally, our regional economic base remains diversified, comprised of wholesale and retail trade, construction, light manufacturing, and tourism. Located in the center of a hemispheric market 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 continues to grow in the Doral area.

## Airport

The City of Doral proximity to the Miami International Airport (MIA) provides a great venue for increased activity in the industries dealing in international trade. In 2015, MIA served 44.3 million passengers, with 48% of those being international. MIA also shipped 2.2 million tons of domestic and international cargo during the year. MIA ranks number 1 in domestic airports for international freight and number 2 in international passenger volume among all U.S. airports. MIA completed its \$6.4 billion Capital Improvement Program encompassing all aspects of airport operations, from a terminal and roadways to the cargo facilities and the airfield.

## Public/Private Development Ventures

The City of Doral has a continuing collaboration with its local schools. Our Parks and Recreation Department 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 events. The City's fiscal year 2016 budget makes available grants of \$6,000 per school in support of the Parent Teacher Association and/or Parent Teacher Student Associations of our local schools.

## Long-Term Financial Planning

In order to meet the service demands of residents and visitors, the City continues to address the long-term planning necessary to fund the capital projects essential to the creation, improvement, enhancement, and preservation of public facilities and infrastructure. Through a clear and consistent policy of smart growth, we continue to enhance the community by providing residents with the amenities they need, while avoiding the indiscriminate building of undesirable developments. New construction in the City continues to enhance its revenue capacity which will provide the means to improve and address additional infrastructure needs.

The Public Works Department continues to pursue its infrastructure growth plan by completing several projects that include construction of stormwater improvements, roadways, and sidewalks and roadway repairs. The City's expansion of the police and public works facility is underway. The construction of Legacy Park is almost complete and the ground breaking for the Police substation and Doral North Park is scheduled for fiscal year 2016. The City has plans to expand the trolley system with the addition of one new trolley.

## **Awards and Acknowledgements**

The Government Finance Officers Association awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Doral for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2014. This was the eleventh year that the City submitted and received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

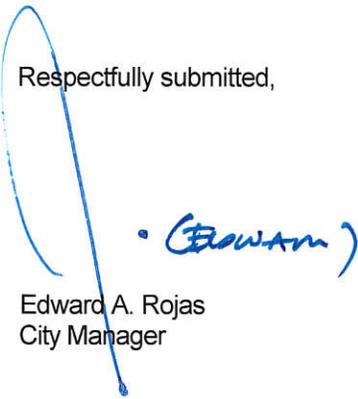
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for the fiscal year ended September 30, 2014. This is the first year that the City submitted and received this award. The PAFR is designed to provide a user-friendly presentation of the City's financial position and derives its information from the City of Doral's CAFR.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire Finance Department. We would like to express our appreciation to all of the departments who assisted and contributed to the preparation of this report and to Rodriguez, Trueba & Co., PA, our independent auditors, for their assistance and efforts in helping the City prepare this CAFR.

We wish to thank the Mayor and the City Council for their unfailing support in maintaining the highest standards of professionalism in the management of the City of Doral's finances.

Respectfully submitted,



Edward A. Rojas  
City Manager



Matilde G. Menendez, CPA, CGMA  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Doral  
Florida**

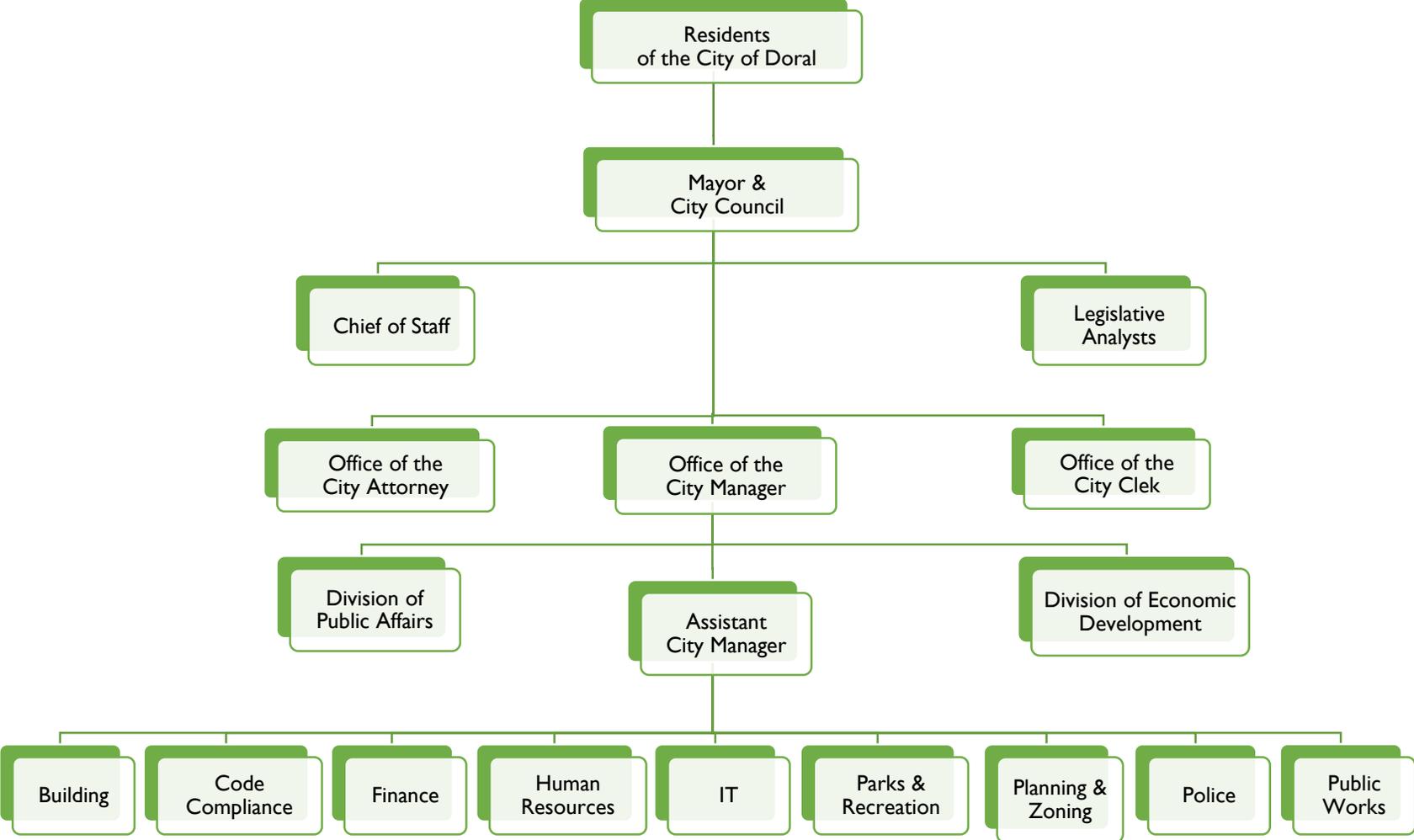
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2014**

Executive Director/CEO



# City of Doral, Florida Organizational Chart



# **CITY OF DORAL, FLORIDA**

CITY OFFICIALS

SEPTEMBER 30, 2015

## **CITY COUNCIL**

Luigi Boria, Mayor  
Christi Fraga, Vice Mayor  
Pete Cabrera  
Sandra Ruiz  
Ana Maria Rodriguez

## **CITY MANAGER**

Edward A. Rojas

## **CITY CLERK**

Connie Diaz

## **CITY ATTORNEY**

Weiss Serota Helfman Pastoriza Cole Boniske P.L.

## **FINANCE DIRECTOR**

Matilde Menendez

## **CITY AUDITORS**

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

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## **FINANCIAL SECTION**

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**INDEPENDENT AUDITORS' REPORT**

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## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Doral, Florida (the "City"), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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 of America 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

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, 2015, and the respective changes in the financial position, and, where applicable, cash flows thereof and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of a Matter***

As discussed in Note I to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27)* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* as of October 1, 2014. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and pension schedules on pages 3-11, 51-53, and 54-55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of state financial assistance projects is presented for purposes of additional analysis as required by Chapter 10.550, *Rules of the Auditor General of the State of Florida*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of state financial assistance projects are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of state financial assistance projects are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Rodriguez Trueba & Company*

Rodriguez, Trueba & Co., P.A.  
Doral, Florida  
April 26, 2016

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**(Required Supplementary Information)**

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## Management's Discussion and Analysis

As management of the City of Doral (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2015. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal.

### Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$276,004,345 (*net position*). Of this amount, \$164,764,777 is the net investment in capital assets, \$15,882,541 is restricted for transportation related uses, \$14,817,795 is restricted for stormwater and drainage related uses, \$2,828,527 is restricted for public safety related uses, \$185,737 is restricted for Government Center capital improvement projects, \$9,062,130 is restricted for parks and recreation related projects, and \$68,462,838 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$24,807,164 from \$251,197,181 (as restated, refer to Note III) in FY 2014 to \$276,004,345 in FY 2015. The increase is attributable to an overall increase of \$22,817,932 in governmental activities and an increase of \$1,989,232 in business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported an ending fund balance of \$105,003,471. Of this amount, \$62,545,560 is available for spending at the government's discretion (*unassigned fund balance*).

Committed funds of \$32,505,980 are to be used as follows: \$5,566,805 for the expansion of the Public Works/Police facility, \$16,263,454 for Park construction and improvements, \$555,559 for Police vehicles, \$2,104,104 for various smaller projects and \$8,016,058 for Transportation projects.

Funds of \$8,790 are for prepaid items and \$9,943,141 has been restricted for use as follows: \$7,866,483 for use in transportation projects, \$862,203 for use for in park projects, \$732,670 for use for police projects and \$481,785 is restricted by state and federal agencies to be used in approved law enforcement projects.

- At the end of the current fiscal year, unassigned fund balance for the general fund was \$62,545,560 or 131.11% of total general fund expenditures.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components:

- Government-wide financial statements, those provide both long-term and short-term information about the City's overall financial status.
- Fund financial statements, that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
- Notes to the basic financial statements that explain some of the information in the financial statements and provide more detailed data.

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, police, public works and physical environment, planning, zoning and code enforcement, building, and parks and recreation.

The government-wide financial statements include only the City itself (known as the *primary government*) and can be found on pages 12 and 13 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City 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 statement 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 maintains several individual funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and the changes in fund balances for the general fund and transportation fund which are considered to be the major funds. Data from the other governmental funds are combined into a single, aggregate presentation. Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for the general fund, the transportation fund, the park impact fee fund, police impact fee fund, and the capital improvement project fund. A budgetary comparison statement and budget versus actual schedules have been provided for these funds to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 14 to 17 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.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Stormwater Fund and can be found on pages 18 to 20 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 21 to 50 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found beginning on page 56 of this report.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$276,004,345 at the close of the most recent fiscal year.

The largest portion of the City's net position, \$164,764,777 or 60% reflects a net investment in capital assets (e.g., land, building, infrastructure and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of the related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Our comparative analysis of the financial statements of the City begins below. The Statement of Net Position and the Statement of Activities report information about the City's activities that will help answer questions about the position of the City.

### **Net Position**

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

**Table A-1 – Summary of net position**

	Governmental Activities		Business-Type Activities		Total		Change
	2014*	2015	2014	2015	2014*	2015	
<b>Assets:</b>							
Current assets	\$ 95,366,635	\$ 111,146,882	\$ 15,119,222	\$ 14,871,927	\$ 110,485,857	\$ 126,018,809	\$ 15,532,952
Capital assets	161,815,021	169,522,790	17,937,979	19,527,215	179,753,000	189,050,005	9,297,005
Total assets	<u>257,181,656</u>	<u>280,669,672</u>	<u>33,057,201</u>	<u>34,399,142</u>	<u>290,238,857</u>	<u>315,068,814</u>	<u>24,829,957</u>
<b>Deferred Outflows of Resources:</b>							
Deferred outflows on derivative instrument	2,192,863	2,283,826	-	-	2,192,863	2,283,826	90,963
pension	745,660	2,397,608	-	-	745,660	2,397,608	1,651,948
loss on refunding	-	-	523,830	471,446	523,830	471,446	(52,384)
Total deferred outflows of resources	<u>2,938,523</u>	<u>4,681,434</u>	<u>523,830</u>	<u>471,446</u>	<u>3,462,353</u>	<u>5,152,880</u>	<u>1,690,527</u>
<b>Liabilities:</b>							
Current liabilities	7,250,786	9,429,942	753,807	466,855	8,004,593	9,896,797	1,892,204
Long-term liabilities	21,759,909	24,822,573	7,279,307	6,866,584	29,039,216	31,689,157	2,649,941
Total liabilities	<u>29,010,695</u>	<u>34,252,515</u>	<u>8,033,114</u>	<u>7,333,439</u>	<u>37,043,809</u>	<u>41,585,954</u>	<u>4,542,145</u>
<b>Deferred Inflows of Resources:</b>							
Deferred inflows on business license tax	590,142	613,691	-	-	590,142	613,691	23,549
pension	4,870,078	2,017,704	-	-	4,870,078	2,017,704	(2,852,374)
Total deferred inflows of resources	<u>5,460,220</u>	<u>2,631,395</u>	<u>-</u>	<u>-</u>	<u>5,460,220</u>	<u>2,631,395</u>	<u>(2,828,825)</u>
<b>Net Position:</b>							
Net investment in capital assets	143,180,968	152,045,423	10,261,848	12,719,354	153,442,816	164,764,777	11,321,961
Restricted	20,635,882	27,958,935	15,286,069	14,817,795	35,921,951	42,776,730	6,854,779
Unrestricted	61,832,414	68,462,838	-	-	61,832,414	68,462,838	6,630,424
Total net position	<u>\$ 225,649,264</u>	<u>\$ 248,467,196</u>	<u>\$ 25,547,917</u>	<u>\$ 27,537,149</u>	<u>\$ 251,197,181</u>	<u>\$ 276,004,345</u>	<u>\$ 24,807,164</u>

\* Net position was restated with implementation of GASB 68 and 71. Balances reflect net pension liability and related deferred inflows and outflows of resources.

The balance of unrestricted net position \$68,462,838 may be used to meet the government's ongoing obligations to citizens and creditors. The increase in the net position of \$6,630,424 in the current fiscal year is attributable to the restatement of net position to report the City's net pension liability and related pension amounts, recorded with the implementation of GASB Statement Nos. 68 and 71 (see Note III).

At the end of the current fiscal year, the City of Doral is able to report positive balances in all three categories of net position.

**Governmental activities** increased the City's net position by \$22,817,932 during the current fiscal year. Key elements in the change in net position activity are as follows:

**Table A-2 – Summary of changes in net position**

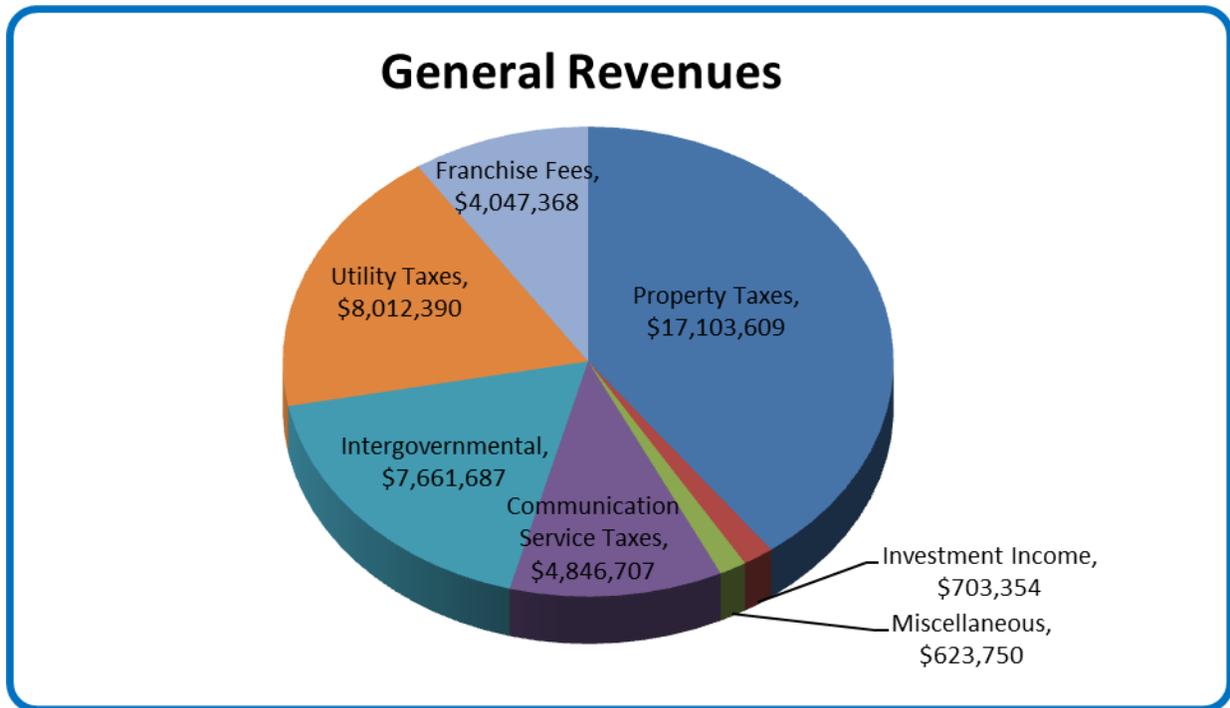
	Governmental Activities		Business-Type Activities		Total		Change
	2014	2015	2014	2015	2014	2015	
<b>Program Revenues:</b>							
Charges for services	\$ 15,665,043	\$ 23,676,946	\$ 3,733,063	\$ 3,827,559	\$ 19,398,106	\$ 27,504,505	\$ 8,106,399
Operating grants and contributions	91,360	5,584	-	-	91,360	5,584	(85,776)
Capital grants and contributions	1,141,177	868,997	505,487	506,039	1,646,664	1,375,036	(271,628)
<b>General Revenues:</b>							
Property taxes	15,383,682	17,103,609	-	-	15,383,682	17,103,609	1,719,927
Utility taxes	7,915,628	8,012,390	-	-	7,915,628	8,012,390	96,762
Franchise fees	3,982,872	4,047,368	-	-	3,982,872	4,047,368	64,496
Communication service tax	5,519,464	4,846,707	-	-	5,519,464	4,846,707	(672,757)
Intergovernmental (unrestricted)	7,074,393	7,661,687	-	-	7,074,393	7,661,687	587,294
Investments earnings	358,342	703,354	42,310	91,084	400,652	794,438	393,786
Miscellaneous	582,588	623,750	-	-	582,588	623,750	41,162
Total revenues	<u>57,714,549</u>	<u>67,550,392</u>	<u>4,280,860</u>	<u>4,424,682</u>	<u>61,995,409</u>	<u>71,975,074</u>	<u>9,979,665</u>
<b>Expenses:</b>							
General government	8,389,824	11,600,181	-	-	8,389,824	11,600,181	3,210,357
Building	2,864,600	3,459,627	-	-	2,864,600	3,459,627	595,027
Police	13,407,671	14,465,522	-	-	13,407,671	14,465,522	1,057,851
Planning, zoning and code enforcement	1,659,889	2,029,350	-	-	1,659,889	2,029,350	369,461
Public works and physical environment	6,080,384	7,134,089	-	-	6,080,384	7,134,089	1,053,705
Parks and recreation	4,721,102	5,312,829	-	-	4,721,102	5,312,829	591,727
Interest on long-term debt	830,011	730,862	-	-	830,011	730,862	(99,149)
Stormwater utility	-	-	1,802,865	2,435,450	1,802,865	2,435,450	632,585
Total expenses	<u>37,953,481</u>	<u>44,732,460</u>	<u>1,802,865</u>	<u>2,435,450</u>	<u>39,756,346</u>	<u>47,167,910</u>	<u>7,411,564</u>
Changes in net position	<u>\$ 19,761,068</u>	<u>\$ 22,817,932</u>	<u>\$ 2,477,995</u>	<u>\$ 1,989,232</u>	<u>\$ 22,239,063</u>	<u>\$ 24,807,164</u>	<u>\$ 2,568,101</u>

Charges for services accounted for \$23,676,946 or 35.05% of total governmental revenues of \$67,550,392. Property taxes of \$17,103,609 comprised 25.32% of total governmental revenues.

The change in net position in **Business-Type Activities** decreased by \$488,763 when compared to the prior year as a result of increases in professional and contractual services associated with canal stabilization projects.

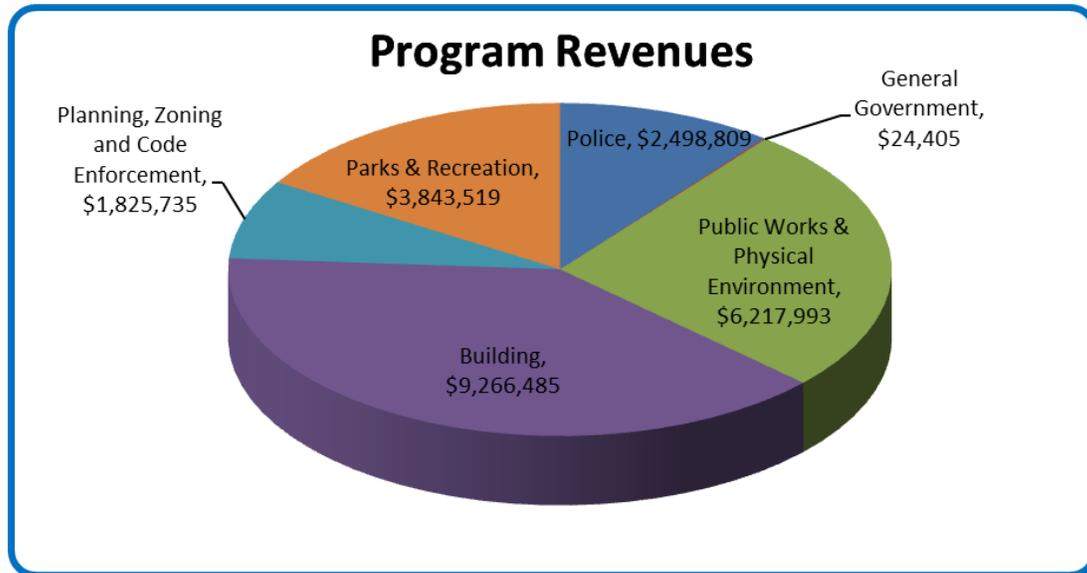
### General Revenues:

#### Revenues by Source – Governmental Activities

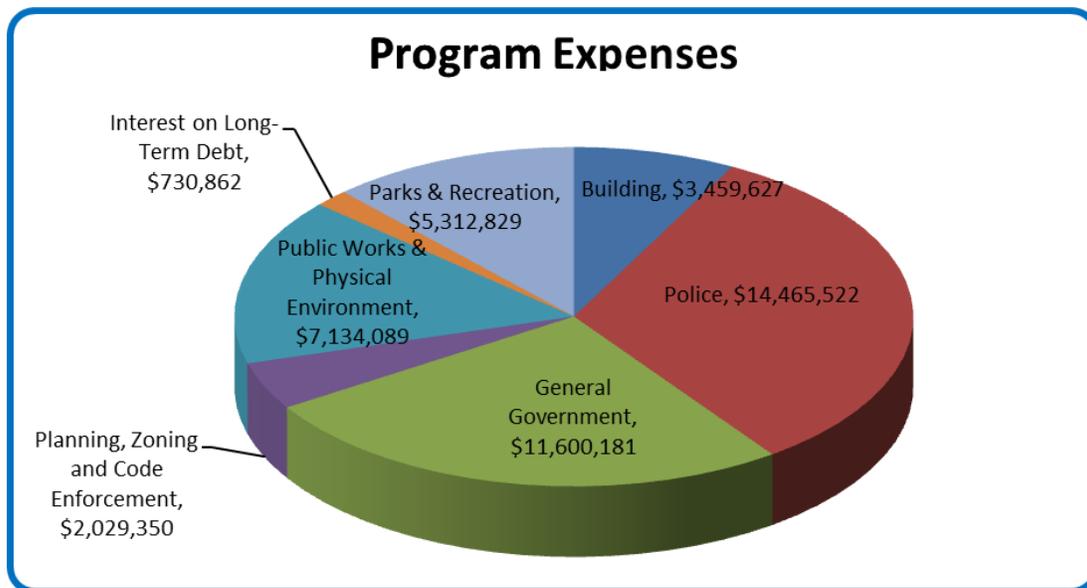


- Property taxes increased in the current year by \$1,719,927, as a result of increase in taxable values and new construction.
- Increases in the Half-Cent Tax and Municipal Surtax proceeds contributed to the current year's increase in Intergovernmental revenues of \$587,294.
- Communication Service Taxes decreased by \$672,757 during the current fiscal year. The decrease was attributable to the reduction in the annual audit adjustment amount allocated to the City by the Florida Department of Revenue.

## Program Revenues and Expenses – Governmental Activities



Charges for services accounted for 35.05% of total governmental revenues. The increase in charges for services of \$8,011,903 during the current year is attributable to new investments and construction in the City. The Building revenues which comprise 39.14% of charges for services increased during the current fiscal year by \$2,313,884 primarily as a result of increase in permits issued. The increases of \$3,426,300 in Public Works & Physical Environment, \$2,169,796 in Parks & Recreation and \$475,355 in Police are mainly attributable to impact fees associated with new projects.



Total governmental program expenses totaled \$44,732,460, with Police program expenses comprising 32.33% of the total. The increase of \$1,057,851 in Police program expenses during the current fiscal year is primarily attributable to personnel costs associated with new positions along with salary adjustments. General Government program expenses comprise 25.93% of total governmental program expenses. The increase in the current fiscal year of \$3,210,357 was attributable to \$1,500,000 in promotional activities related to the Miss Universe Pageant held in the City along with personnel costs associated with new positions and salary adjustments.

## Financial Analysis of the Government's Funds

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

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

At the end of the current fiscal year, fund balance of the general fund was \$77,044,536; of this amount \$62,545,560 constitutes *unassigned fund* balance, which is available for spending at the City's discretion; \$14,490,186 is *committed* for various projects such as the expansion of the Police/Public Works facility, and the construction of the Doral Legacy Park.

The general fund is the chief operating fund of the City. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 131.11% of total general fund expenditures.

During the fiscal year, total fund balance in the general fund increased by \$6,435,595 when compared to the prior year. The increase was predominantly due to revenues being higher than anticipated for the fiscal year, and expenditures incurred for Police, Public Works and Parks and Recreation being lower than budgeted. Due to the advancement of infrastructure projects such as the expansion of the Police/Public Works facility and the construction of the Legacy Park, capital outlay and professional services expenditures expected during the year were not incurred as of the fiscal year end, resulting in an increase to committed fund balance.

The change in Transportation fund balance was an increase of \$4,133,852, which is mainly attributable to impact fee revenues resulting from new projects and construction in the City.

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, 2014 and 2015 respectively.

**Table B-1**  
*Summary of condensed Balance Sheet*

	September 30, 2014	September 30, 2015
Total Assets	<u>\$ 95,435,915</u>	<u>\$ 111,211,018</u>
Total Liabilities	3,600,950	5,593,856
Deferred Inflows of Resources	590,142	613,691
Nonspendable Fund Balance	200,816	8,790
Restricted Fund Balance	15,602,116	9,943,141
Committed Fund Balance	13,739,806	32,505,980
Assigned Fund Balance	270,904	-
Unassigned Fund Balance	<u>61,431,181</u>	<u>62,545,560</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 95,435,915</u>	<u>\$ 111,211,018</u>

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

	September 30, 2014	September 30, 2015
Total Revenues	\$ 57,714,549	\$ 67,550,392
Total Expenditures	<u>39,319,288</u>	<u>53,791,744</u>
Excess of Revenues over Expenditures	<u>\$ 18,395,261</u>	<u>\$ 13,758,648</u>

The fund balance in the City’s governmental funds increased by \$13,758,648. The increase is attributable to the growth the City experienced during the current year as discussed above.

**General Fund Budgetary Highlights**

The original budget was amended by the City Council during 2015 to cover encumbrance carryovers from the prior fiscal year; these expenditures were not previously appropriated in the budget. The budgetary comparison schedule on page 51 of the Comprehensive Annual Financial Report (“CAFR”) provides variances between the final amended budget and the actual revenues and expenditures. Actual expenditures in the general government, police, public works, parks and recreation departments were significantly less than budgeted. This was as a result of committed construction and other projects that were encumbered but not initiated and/or completed. The notes to the budgetary comparison schedule can be found on page 53 of the CAFR.

**Capital Assets**

As of September 30, 2015, the City’s capital assets for governmental activities, net of accumulated depreciation were \$169,522,790. The capital assets for business-type activities, net of accumulated depreciation were \$19,527,215. The total increase in capital assets was as follows:

- Public Works repair, replacement and beautification of streets
- Information Technology upgrades and improvement to City’s systems
- Park improvements and development of new parks
- Additions to the City’s fleet of vehicles

Further details may be found on pages 37-38 of the capital assets section of the notes to basic financial statements.

**Long-Term Debt**

Excluding compensated absences, the City’s debt for Governmental Activities totaled approximately \$24,925,340 as of September 30, 2015. This represents an increase of \$2,770,113 over the last year’s total debt of \$22,155,227 (restated). The increase is attributable to the net pension liability, recorded with the implementation of GASB Statement Nos. 68 and 71 (see Notes III and VIII). A detailed schedule of the debt activity can be found on pages 38-40 of the notes to the financial statements.

## **Economic Factors and Next Year's Budget and Rates**

- The unemployment rate for the City of Doral is 4.3% as of January 2016, which shows a decrease from a rate of 4.6% reported a year ago. This compares favorably to the state's average unemployment rate of 5.1%.
- The City currently has approximately over 2 million square feet in approved commercial developments, and over 500 residential units approved for construction.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the City's budget for the 2016 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund increased to \$62,545,560. The fiscal year 2016 General Fund budget utilizes \$16,960,032 of fund balance to fund various projects such as the development of new parks, improvements for existing parks, first phase of construction of the police substation, land acquisition for the expansion of the police and public works facility, Information Technology upgrades and improvement to City's systems and the purchase of new police vehicles.

## **Requests for Information**

This financial report is designed to provide a general overview of the City'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 Finance Department, 8401 N.W. 53rd Terrace, Doral, Florida 33166.

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## **BASIC FINANCIAL STATEMENTS**

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**CITY OF DORAL, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2015**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 59,160,557	\$ 8,137,400	\$ 67,297,957
Investments	48,148,346	6,537,351	54,685,697
Accounts receivable - net	3,814,339	197,176	4,011,515
Other Assets	14,850	-	14,850
Prepaid items	8,790	-	8,790
Capital assets not being depreciated	84,490,721	-	84,490,721
Capital assets being depreciated, net	85,032,069	19,527,215	104,559,284
Total assets	<u>280,669,672</u>	<u>34,399,142</u>	<u>315,068,814</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Derivative instrument	2,283,826	-	2,283,826
Pension	2,397,608	-	2,397,608
Loss on refunding	-	471,446	471,446
Total deferred outflows of resources	<u>4,681,434</u>	<u>471,446</u>	<u>5,152,880</u>
<b><u>LIABILITIES</u></b>			
Accounts payable and accrued liabilities	4,388,466	54,132	4,442,598
Accrued interest	159,215	-	159,215
Escrow deposits	1,016,254	-	1,016,254
Unearned revenues	125,000	-	125,000
Derivative instrument - swap liabilities	2,283,826	-	2,283,826
Noncurrent liabilities:			
Due in one year	1,457,181	412,723	1,869,904
Due in more than one year	24,822,573	6,866,584	31,689,157
Total liabilities	<u>34,252,515</u>	<u>7,333,439</u>	<u>41,585,954</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Business license tax	613,691	-	613,691
Pension	2,017,704	-	2,017,704
Total deferred inflows of resources	<u>2,631,395</u>	<u>-</u>	<u>2,631,395</u>
<b><u>NET POSITION</u></b>			
Net investment in capital assets	152,045,423	12,719,354	164,764,777
Restricted for:			
Stormwater and drainage	-	14,817,795	14,817,795
Capital improvements projects	185,737	-	185,737
Public safety	2,828,527	-	2,828,527
Parks and recreation	9,062,130	-	9,062,130
Transportation	15,882,541	-	15,882,541
Unrestricted	68,462,838	-	68,462,838
Total net position	<u>\$ 248,467,196</u>	<u>\$ 27,537,149</u>	<u>\$ 276,004,345</u>

See notes to basic financial statements

**CITY OF DORAL, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Functions/programs</b>							
<b>Governmental activities:</b>							
General government	\$ 11,600,181	\$ 24,405	\$ -	\$ 86,492	\$ (11,489,284)	\$ -	\$ (11,489,284)
Police	14,465,522	2,498,809	5,584	216,415	(11,744,714)	-	(11,744,714)
Building	3,459,627	9,266,485	-	-	5,806,858	-	5,806,858
Planning, zoning and code enforcement	2,029,350	1,825,735	-	-	(203,615)	-	(203,615)
Public works and physical environment	7,134,089	6,217,993	-	560,590	(355,506)	-	(355,506)
Parks and recreation	5,312,829	3,843,519	-	5,500	(1,463,810)	-	(1,463,810)
Interest on long-term debt	730,862	-	-	-	(730,862)	-	(730,862)
Total governmental activities	<u>44,732,460</u>	<u>23,676,946</u>	<u>5,584.00</u>	<u>868,997</u>	<u>(20,180,933)</u>	<u>-</u>	<u>(20,180,933)</u>
<b>Business-type activities:</b>							
Stormwater	<u>2,435,450</u>	<u>3,827,559</u>	<u>-</u>	<u>506,039</u>	<u>-</u>	<u>1,898,148</u>	<u>1,898,148</u>
Total business-type activities	<u>2,435,450</u>	<u>3,827,559</u>	<u>-</u>	<u>506,039</u>	<u>-</u>	<u>1,898,148</u>	<u>1,898,148</u>
<b>General revenues:</b>							
Property taxes					\$ 17,103,609	\$ -	\$ 17,103,609
Utility taxes					8,012,390	-	8,012,390
Franchise fees on gross receipts					4,047,368	-	4,047,368
Communication service tax					4,846,707	-	4,846,707
Intergovernmental (unrestricted)					7,661,687	-	7,661,687
Investment income (unrestricted)					703,354	91,084	794,438
Miscellaneous					623,750	-	623,750
Total general revenues					<u>42,998,865</u>	<u>91,084</u>	<u>43,089,949</u>
Change in net position					22,817,932	1,989,232	24,807,164
Net position, beginning as restated (Note III)					<u>225,649,264</u>	<u>25,547,917</u>	<u>251,197,181</u>
Net position, ending					<u>\$ 248,467,196</u>	<u>\$ 27,537,149</u>	<u>\$ 276,004,345</u>

See notes to basic financial statements

**CITY OF DORAL, FLORIDA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2015**

	Major Funds		Other Governmental Funds	Total Governmental Funds
	General	Transportation		
<u>ASSETS</u>				
Cash and cash equivalents	\$ 30,743,801	\$ 16,106,360	\$ 12,310,396	\$ 59,160,557
Investments	48,148,346	-	-	48,148,346
Accounts receivable - net	2,673,177	1,119,814	21,348	3,814,339
Due from other funds	64,136	-	-	64,136
Other assets	14,850	-	-	14,850
Prepaid items	8,790	-	-	8,790
Total assets	\$ 81,653,100	\$ 17,226,174	\$ 12,331,744	\$ 111,211,018
<u>LIABILITIES</u>				
Accounts payable and accrued liabilities	\$ 2,920,783	\$ 1,302,212	\$ 165,471	\$ 4,388,466
Escrow deposits	949,090	41,421	25,743	1,016,254
Unearned revenues	125,000	-	-	125,000
Due to other funds	-	-	64,136	64,136
Total liabilities	3,994,873	1,343,633	255,350	5,593,856
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Business license tax	613,691	-	-	613,691
<u>FUND BALANCES</u>				
Nonspendable	8,790	-	-	8,790
Restricted	-	7,866,483	2,076,658	9,943,141
Committed	14,490,186	8,016,058	9,999,736	32,505,980
Unassigned	62,545,560	-	-	62,545,560
Total fund balances	77,044,536	15,882,541	12,076,394	105,003,471
Total liabilities, deferred inflows of resources, and fund balances	\$ 81,653,100	\$ 17,226,174	\$ 12,331,744	\$ 111,211,018

See notes to basic financial statements

**CITY OF DORAL, FLORIDA**  
**RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2015**

Fund balances - total government funds (Page 14) \$ 105,003,471

Amounts reported for governmental activities in the statement of net position are different as a result of:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	252,379,231
Less accumulated depreciation	(82,856,441)

Deferred outflows related to pensions	2,397,608
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Deferred inflows related to pensions	(2,017,704)
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Bonds payable	(14,623,357)	
QNIP bonds	(2,854,010)	
Accrued interest payable	(159,215)	
OPEB liability	(1,108,000)	
Net pension liability	(6,339,973)	
Compensated absences	(1,354,414)	(26,438,969)

Net position of governmental activities (Page 12)	\$ 248,467,196
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**CITY OF DORAL, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	<u>Major Funds</u>		<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Transportation</u>		
<b>Revenues:</b>				
Property taxes	\$ 17,103,609	\$ -	\$ -	\$ 17,103,609
Utility taxes	8,012,390	-	-	8,012,390
Franchise fees	4,047,368	-	-	4,047,368
Intergovernmental revenues	4,946,041	2,715,646	-	7,661,687
Licenses, permits and fines	12,863,755	-	76,320	12,940,075
Impact fees	-	5,946,135	4,111,320	10,057,455
Communication service tax	4,846,707	-	-	4,846,707
Charges for services	679,416	-	-	679,416
Grants and contributions	313,991	560,590	-	874,581
Investment income	703,354	-	-	703,354
Miscellaneous	623,750	-	-	623,750
Total revenues	<u>54,140,381</u>	<u>9,222,371</u>	<u>4,187,640</u>	<u>67,550,392</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	10,486,031	-	-	10,486,031
Police	14,271,428	-	3,762	14,275,190
Public works	2,802,153	1,965,825	3,988	4,771,966
Parks and recreation	3,542,075	-	89,322	3,631,397
Building	3,231,640	-	-	3,231,640
Planning and zoning	851,650	-	-	851,650
Code enforcement	1,095,752	-	-	1,095,752
Capital outlay	9,526,358	3,122,694	901,367	13,550,419
<b>Debt service:</b>				
Principal	1,156,686	-	-	1,156,686
Interest	741,013	-	-	741,013
Total expenditures	<u>47,704,786</u>	<u>5,088,519</u>	<u>998,439</u>	<u>53,791,744</u>
Excess of revenues over expenditures	<u>6,435,595</u>	<u>4,133,852</u>	<u>3,189,201</u>	<u>13,758,648</u>
Net change in fund balances	6,435,595	4,133,852	3,189,201	13,758,648
Fund balances - beginning	<u>70,608,941</u>	<u>11,748,689</u>	<u>8,887,193</u>	<u>91,244,823</u>
Fund balances - ending	<u>\$ 77,044,536</u>	<u>\$ 15,882,541</u>	<u>\$ 12,076,394</u>	<u>\$ 105,003,471</u>

See notes to basic 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, 2015**

Amounts reported for governmental activities in the statement of activities are different as a result of:

Net change in fund balances - total governmental funds (Page 16) \$ 13,758,648

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital outlays	13,550,419	
Less current year depreciation	(5,842,650)	
Net adjustment	<u>7,707,769</u>	7,707,769

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Bond principal payments	934,462	
QNIP bond payments	222,224	
Net adjustment	<u>1,156,686</u>	1,156,686

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.

Compensated absences	(392,845)	
OPEB liability	(150,000)	
Net pension liability	727,523	
Accrued interest payable	10,151	
Net adjustment	<u>194,829</u>	<u>194,829</u>

Change in net position of governmental activities (Page 13) \$ 22,817,932

**CITY OF DORAL, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**SEPTEMBER 30, 2015**

	<b>Business-Type            Activities            Enterprise Fund            Major Fund</b>
	<b>Stormwater</b>
<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	\$ 8,137,400
Investments	6,537,351
Accounts receivable	197,176
Total current assets	14,871,927
Capital assets:	
Capital assets being depreciated, net	19,527,215
Total noncurrent assets	19,527,215
Total assets	34,399,142
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Loss on refunding	471,446
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable and accrued liabilities	54,132
Revenue bonds	412,723
Total current liabilities	466,855
Noncurrent liabilities:	
Revenue bonds	6,866,584
Total noncurrent liabilities	6,866,584
Total liabilities	7,333,439
<u>NET POSITION</u>	
Net investment in capital assets	12,719,354
Restricted for stormwater and drainage	14,817,795
Total net position	\$ 27,537,149

See notes to basic financial statements

**CITY OF DORAL, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUND**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	<b>Business-Type Activities Enterprise Fund Major Fund</b>
	Stormwater
Operating revenues:	
Stormwater fees	\$ 3,827,559
Operating expenses:	
Operating, administrative and maintenance	1,670,673
Depreciation	444,404
Total operating expenses	2,115,077
Operating Income	1,712,482
Non-operating revenues (expenses):	
Interest income	77,763
Unrealized gain on investments	13,321
Interest expense	(320,373)
Total non-operating revenues (expenses)	(229,289)
Income before capital contributions	1,483,193
Capital contributions	506,039
Change in net position	1,989,232
Net position, beginning	25,547,917
Net position, ending	\$ 27,537,149

See notes to basic financial statements

**CITY OF DORAL, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	<u>Activities</u> <u>Enterprise Fund</u> <u>Major Fund</u>
	<u>Stormwater</u>
Cash flows from operating activities:	
Cash received from customers	\$ 3,831,823
Cash paid to suppliers and vendors	(1,509,420)
Cash paid to employees	(148,292)
Net cash provided by operating activities	<u>2,174,111</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(2,349,452)
Principal retirements of capital debt	(396,824)
Capital contributions	1,000,000
Interest paid on capital debt	(267,990)
Net cash (used in) capital and related financing activities	<u>(2,014,266)</u>
Cash flows from investing activities:	
Purchase of investment securities	(5,330,386)
Proceeds from sale and maturities of investment securities	5,252,623
Interest on investments	77,763
Net cash provided by investing activities	<u>-</u>
Net increase in cash and cash equivalents	159,845
Cash and cash equivalents, October 1	<u>7,977,555</u>
Cash and cash equivalents, September 30	<u>\$ 8,137,400</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	<u>\$ 1,712,482</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	444,404
Change in assets and liabilities:	
Decrease in accounts receivable	4,264
Increase in accounts payable and accrued liabilities	12,961
Total adjustments	<u>461,629</u>
Net cash provided by operating activities	<u>\$ 2,174,111</u>
Noncash investing, capital and related financing activities:	
Amortization of deferred loss	\$ 52,383
Change in fair value of investments	\$ 13,321

See notes to basic financial statements

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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Financial Reporting Entity**

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, fire or hospital facilities; those services are provided by the Miami-Dade County School Board and Miami-Dade County, respectively.

As required by generally accepted accounting principles, these basic financial statements present the reporting entity of the City. Component units are legally separate entities for which the government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the City’s combined financial statements to be misleading or incomplete. The primary government is considered financially accountable if it appoints a voting majority of an organization’s governing body and 1) it is able to impose its will on the organization or 2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the Board. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity financial statements to be misleading or incomplete. Based upon the application of these criteria, there were no organizations which met the criteria described above.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (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. The more significant of the City’s accounting policies are described below.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the 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 are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges 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 and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining non-major governmental funds are aggregated and reported as other governmental or other proprietary funds.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Measurement Focus, Basis of Accounting, and Basis of 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 receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Property taxes, franchise taxes, 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 revenues of the current fiscal period. Revenues for expenditures driven grants are recognized when the qualifying expenditures are incurred. 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:

**General Fund** – This 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.

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

The City reports the following major proprietary fund:

**Stormwater Fund** – This fund accounts for the maintenance of and construction of the City’s stormwater system.

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting. The financial statements of the City follow the guidance of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* for both the government wide and proprietary fund financial statements.

As a general rules the effect of interfund activity has been eliminated for the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and 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.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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 stormwater fund is charges to customers. Operating expenses for the 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.

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

**Implementation of Governmental Accounting Standards Board Statements**

During the fiscal year ended September 30, 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* (GASB 68). This statement improves accounting and financial reporting by state and local governments for pensions. In addition, the City also implemented GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, which addresses an issue regarding application of the transition provisions of GASB 68. The adoption of these statements is reflected in the government-wide financial statements, and in Notes III, VIII and X. See Note III for additional details.

**D. Deposits and Investments**

The City's cash and cash equivalents, for purpose of the statement of cash flows, includes cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The City maintains a cash pool that is available for use by all funds. Interest earned on pooled cash is allocated to each of the funds, based on the funds average equity balance on a monthly basis.

Investment holdings consist of United States Government Securities, United States Government Agencies Asset Backed/Collateralized Mortgage Obligation (CMO) and Mortgage Backed Securities, Federal Instrumentalities, Federal Instrumentalities Mortgage-Backed Securities (MBS), Corporate Notes, Commercial Paper, and Registered Investment Companies (Mutual Funds), which are reported at fair value, which is based on quoted market prices.

Section 218.415, Florida Statutes, limits the types of investments that the City can invest in unless specifically authorized in the City's investment policy. The City has a formal investment policy that allows for the following investments: the Florida Prime Fund, United States Government Securities, United States Government Agencies, Federal Instrumentalities, Non-Negotiable Certificate of Deposit and Saving Accounts, Money Market Funds, Repurchase Agreements, Commercial Paper, Bankers' Acceptances, State and/or Local Government Taxable and/or Tax-exempt Debt, Registered Investment Companies (Mutual Funds), Exchange Traded Funds, Intergovernmental Investment Pool, Corporate Obligations or Corporate Notes, Corporate Obligations (FDIC Insured), Mortgage-Backed Securities (MBS), and Asset Backed Securities.

**E. Receivables and Payables**

Activity 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".

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. 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. Amounts reported in the governmental funds are offset by an equal nonspendable classification of fund balance in the fund financial statements. This is an indication that these components of current assets do not constitute available spending resources.

**G. Property Taxes**

Property values are assessed as of January 1 of each year, at which times taxes become an enforceable lien on the property. Tax bills are mailed for the City by Miami Dade County on or about October 1 of each year and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and State Law provides for enforcements of collection of property taxes by seizure of the personal property or by the sales of interest-bearing tax certificates to satisfy unpaid property taxes.

Assessed values are established by Miami-Dade County Property Appraiser. In November 1992, a Florida constitutional amendment was approved by the voters, which provides for limiting the increase in homestead property valuations for ad valorem tax purposes to a maximum of 3% annually and also provides for reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the City.

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the City is established by the City Council and the Miami- Dade County Property Appraiser incorporates the City's millage into the total tax levy, which includes the County and the County School Board tax requirements. The millage rate assessed by the City for the fiscal year ended September 30, 2015 was 1.9280 mills (\$1.9280 per \$1,000 of taxable assessed valuation).

**H. Restricted Assets**

Proceeds from the local option gas taxes and impact fees are classified as restricted since these resources may only be used for specific purpose (ex. Road and transportation, public safety, recreation).

**I. 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 governmental 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. Purchased or constructed assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Capital Assets (Continued)**

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

<u>Assets</u>	<u>Years</u>
Building	50
Infrastructure	40-50
Public domain and system infrastructure	20-25
Parks and recreational facilities	20
Furniture, fixtures and equipment	3-10
Vehicles	5

**J. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. Currently, the City reports a derivative instrument, a loss on refunding, and deferred outflows of resources related to pension benefits in this category.

The derivative instrument represents the corresponding deferred outflow of resources to offset all swap liabilities on the statement of net position. The balance of all cumulative changes in fair value of all swap liabilities as of September 30, 2015 is \$2,283,826.

The loss on refunding of \$471,446 represents the aggregate difference between the refunding and the refunded debt of the Stormwater Utility Revenue Bonds. The deferred loss on refunding is amortized over the shorter of the life of the new debt or the remaining life of the old debt. The unamortized loss on refunding is reported in both the statement of net position (proprietary fund) and the government-wide statement of net position as a deferred outflow of resources and the amortized amount for fiscal year ended September 30, 2015, \$52,383, is included in interest expenses in the statement of revenues, expenses and changes in fund net position (proprietary fund) and the statement of activities.

The deferred outflows on pensions arise from differences between projected and actual earnings on pension plan investments and are amortized to pension expense using a systematic and rational method over a closed five year period, and also include differences between expected and actual experience with regard to economic or demographic factors that are amortized over the average expected remaining service lives of all employees that are provided with pensions through the pension plan. Employer contributions to pension plans made subsequent to the measurement date are also deferred and reduce net pension liability in the subsequent year.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, of deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the two items in this category are deferred revenue and deferred inflows of resources related to pensions. The source of the deferred revenue is local business license tax collected in advance of \$613,691, and is reported in both the governmental funds and the government-wide statement of net position. This amount is deferred and will be recognized as an inflow of resources in the period that the amounts become available.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Deferred Outflows/Inflows of Resources (Continued)**

Deferred inflows on pensions are recorded when investment return on pension plan assets exceeds actuarial assumptions and are amortized using a systematic and rational method over a closed five year period. Deferred inflows on pensions also include the difference between expected and actual experience with regard to economic or demographic factors and changes of assumptions or other inputs. These are amortized over the average expected remaining service lives of all employees that are provided with pensions through the pension plan.

Net position is the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets plus deferred outflow of resources and (b) liabilities and deferred inflows of resources.

**K. Unearned Revenues**

Resources that do not meet revenue recognition requirements (not earned), such as grants, are classified as liabilities and recorded as unearned revenue in the government-wide and the fund financial statements.

**L. 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.

**M. Postemployment Benefits Other Than Pension (OPEB)**

Pursuant to Section 112.0801, Florida Statutes, the City is mandated to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retirees are required to pay 100% of the premium rates where premiums are determined based upon blended rates used for active employees and retirees. These premium rates were adjusted to reflect differing utilization rates by age and gender and the impact of the Medicare program on claim costs. The blended rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

The City currently provides these benefits in accordance with the vesting and retirement of the City. The City is financing the post employee benefits on a pay-as-you go basis. As determined by an actuarial valuation, the City records a Net OPEB obligation in its government-wide financial statements related to the implicit subsidy. For governmental activities, the net other postemployment benefit obligation typically will be liquidated by the general fund. The OPEB plan does not issue separate financial statements.

**N. Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. For proprietary fund types, bonds payable are reported net of the applicable bond premium or discount. For governmental activities, the net other postemployment benefit obligation and the net pension liability will be liquidated by the general fund.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. Long-Term Obligations (Continued)**

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

**O. Net Position**

Total equity as of September 30, 2015 is classified into three components of net position:

**Net investment in capital assets** – This category consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, and improvements of those assets.

**Restricted net position** – This category consists of net position restricted in their use by (1) external groups such as grantors, creditors or laws and regulations of other governments; or (2) law, through constitutional provisions or enabling legislation.

**Unrestricted net position** – This category includes all of the remaining net position that do not meet the definition of the other two categories.

**P. Fund Balance**

As of September 30, 2015, fund balances of the governmental funds are classified as follows:

**Non-spendable** – Amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

**Restricted** – Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Committed** – Amounts that can be used only for specific purposes determined by a formal action of the City Council. Ordinances and resolutions approved by the City Council are the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the City Council. Ordinances and resolutions are equally binding.

**Assigned** – Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Intent is established by the City Council who has the authority to assign, modify or rescind amounts to be used for specific purposes. This is delegated to the City Manager by the Council. This balance includes (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted, or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue or capital projects fund are assigned for the purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the City itself.

**Unassigned** – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**P. Fund Balance (Continued)**

	General	Transportation	Other Governmental Funds	Total Governmental Funds
Fund Balances:				
Nonspendable:				
Prepays	\$ 8,790	\$ -	\$ -	\$ 8,790
Restricted:				
Transportation	-	7,866,483	-	7,866,483
Park impact fees	-	-	862,203	862,203
Police impact fees	-	-	732,670	732,670
Police forfeitures (LETF)	-	-	481,785	481,785
Committed:				
Transportation	-	8,016,058	-	8,016,058
Park impact fees	-	-	8,199,927	8,199,927
Police impact fees	-	-	1,614,072	1,614,072
Capital projects	14,342,683	-	185,737	14,528,420
Public safety	-	-	-	-
Subsequent year's budget	147,503	-	-	147,503
Assigned	-	-	-	-
Unassigned	62,545,560	-	-	62,545,560
Total Fund Balances	<u>\$ 77,044,536</u>	<u>\$ 15,882,541</u>	<u>\$ 12,076,394</u>	<u>\$ 105,003,471</u>
Fund Balances:				
Nonspendable	\$ 8,790	\$ -	\$ -	\$ 8,790
Restricted	-	7,866,483	2,076,658	9,943,141
Committed	14,490,186	8,016,058	9,999,736	32,505,980
Assigned	-	-	-	-
Unassigned	62,545,560	-	-	62,545,560
Total Fund Balances	<u>\$ 77,044,536</u>	<u>\$ 15,882,541</u>	<u>\$ 12,076,394</u>	<u>\$ 105,003,471</u>

**Minimum Level of Unassigned Fund Balance Policy**

The City has a formal minimum fund balance policy for the General Fund. The policy requires that the unassigned fund balance at fiscal year end be equal to not less than 15% of operating expenditures and transfers out budgeted for the General Fund in the subsequent year.

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

**Q. Net Position Flow Assumption**

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**R. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the 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, OPEB, and the useful lives of capital assets. 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.

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

By its nature as a local government unit, the City is subject to various federal, state, and local laws and contractual regulations. The City has no material violations of finance-related legal and contractual obligations.

**A. Fund Accounting Requirements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like any other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related requirements, bond covenants, and segregation for management purposes.

**B. Revenue Restrictions**

The City has various restrictions placed over certain revenue sources from federal, state, or local requirements. The primary revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Gas Tax	Roads, sidewalks, streets
Impact Fees	Park and police construction, development and improvements
Police Forfeitures	Law Enforcement
Federal, State and Local grants	Grant specific projects or programs

For the fiscal year ended September 30, 2015, the City complied, in all material respects, with these revenue restrictions.

**C. Excess of Expenditures Over Appropriations**

For year ended September 30, 2015 the debt service principal for the General fund's expenditures exceeded the amended budget by \$4,718. This excess of expenditures was funded by surpluses in other departments.

For the year ended September 30, 2015 the Law Enforcement Trust fund's expenditures exceeded the amended budget by \$13,104; this over-expenditure was funded with excess revenues received in the current year.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**III. RESTATEMENT OF NET POSITION**

The City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* (GASB 68), and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, which addresses an issue regarding application of the transition provisions of GASB 68. GASB Statements Nos. 68 and 71 require the City to report its share of the net pension liability and related pension amounts of the multiple-employer cost sharing pension plan (Note X).

The implementation of GASB Statement Nos. 68 and 71 described above resulted in a restatement in the government-wide statement of net position to report the City’s net pension liability and related pension amounts for the multiple-employer cost sharing pension plan. Accordingly, net position has been restated as follows:

	<b>Government-Wide Financial Statements</b>
Net Position, September 30, 2014	\$ 232,336,856
Cumulative effect of adoption of GASB Statements Nos. 68 and 71	(6,687,592)
Net Position as restated, September 30, 2014	\$ 225,649,264

The implementation of GASB Statement Nos. 68 and 71 resulted in the City recording deferred outflows of \$745,660, deferred inflows of \$4,870,078, and a net pension liability of \$2,563,174.

More detailed information regarding the pension plan is included in Note X.

**IV. DEPOSITS AND INVESTMENTS**

**Cash and Cash Equivalents and Investment Portfolio**

The City has a formally adopted comprehensive investment policy pursuant to Section 218.415, Florida Statutes that established permitted investments, asset allocation limits and issuer limits, and maturity limits to protect the City’s cash and investment assets.

**Cash and Cash Equivalents**

On September 30, 2015, the carrying amount of the City’s bank deposit account was \$67,297,957. The City’s cash deposits are held by a bank that qualifies as a public depository under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes.

**Investment Portfolio**

Investment holdings consist of \$54,685,697 in United States Government Securities, United States Government Agencies Collateralized Mortgage Obligation (CMO) and Mortgage Backed Securities (MBS), Federal Instrumentalities, Federal Instrumentalities Collateralized Mortgage Obligation (CMO) and Mortgage-Backed Securities (MBS), Municipal Obligations, Corporate Notes, Asset Backed Securities, Commercial Paper, and Registered Investment Companies (Mutual Funds), which are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**IV. DEPOSITS AND INVESTMENTS (Continued)**

Section 218.415, Florida Statutes, limits the types of investments that the City can invest in unless specifically authorized in the City’s investment policy. The City has a formal investment policy that allows for the following investments: the United States Government Securities, United States Government Agencies (includes CMO and MBS), Federal Instrumentalities, Supranationals, Corporates, Municipals, Agency Mortgage Backed Securities (includes CMO), Asset Backed Securities, Non-Negotiable Certificate of Deposit and Saving Accounts, Commercial Paper, Bankers’ Acceptances, Repurchase Agreements, Money Market Funds (MMFs), Fixed-Income Mutual Funds & Exchange Traded Funds (ETFs), Intergovernmental Pools (LGIPs), and Florida Prime.

As of September 30, 2015, the City had the following investments presented in terms of years:

Security Type	Fair Value	Duration (Years)
U.S. Treasury Notes	\$ 26,075,529	1.87
Government Agency Mortgage Backed Securities Pass-through	1,213,432	4.16
Government Agency Collateralized Mortgage Obligations	85,317	4.54
Federal Instrumentalities	7,675,047	1.37
Federal Instrumentalities Mortgage Backed Securities Pass-through	231,894	3.65
Federal Instrumentalities Collateralized Mortgage Obligations	4,361,631	2.61
Municipal Obligations	1,353,619	0.6
Corporate Notes	11,482,895	1.52
Asset Backed Securities	1,496,496	2.97
Commercial Paper	599,909	0.08
Fidelity Institutional Government Class I Money Market Fund	109,928	0.003*
<b>Total</b>	<b>\$ 54,685,697</b>	<b>1.82</b>

\* The Fidelity Institutional Government Class I Money Market Mutual Fund is an overnight investment vehicle. The City is able to withdraw funds same day or next business day; as such the duration is 0.003 years.

**Interest Rate Risk**

To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements. Investments of current operating funds shall have maturities of no longer than twenty-four (24) months.

Investments of bond reserves, construction funds, and other non-operating funds (“core funds”) shall have a term appropriate to the need for funds and in accordance with debt covenants, but in no event shall exceed five and one-half (5.50) years and the maximum effective duration of the aggregate portfolio is three (3) years.

The City utilizes “weighted average duration” as a measurement of interest rate risk and as of September 30, 2015, the investments had a weighted average duration of 1.82 years.

The City has securities with embedded call options.

CUSIP	Description	Maturity Date	Market Value	Call Option	Next Call Date
46623EKD0	JP Morgan Chase Corporate Notes	3/1/2018	\$ 149,659	Continuous	2/1/2018
3130A4QV7	FHLB Global Notes	3/24/2017	1,002,705	One Time	3/24/2016
<b>Total</b>			<b>\$ 1,152,364</b>		

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**IV. DEPOSITS AND INVESTMENTS (Continued)**

The City has \$7,388,770 invested in Asset Backed Securities (ABS), United States Government Agencies CMO and MBS, Federal Instrumentalities CMO and MBS with a weighted average life of 2.96 years. The Investment Policy requires a maximum length to maturity for an investment in any ABS/CMO/MBS to be five and one-half (5.50) years from the date of settlement. Maturity shall be defined by the Average Life of an ABS/CMO/MBS.

<b>CUSIP</b>	<b>Description</b>	<b>Maturity Date</b>	<b>Market Value</b>	<b>Average Life (Years)*</b>
43814MAC1	HONDA ABS 2015-3 A3	4/18/2019	\$ 411,284	2.05
34530YAD5	FORD ABS 2015-C A3	2/15/2020	300,824	2.23
65475WAD0	NISSAN ABS 2015-B A3	3/15/2020	784,387	2.44
31410C6G2	FNMA POOL #885671	10/1/2036	6,272	3.54
31410WAC2	FNMA POOL #899203	10/1/2036	117,137	3.52
31410WCJ5	FNMA POOL #899273	11/1/2036	55,418	3.56
31411BQJ5	FNMA POOL #903257	10/1/2036	7,210	3.50
31413HYP7	FNMA POOL #946318	9/1/2037	6,368	3.60
31413VAM9	FNMA POOL #956412	11/1/2037	39,489	3.57
36202ESE0	GNMA POOL #4117	4/1/2038	118,305	4.42
36202ESV2	GNMA POOL #4132	5/1/2023	111,186	2.56
36202ETK5	GNMA POOL #4154	6/1/2023	128,986	2.6
36202EWX3	GNMA POOL #4262	10/1/2038	17,934	6.51
36292DWC2	GNMA POOL #646043	10/1/2037	66,083	4.27
36294XCV6	GNMA POOL #662584	9/1/2037	83,728	4.12
36295DXN4	GNMA POOL #667685	10/1/2038	405,607	4.74
36295FC51	GNMA POOL #668892	6/1/2037	208,645	4.48
36295QV56	GNMA POOL #677536	11/1/2037	18,518	4.26
36296B6P2	GNMA POOL #686778	6/1/2038	54,440	4.31
313603MP4	FNMA SERIES 1989-99 H	12/1/2019	38,878	1.33
3136A9MK1	FNMA SERIES 2012-M14 ASQ2	2/1/2017	1,012,486	1.29
3136ANA98	FNMA SERIES 2015-M10 FA	3/1/2019	1,053,950	3.10
3136AP3Z3	FNMA SERIES 2015-M12 FA	4/25/2020	1,149,586	3.51
3136ANJY4	FNMA SERIES 2015-M7 ASQ2	4/1/2018	262,182	2.40
3136ANMF1	FNMA SERIES 2015-M8 FA	11/1/2018	271,420	2.80
3137A9QP4	FREDDIE MAC SERIES 3842	4/1/2041	573,130	3.70
38375YEK4	GNMA SERIES 2008-82 A	9/1/2038	85,317	4.60
<b>Total</b>			<b>\$ 7,388,770</b>	<b>2.96</b>

\* Source: Bloomberg is the source of the Average Life for each ABS/CMO/MBS.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**IV. DEPOSITS AND INVESTMENTS (Continued)**

**Credit Risk**

The City's investment policy permits for investments in the following investments which are limited to credit quality ratings from nationally recognized rating agencies as follows:

Sector	Minimum Ratings Requirement
U.S. Treasury	
GNMA	N/A
Other U.S. Government Guaranteed (e.g. AID, GTC)	
Federal Agency/GSE: FNMA, FHLMC, FHLB, FFCB	N/A
Federal Agency/GSE other than those above	
Supranationals where U.S. is a shareholder and voting member	Highest ST or Highest LT Rating Categories (A-1/P-1, AAA/Aaa, or equivalent)
Corporates	Highest ST or Three Highest LT Rating Categories (A-1/P-1, A-/A3 or equivalent)
Municipals	Highest ST or Three Highest LT Rating Categories (SP-1/MIG 1, A-/A3, or equivalent)
Agency Mortgage-Backed Securities (MBS)	N/A
Asset-Backed Securities (ABS)	Highest ST or LT Rating (A-1+/P-1, AAA/Aaa, or equivalent)
Non-Negotiable Certificate of Deposit and Savings Accounts	None, if fully collateralized.
Commercial Paper (CP)	Highest ST Rating Category (A-1/P-1, or equivalent)
Bankers' Acceptances (BAs)	Highest ST Rating Category (A-1/P-1, or equivalent)
Repurchase Agreements (Repo or RP)	Counterparty (or if the counterparty is not rated by an NRSRO, then the counterparty's parent) must be rated in the Highest ST Rating Category (A-1/P-1, or equivalent)  If the counterparty is a Federal Reserve Bank, no rating is required
Money Market Funds (MMFs)	Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent)
Fixed-Income Mutual Funds & ETFs	N/A
Intergovernmental Pools (LGIPs)	Highest Fund Quality and Volatility Rating Categories by all NRSROs, if rated (AAAm/AAAf, S1, or equivalent)
Florida Local Government Surplus Funds Trust Funds ("Florida Prime")	Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent)

The City's bank balance of \$67,297,957 was deposited in a qualified public depository, as required by Chapter 280, Florida Statutes.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**IV. DEPOSITS AND INVESTMENTS (Continued)**

As of September 30, 2015, the City had the following credit quality:

Security Type	Standard & Poor's Credit Rating Category*	Portfolio Asset Allocation
U.S. Treasury Notes	AA	47.70%
Government Agency Mortgage Backed Securities Pass-through	AA	2.22%
Government Agency Collateralized Mortgage Obligations	AA	0.16%
Federal Instrumentalities	AA	14.02%
Federal Instrumentalities Mortgage Backed Securities Pass-through	AA	0.42%
Federal Instrumentalities Collateralized Mortgage Obligations	AA	7.98%
Municipal Obligations	AA	2.47%
Corporate Notes	AA	7.91%
Corporate Notes	A	13.08%
Asset Backed Securities	AAA/Aaa*	2.74%
Commercial Paper	A-1	1.10%
Fidelity Institutional Government Class I Money Market Fund	AAAm	0.20%
<b>Total</b>		<b>100.00%</b>

\* Source: Bloomberg is the source of Standard & Poor's credit rating.

**Custodial Credit Risk**

Securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by, the City should be properly designated as an asset of the City. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in Section 658.12, Florida Statutes, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

As of September 30, 2015, the City's investment portfolio was held with a third-party custodian as required by the City's investment policy.

**Concentration of Credit Risk**

Sector	Sector Maximum (%)	Per Issuer Maximum (%)
U.S. Treasury		100%
GNMA	100%	40%
Other U.S. Government Guaranteed (e.g. AID, GTC)		10%
Federal Agency/GSE: FNMA, FHLMC, FHLB, FFCB	75%	40%
Federal Agency/GSE other than those above		10%
Supranationals where U.S. is a shareholder and voting member	25%	10%
Corporates	35%	5%
Municipals	25%	5%

Continued...

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**IV. DEPOSITS AND INVESTMENTS (Continued)**

Continued...

Sector	Sector Maximum (%)	Per Issuer Maximum (%)
Agency Mortgage-Backed Securities (MBS)	25%	40%
Asset-Backed Securities (ABS)	25%	5%
Non-Negotiable Certificate of Deposit and Savings Accounts	50%	25%
Commercial Paper (CP)	35%	5%
Bankers' Acceptances (BAs)	10%	5%
Repurchase Agreements (Repo or RP)	40%	20%
Money Market Funds (MMFs)	50%	25%
Fixed-Income Mutual Funds & ETFs	20%	10%
Intergovernmental Pools (LGIPs)	50%	25%
Florida Local Government Surplus Funds Trust Funds ("Florida Prime")	25%	N/A

As of September 30, 2015, the City had the following issuer concentration based on fair value:

Security Type	Fair Value	Portfolio Asset Allocation
U.S. Treasury Notes/Bonds	\$ 26,075,529	47.70%
Federal National Mortgage Association Notes (FNMA)	5,655,947	10.36%
Federal Home Loan Mortgage Corporation Notes (FHLMC)	2,270,735	4.15%
Federal Home Loan Bank Notes (FHLB)	3,203,648	5.87%
Government National Mortgage Association (GNMA)	1,298,749	2.37%
Tennessee Valley Authority	1,138,243	2.05%
Regional Transportation Authority Taxable Revenue Bonds	1,353,619	2.47%
Bank of Tokyo Mitsubishi UFJ Commercial Paper	599,909	1.10%
Honda 2015-3 A3 Asset Backed Security	411,284	0.75%
Ford 2015-C A3 Asset Backed Security	300,824	0.55%
Nissan 2015-B A3 Asset Backed Security	784,387	1.44%
General Electric Capital Corporate Note	1,024,139	1.88%
Toyota Motor Credit Corporate Note	200,233	0.37%
IBM Corporate Note	1,256,951	2.30%
Cisco Systems Inc. Corporate Note	1,217,938	2.18%
Berkshire Hathaway Fin Corporate Note	391,230	0.72%
Coca-Cola Co Corporate Note	255,163	0.47%
Wells Fargo & Company Corporate Note	1,102,738	2.02%
American Honda Finance Corporate Note	391,312	0.72%
Bank of New York Mellon Corporate Note	149,702	0.27%
American Express Corporate Note	1,144,172	2.10%
JP Morgan Chase & Co. Corporate Note	1,152,066	2.11%
PepsiCo Inc. Corporate Note	400,415	0.73%
John Deere Capital Corporate Note	824,547	1.51%
HSBC USA INC Corporate Note	449,217	0.82%
Caterpillar Financial Corporate Note	505,995	0.93%
Boeing Company Corporate Note	647,621	1.19%
JP Morgan Chase Corporate Note	149,659	0.27%
ConocoPhillips Company Corporate Note	219,797	0.40%
Fidelity Institutional Government Class I Money Market Mutual Fund	109,928	0.20%
<b>Total</b>	<b>\$ 54,685,697</b>	<b>100.00%</b>

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**IV. DEPOSITS AND INVESTMENTS (Continued)**

**Foreign Currency Risk**

The City investment policy does not allow for investments in foreign currency therefore the City has no exposure to foreign currency risk.

**V. RECEIVABLES**

Receivables as of September 30, 2015 are as follows:

	<u>Intergovernmental</u>	<u>Grants</u>	<u>Other</u>	<u>Total</u>
General Fund	\$ 2,368,542	\$ 206,925	\$ 97,710	\$ 2,673,177
Transportation Fund	538,650	581,164	-	1,119,814
Stormwater Fund	197,176	-	-	197,176
Non-Major Funds	1,156	-	20,192	21,348
	<u>\$ 3,105,524</u>	<u>\$ 788,089</u>	<u>\$ 117,902</u>	<u>\$ 4,011,515</u>

**VI. INTERFUND RECEIVABLES AND PAYABLES**

Interfund balances at September 30, 2015 were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 64,136	\$ -
Law Enforcement Trust Fund	-	64,136
	<u>\$ 64,136</u>	<u>\$ 64,136</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**VII. CAPITAL ASSETS**

Capital assets activity for the fiscal year ended September 30, 2015 was as follows:

	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending</u>
<b>Governmental activities</b>					
Capital assets not being depreciated:					
Land	\$ 72,979,638	\$ 1,990,942	\$ -	\$ -	\$ 74,970,580
Infrastructure assets - construction in progress	1,639,290	8,430,702	-	(549,851)	9,520,141
Total capital assets not being depreciated	<u>74,618,928</u>	<u>10,421,644</u>	<u>-</u>	<u>(549,851)</u>	<u>84,490,721</u>
Capital assets being depreciated:					
Buildings	25,271,333	-	-	229	25,271,562
Infrastructure - roads	81,722,047	614,330	-	549,622	82,885,999
Public domain and system infrastructure	7,193,940	-	-	-	7,193,940
Parks and recreation facilities	33,683,833	138,436	(6,450)	-	33,815,819
Furniture, fixtures and equipment	10,839,979	1,268,310	(53,024)	-	12,055,265
Vehicles	5,579,286	1,107,699	(21,060)	-	6,665,925
Total capital assets being depreciated	<u>164,290,418</u>	<u>3,128,775</u>	<u>(80,534)</u>	<u>549,851</u>	<u>167,888,510</u>
Less accumulated depreciation for:					
Buildings	(1,111,678)	(505,431)	-	-	(1,617,109)
Infrastructure - roads	(54,451,183)	(1,540,118)	-	-	(55,991,301)
Public domain and system infrastructure	(2,096,216)	(359,697)	-	-	(2,455,913)
Parks and recreation facilities	(9,215,860)	(1,643,312)	6,450	-	(10,852,722)
Furniture, fixtures and equipment	(6,422,113)	(1,215,099)	53,024	-	(7,584,188)
Vehicles	(3,797,275)	(578,993)	21,060	-	(4,355,208)
Total accumulated depreciation	<u>(77,094,325)</u>	<u>(5,842,650)</u>	<u>80,534</u>	<u>-</u>	<u>(82,856,441)</u>
Total capital assets being depreciated, net	<u>87,196,093</u>	<u>(2,713,875)</u>	<u>-</u>	<u>549,851</u>	<u>85,032,069</u>
Governmental activities capital assets, net	<u>\$ 161,815,021</u>	<u>\$ 7,707,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 169,522,790</u>
<b>Business-type activities</b>					
Capital assets not being depreciated:					
Infrastructure assets - construction in progress	\$ 501,005	\$ -	\$ -	\$ (501,005)	\$ -
Capital assets being depreciated:					
Infrastructure assets - stormwater improvements	20,564,862	2,032,878	-	501,005	23,098,745
Furniture, fixtures and equipment	5,715	762	-	-	6,477
Vehicles	47,779	-	-	-	47,779
Total capital assets being depreciated	<u>20,618,356</u>	<u>2,033,640</u>	<u>-</u>	<u>501,005</u>	<u>23,153,001</u>
Less accumulated depreciation for:					
Infrastructure assets - stormwater improvements	(3,143,773)	(439,337)	-	-	(3,583,110)
Furniture, fixtures and equipment	(4,549)	(651)	-	-	(5,200)
Vehicles	(33,060)	(4,416)	-	-	(37,476)
Total accumulated depreciation	<u>(3,181,382)</u>	<u>(444,404)</u>	<u>-</u>	<u>-</u>	<u>(3,625,786)</u>
Total capital assets being depreciated, net	<u>17,436,974</u>	<u>1,589,236</u>	<u>-</u>	<u>501,005</u>	<u>19,527,215</u>
Business-type activities capital assets, net	<u>\$ 17,937,979</u>	<u>\$ 1,589,236</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,527,215</u>

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**VII. CAPITAL ASSETS (Continued)**

Depreciation expense charged to functions/programs of the City are as follows:

<b>Governmental activities:</b>	
General government	\$ 1,075,035
Police	488,886
Public works	2,346,258
Parks and recreation	1,667,269
Building	201,172
Planning and zoning	64,030
Total depreciation expense - governmental activities	<u>\$ 5,842,650</u>
<b>Business-type activities:</b>	
Stormwater	<u>\$ 444,404</u>

**VIII. LONG-TERM DEBT**

**REVENUE BONDS**

**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. On April 21, 2006, the City 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. On April 27, 2006, the City 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 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.

The bonds are all secured by non ad-valorem tax revenues.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**VIII. LONG-TERM DEBT (Continued)**

Debt service requirements to maturity for the fiscal year ended September 30, 2015 are summarized as follows:

Series 2006A	Principal	Interest	Total
2016	\$ 460,580	\$ 283,523	\$ 744,103
2017	480,421	263,681	744,102
2018	501,117	242,985	744,102
2019	522,705	221,398	744,103
2020	545,223	198,880	744,103
2021-2025	3,099,329	631,185	3,730,514
2026-2027	1,248,679	53,502	1,302,181
Total	<u>\$ 6,858,054</u>	<u>\$ 1,895,154</u>	<u>\$ 8,753,208</u>

Series 2007A	Principal	Interest	Total
2016	\$ 460,219	\$ 285,815	\$ 746,034
2017	480,188	265,846	746,034
2018	501,022	245,012	746,034
2019	522,761	223,273	746,034
2020	545,443	200,591	746,034
2021-2025	3,103,420	626,748	3,730,168
2026-2027	1,251,550	54,009	1,305,559
Total	<u>\$ 6,864,603</u>	<u>\$ 1,901,294</u>	<u>\$ 8,765,897</u>

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Series 2007B	Principal	Interest	Total
2016	\$ 54,937	\$ 51,765	\$ 106,702
2017	58,239	48,462	106,701
2018	61,740	44,962	106,702
2019	65,451	41,250	106,701
2020	69,385	37,316	106,701
2021-2025	414,732	118,775	533,507
2026-2027	176,216	10,513	186,729
Total	<u>\$ 900,700</u>	<u>\$ 353,043</u>	<u>\$ 1,253,743</u>

***Stormwater Utility Revenue Bonds***

The City is required to pay the County its pro rata share for the Stormwater Utility Revenue Bonds, Series 1999 and 2004 issued prior to the City's incorporation. On September 16, 2013 the Miami-Dade County Stormwater Utility Revenue Refunding Bonds, Series 2013, refunded all of the outstanding Stormwater Utility Revenue Bonds, Series 1999 and Series 2004, except for the Stormwater Utility Revenue Bonds, Series 2004, maturing on April 1, 2014 and April 1, 2015. As a result of this, the County adjusted the City's required payment schedule. This resulted in a reduction in the amount of interest to be paid over the remaining life and an increase in the amount of principal to be paid. This resulted in a cash flow savings of approximately \$35,000 per year over the life of the new payment plan to the County. As a result of the increase in principal to be paid, during 2014 the City reported a deferred loss on refunding of \$576,213 in the statement of net position which is being amortized to interest expense over the remaining life of the debt. As of September 30, 2015, the remaining balance of the deferred loss on refunding amounted to \$471,446.

Debt service requirements to maturity for the fiscal year ended September 30, 2015 are summarized as follows:

	Principal	Interest	Total
2016	\$ 411,432	\$ 253,280	\$ 664,712
2017	427,323	237,629	664,952
2018	442,306	222,843	665,149
2019	457,289	207,539	664,828
2020	473,282	191,717	664,999
2021-2025	2,623,318	701,332	3,324,650
2026-2029	2,444,357	215,026	2,659,383
Total	<u>\$ 7,279,307</u>	<u>\$ 2,029,366</u>	<u>\$ 9,308,673</u>

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**VIII. LONG-TERM DEBT (Continued)**

***Quality Neighborhood Improvement Program (QNIP Bonds)***

The City is required to pay the County its pro rata share for the Public Service Tax Revenue Bonds, Series 1999 and 2002 (the QNIP Bonds) issued prior to the City's incorporation. The payment for the fiscal year ended September 30, 2015 was \$222,224 and the balance of the remaining principal payments range from \$132,430 to \$315,290 through September 2027.

Debt service requirements to maturity for the fiscal year ended September 30, 2015 are summarized as follows:

	Principal	Interest	Total
2016	\$ 231,445	\$ 116,821	\$ 348,266
2017	240,055	107,461	347,516
2018	248,870	97,752	346,622
2019	258,505	87,683	346,188
2020	268,550	77,215	345,765
2021-2025	1,320,610	216,550	1,537,160
2026-2027	285,975	21,628	307,603
Total	<u>\$ 2,854,010</u>	<u>\$ 725,110</u>	<u>\$ 3,579,120</u>

Long-term debt activity for the fiscal year ended September 30, 2015 was as follows:

	Beginning as Restated*	Additions	Reductions	Ending	Due Within One Year
<b>Governmental Activities</b>					
Capital Improvement Revenue Bonds:					
Series 2006A	\$ 7,299,612	\$ -	\$ 441,558	\$ 6,858,054	\$ 460,580
Series 2007A	7,305,685	-	441,082	6,864,603	460,219
Series 2007B	952,522	-	51,822	900,700	54,937
Total Bonds	<u>15,557,819</u>	<u>-</u>	<u>934,462</u>	<u>14,623,357</u>	<u>975,736</u>
Other Liabilities:					
QNIP bonds	3,076,234	-	222,224	2,854,010	231,445
OPEB liability	958,000	150,000	-	1,108,000	-
Compensated absences	961,569	1,610,203	1,217,358	1,354,414	250,000
Net pension liability	2,563,174	4,996,624	1,219,825	6,339,973	-
Total Other Liabilities	<u>7,558,977</u>	<u>6,756,827</u>	<u>2,659,407</u>	<u>11,656,397</u>	<u>481,445</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 23,116,796</u>	<u>\$ 6,756,827</u>	<u>\$ 3,593,869</u>	<u>\$ 26,279,754</u>	<u>\$ 1,457,181</u>
<b>Business-Type Activities</b>					
Stormwater Utility Revenue Bonds	<u>\$ 7,676,131</u>	<u>\$ -</u>	<u>\$ 396,824</u>	<u>\$ 7,279,307</u>	<u>\$ 412,723</u>

\*Beginning net pension liability balance was established with the implementation of GASB 68 and GASB 71. Additional information on the implementation is included in Note III.

**IX. INTEREST RATE SWAPS**

In June 2008, the GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53). GASB 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. In accordance with the standard, all derivatives are reported on the statement of net position at fair value, and all hedges must be tested for effectiveness to qualify for hedge accounting. The tests are outlined in GASB 53. Depending on the test results, the changes in fair value are either reported on the statement of net position as a deferral, or in the statement of activities as investment revenue or loss.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**IX. INTEREST RATE SWAPS (Continued)**

An independent party was engaged to perform the valuations and required tests on the swaps. Using the Consistent Critical Terms method of effectiveness testing, the City's swaps qualify for hedge accounting under GASB 53, therefore all cumulative changes in fair value as of September 30, 2015, all swap liabilities, are offset by a corresponding deferred outflow of resources on the statement of net position.

Both pay-fixed swap transactions are associated with variable debt. Combining a pay-fixed receive-variable rate swap with variable debt results in what is termed "synthetic" fixed rate debt. It is called synthetic because the economics are similar to fixed rate debt, but another instrument is involved unlike regular fixed rate debt. The fair values of the swaps take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap.

The following tables provides a summary of the basic terms of the swap agreements as of September 30, 2015:

Associated Bonds	Initial Notional	Current Notional	Effective Date	Maturity Date	Rate Paid	Rate Received	Fair Value	Bank Counterparty	Counterparty Ratings Moody's/S&P/Fitch
Series 2006 A	10,000,000	6,858,054	5/4/2006	4/1/2027	4.24%	65% of 3-Month LIBOR + 0.45%	(\$1,134,827)	Regions Bank	Baa3/BBB+/BBB
Series 2007 A	10,000,000	6,864,603	1/16/2007	4/1/2027	4.27%	65% of 3-Month LIBOR + 0.45%	(\$1,148,999)	Regions Bank	Baa3/BBB+/BBB
							<u>(\$2,283,826)</u>		

**Series 2006 A and Series 2007 A Interest Rate Swaps**

**Objectives of the Interest Rate Swaps:** To reduce its interest rate risk, the City entered into an interest rate swap effective May 4, 2006 in connection with its \$10,000,000 Series 2006 A Bonds, and another swap effective January 16, 2007 in connection with its \$10,000,000 Series 2007 A Bonds. The intention of the swaps is to effectively change the City's variable interest rate on the bonds to a synthetic fixed rate of 4.24% and 4.27% respectively.

**Terms:** The bonds and the related swap agreements mature on April 1, 2027, and the swap's notional amounts of \$10 million matches the \$10 million variable-rate bonds. The notional amounts of the swap and the principal amounts of the associated debt begin to decline at the same amounts. The City pays the counterparty a fixed payment of 4.24% and 4.27% and receives a variable payment computed at 65% of the 3-month London Interbank Offered Rate (LIBOR) plus 0.45%, just like the underlying variable rate bonds.

**Fair Value:** Long-term interest rates have declined since the execution of the swaps and as of September 30, 2015 the swaps had a negative fair value of (\$1,134,827) and (\$1,148,999) for the Series 2006 A and Series 2007 A swaps respectively. The fair market value of the swap was calculated using the zero-coupon method. The zero-coupon method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

**Credit Risk:** As of September 30, 2015, the City was not exposed to credit risk because the swaps had a negative fair value. However, should interest rates change and the fair value of the swap become positive, the City would be exposed to credit risk in the amount of the derivative's fair value if there was an early termination. The swap counterparty was rated Baa3 by Moody's, BBB+ by Standard & Poor's, and BBB by Fitch as of September 30, 2015.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**IX. INTEREST RATE SWAPS (Continued)**

**Basis Risk:** The basis risk is the difference between the interest paid on the variable rate bonds and the floating amount received from the interest rate swap. There is no basis risk on the swaps.

**Termination Risk:** The City or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. The counterparty does not have an option to terminate the transactions, and is expected to perform through their maturity. If either swap were terminated, the variable-rate bonds would no longer carry a synthetic fixed interest rate. If either swap were terminated and at the time of termination the swap has a negative fair value, the City would be liable to the counterparty for a payment equal to the swap's fair value.

**X. EMPLOYEE RETIREMENT PLANS**

***Florida Retirement System Plan***

Plan Description and Benefits Provided

The City participates in the Florida Retirement System (the "System" or "FRS" or "pension plan"), 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. All budgeted City employees are eligible to participate in the System. The City's payroll for the 108 employees covered by the System for the year ended September 30, 2015 was \$8,065,358 million.

The 2011 Florida Legislative session passed Senate Bill 2100, making substantive changes to the FRS. The bill was signed into law effective July 1, 2011. The bill requires all FRS Investment and Pension Plan members to make 3% employee contributions on a pretax basis. Employees who are in the Deferred Retirement Option Program (DROP) are not required to pay employee contributions. The bill changed the annual interest rate of the DROP from 6.5% to 1.3% per year. Furthermore, the bill eliminated the cost-of-living adjustment (COLA) on FRS services earned on or after July 1, 2011. However, a reduced COLA will be calculated if a member's retirement or DROP participation date is effective on or after August 1, 2011.

Under the bill, the Pension Plan's vesting requirement changes from 6 years to 8 years. For new employees initially enrolled in the Pension Plan on or after July 1, 2011, those members will be vested upon completion of 8 years of creditable services. For existing employees, vesting will remain at 6 years of creditable service.

The bill also changed the Pension Plan's normal retirement date. For Special Risk Class, the age increases from 55 to 60 years of age, and the years of creditable service increases from 25 to 30 years. For all other classes, the age increases from 62 to 65 years of age, and the years of creditable service increases from 30 to 33 years. Upon vesting, those members are entitled to an annual retirement benefit payable monthly for life. The FRS also provides for early retirement at reduced benefits and death and disability benefits. These benefit provisions and all other requirements are established by State statute.

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.

Contributions and Funding Policy

The City required contribution rates are established by the Florida Legislature. Employees within 5 years of retirement may elect to participate in the DROP. The City contributes 12.88% of salaries for participants of the DROP. During 2015 the City had no employees participating in this program.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**X. EMPLOYEE RETIREMENT PLANS (Continued)**

*Florida Retirement System Plan (Continued)*

Effective July 1, 2011 employees are required to contribute 3% of salaries to the System. The employer contribution for regular employees, senior management, and special risk members applicable to the last three fiscal years are as follows:

Employer Contribution Rates	Regular Employees	Senior Management	Special Risk Members
Effective 7/1/13	6.95%	18.31%	35.96%
Effective 7/1/14	7.37%	21.14%	42.07%
Effective 7/1/15	7.26%	21.43%	32.95%

The City's contribution to the FRS for the last three years were as follows:

	2015	2014	2013
Employer contribution	\$ 1,580,262	\$ 1,254,454	\$ 924,864
Percentage contributed	100%	100%	100%

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

At September 30, 2015, the City reported a liability of \$6,339,973 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the City's proportion was approximately 0.049%, which was an increase of approximately 0.007% from its proportion measured as of June 30, 2014.

For the year ended September 30, 2015, the City recognized pension expense of \$546,288. At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 669,313	\$ 150,365
Changes of assumptions	420,805	-
Net difference between projected and actual earnings on pension plan investments	-	1,513,879
Changes in proportion and differences between City contributions and proportionate share of contributions	928,649	353,460
City contributions subsequent to the measurement date	378,841	-
	<u>\$ 2,397,608</u>	<u>\$ 2,017,704</u>

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**X. EMPLOYEE RETIREMENT PLANS (Continued)**

*Florida Retirement System Plan (Continued)*

\$378,841 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2016	\$ (408,524)
2017	\$ (408,524)
2018	\$ (408,524)
2019	\$ 840,474
2020	\$ 295,710
Thereafter	\$ 90,451

Actuarial Assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Actuarial cost method	Individual entry age normal cost
Salary increases	3.25%
Investment rate of return	7.65%

Mortality rates were based on the Generational RP-2000 Mortality Table, with adjustments for mortality improvements based on Scale BB.

The actuarial assumptions used to determine the total pension liability as of June 30, 2015 were based on the results of an actuarial experience study for the period July 1, 2008 - June 30, 2013. As a result of the actuarial experience study, the expectation of life after disability was adjusted in the June 30, 2015 actuarial valuation to more closely reflect actual experience.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Each asset class assumption is based on a consistent set of underlying assumptions. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>
Cash	1%	3.2%	3.1%
Fixed income	18%	4.8%	4.7%
Global equity	53%	8.5%	7.2%
Real estate (property)	10%	6.8%	6.2%
Private equity	6%	11.9%	8.2%
Strategic investments	12%	6.7%	6.1%
Total	<u>100%</u>		

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**X. EMPLOYEE RETIREMENT PLANS (Continued)**

*Florida Retirement System Plan (Continued)*

Discount Rate

The discount rate used to measure the total pension liability was 7.65%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.65%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.65%) or one percentage-point higher (8.65%) than the current rate:

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
City's proportionate share of the net pension liability	\$ 16,428,303	\$ 6,339,973	\$ (2,055,175)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial 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%. Additionally, 18% is contributed to the City Council.

***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**  
**SEPTEMBER 30, 2015**

**XI. COMMITMENTS AND CONTINGENCIES**

*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 in any of the past three fiscal years.

*Litigation*

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.

*Leases*

**Police Department:** In December 2008, 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 for construction and operation of the City's police station. The lease expires in December 2058. Under the terms of the lease, the City shall manage the premises in accordance with the terms of the lease. The City will pay the Trust an annual administration fee of \$300 in accordance with the terms of the lease. The City was required to commence construction of the City police station within three years of the commencement date of the lease. An amendment was made to the lease to commence construction until no later than August 18, 2013. The City renegotiated a three year extension to the agreement giving the City until August 18, 2016 to commence construction.

*Construction Commitments*

At September 30, 2015, the City is in the process of various construction projects including the construction of an 18 acre park and multiple roadway infrastructure improvements. The commitments remaining for the cost of construction is approximately \$19 million. The projects are currently in various stages of design, engineering, and/or construction.

**XII. OTHER POST EMPLOYMENT BENEFITS**

Plan Description and Provisions

The City of Doral has a single employer defined benefit healthcare plan which offers health insurance for retired employees. Any employee, who retires with a service retirement benefit from the Florida Retirement System, can purchase health insurance from the City at the full published rates. Access at the full published rates is also extended to dependents and beneficiaries. Deferred retirements are not allowed to elect coverage at the time of retirement.

Funding Policy

Benefits are funded on a pay-as-you-go basis.

Demographic Data

Demographic data as of November 1, 2014 was used in the valuation. This data included current medical coverage for current employees and retirees.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**XII. OTHER POST EMPLOYMENT BENEFITS (Continued)**

Claims Data

The claims are based on age adjusted premiums.

Implicit Subsidy

The published insurance rates for persons prior to Medicare eligibility are based primarily on the healthcare usage of active employees. Since retirees use healthcare at a rate much higher than employees, using these blended rates creates an implicit subsidy for the retiree group. GASB 45 requires that the claims assumption used for this valuation be based on the actual per-capita retiree cost. The difference between the actual usage of healthcare by retirees and the assumption built into the published rates is identified as the implicit subsidy amount. The liabilities could be reduced by publishing rates for retirees prior to Medicare eligibility that more closely reflect the true cost of healthcare for each group.

Demographic Assumptions

Demographic assumptions mirror those used for the Florida Retirement System Plan.

Economic Assumptions

The discount rate is 4%. The medical trend assumption is based on a model developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions. The SOA Model was released in December 2007 and updated in September 2014. The following baseline assumptions were used as input variables into this model:

Rate of Inflation	2.4%
Rate of Growth in Real Income / GDP per capita	1.5%
Extra Trend due to Technology and other factors	1.0%
Health Share of GDP Resistance Point	25.0%
Year for Limiting Cost Growth to GDP Growth	2075

The pre-65 medical trend was increased to reflect the impact of the Cadillac Tax, for this purpose general inflation was assumed to be 2.5% per annum.

Payroll is assumed to increase 4% per annum. This assumption is used to determine the level percentage of payroll amortization factor.

Benefit Eligibility

Participants must meet the eligibility of the Florida Retirement System which is:

*Initially Enrolled Before July 1, 2011*

Regular Class – earlier of

- Age 62 with 6 years of service,
- Age after 62 that member becomes vested, or
- 30 years of service regardless of age

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**XII. OTHER POST EMPLOYMENT BENEFITS (Continued)**

Special Risk Class – earlier of

- Age 55 with 6 years of special risk service,
- Age after 55 that member becomes vested,
- 25 years of service consisting of both special risk service and up to 4 years of wartime military service and age 52,
- 25 years of special risk service regardless of age, or
- 30 years of any credible service, regardless of age

*Initially Enrolled On or After July 1, 2011*

Regular Class – earlier of

- Age 65 with 8 years of service,
- Age after 65 that member becomes vested, or
- 33 years of service regardless of age

Special Risk Class – earlier of

- Age 60 with 8 years of special risk service,
- Age after 60 that member becomes vested,
- 30 years of service consisting of both special risk service and up to 4 years of wartime military service and age 57,
- 30 years of special risk service regardless of age, or
- 33 years of any credible service, regardless of age

Members are eligible for early retirement or reduced retirement if vested and within the 20 years of normal retirement age. The benefit is reduced 5% for each year remaining from a member's early retirement age to his/her normal retirement age. General participants are assumed to be eligible for early retirement at age 55 and Police participants at age 50.

Employee Subsidy

The plan is an access only plan. Employees, spouses, and beneficiaries are allowed access to the plan but must pay the full cost to participate.

Public safety participants receive a \$5 subsidy from the FRS for each year of service to help offset the cost of health benefits. This subsidy is capped at a maximum of \$250 per month. There is no liability to the City of Doral for this benefit.

Cost Method

This valuation uses the Projected Unit Credit method, with linear pro-ration to assumed benefit commencement.

Amortization Method

Unfunded liabilities are amortized over a closed 25 year period as a level percentage of payroll for fiscal year ended September 30, 2015.

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**XII. OTHER POST EMPLOYMENT BENEFITS (Continued)**

Coverage Status and Age of Spouse

Actual coverage status is used; females assumed 3 years younger than male spouse.

30% of employees are assumed to elect to participate in the plan upon retirement/disability.

Medical Trend Assumption

The assumption was developed using the SOA long term medical trend model using the following baseline assumptions as input variables into the model:

Rate of Inflation	2.4%
Rate of Growth in Real Income / GDP per capita	1.5%
Extra Trend due to Technology and other factors	1.0%
Health Share of GDP Resistance Point	25.0%
Year for Limiting Cost Growth to GDP Growth	2075

The pre-65 medical trend was increased to reflect the impact of the Cadillac Tax, for this purpose general inflation was assumed to be 2.5% per annum.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The City's annual OPEB cost for the fiscal year ended September 30, 2015 is as follows:

Annual required contribution (ARC)	\$ 152,000
Interest on net OPEB obligation	38,000
Adjustment to annual required contribution	<u>(40,000)</u>
Annual OPEB cost	150,000
Contributions made	<u>-</u>
Increase in net OPEB obligation	150,000
Net OPEB obligation - beginning of year	958,000
Net OPEB obligation - end of year	<u><u>\$ 1,108,000</u></u>

**Schedule of Employer Contributions**

Year Ended September 30	Annual OPEB Cost	Actual Contribution	Percentage Contributed	OPEB Obligation
2013	\$ 203,000	\$ 3,000	1.5%	818,000
2014	\$ 140,000	\$ -	0.0%	958,000
2015	\$ 150,000	\$ -	0.0%	1,108,000

**CITY OF DORAL, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

**XII. OTHER POST EMPLOYMENT BENEFITS (Continued)**

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b - a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll (a - b)/c</u>
10/1/2012	-	621,000	621,000	0.0%	6,282,000	9.89%
10/1/2013	-	581,000	581,000	0.0%	6,392,000	9.09%
10/1/2014	-	715,000	715,000	0.0%	6,877,000	10.40%

The schedule of funding progress presented as required supplementary information (RSI) above, present multiyear trend information about whether the actuarial values of the plan assets are increasing or decreasing over time relative to the actual accrued liability for benefits.

Actuarial Methods and Assumptions

Projections of benefits are based on the terms of the substantive plans (the plans as understood by the employer and plan members) and include the types of benefits in effect at the valuation date and the pattern of sharing benefit costs between the City and plan members to that point. Actuarial valuations for the OPEB plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions are as follows:

Actuarial Cost Method:	Projected Unit Credit
Amortization Method:	Closed
Amortization Period:	30 (as of October 1, 2009)
Asset Valuation Method:	Market Value of Assets
Actuarial Assumptions	
Discount Rate:	4.00%
Payroll Increase	4.00%
Medical Trend Model	The trend table is split for Pre-Medicare and Post-Medicare aged participants. 9.00% initial; 4.24% ultimate

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**CITY OF DORAL, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property taxes	\$ 17,411,000	\$ 17,411,000	\$ 17,103,609	\$ (307,391)
Utility taxes	7,385,000	7,385,000	8,012,390	627,390
Franchise fees	3,930,000	3,930,000	4,047,368	117,368
Intergovernmental revenues	4,848,000	4,848,000	4,946,041	98,041
Licenses, permits and fines	12,411,631	12,411,631	12,863,755	452,124
Communication service tax	4,881,000	4,881,000	4,846,707	(34,293)
Charges for services	674,000	674,000	679,416	5,416
Grants and contributions	-	-	313,991	313,991
Investment income	250,000	250,000	703,354	453,354
Miscellaneous	309,741	309,741	623,750	314,009
Total revenues	<u>52,100,372</u>	<u>52,100,372</u>	<u>54,140,381</u>	<u>2,040,009</u>
<b>Expenditures:</b>				
<b>General government</b>				
Elected officials	1,016,555	1,043,634	995,644	47,990
Manager's office	657,237	668,547	617,564	50,983
Public affairs	917,824	936,584	580,106	356,478
City clerk	638,726	713,004	642,350	70,654
Finance department	991,951	1,022,663	892,734	129,929
City attorney	625,000	683,540	644,872	38,668
Human resources	515,959	528,930	445,196	83,734
Information technology	2,482,514	2,831,239	2,502,836	328,403
Economic development	296,084	296,084	233,799	62,285
General government	4,905,180	3,949,632	3,654,020	295,612
Total general government	<u>13,047,030</u>	<u>12,673,857</u>	<u>11,209,121</u>	<u>1,464,736</u>
Police	16,584,856	17,454,926	15,313,305	2,141,621
Public works	8,411,341	11,014,004	5,050,581	5,963,423
Parks and recreation	12,240,742	17,393,349	8,880,496	8,512,853
Building	3,345,464	3,716,919	3,363,745	353,174
Planning and zoning	921,026	1,209,075	851,650	357,425
Code enforcement	1,216,037	1,281,307	1,138,189	143,118
<b>Debt service:</b>				
Principal	1,151,968	1,151,968	1,156,686	(4,718)
Interest	794,615	794,615	741,013	53,602
Total expenditures	<u>57,713,079</u>	<u>66,690,020</u>	<u>47,704,786</u>	<u>18,985,234</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources	<u>(5,612,707)</u>	<u>(14,589,648)</u>	<u>6,435,595</u>	<u>21,025,243</u>
<b>Other financing sources</b>				
Appropriation of prior year fund balance	<u>5,612,707</u>	<u>14,589,648</u>	<u>-</u>	<u>(14,589,648)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,435,595</u>	<u>\$ 6,435,595</u>

See notes to budgetary comparison schedule

**CITY OF DORAL, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**MAJOR SPECIAL REVENUE FUND - TRANSPORTATION FUND**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental revenues	\$ 2,637,700	\$ 2,637,700	\$ 2,715,646	\$ 77,946
Impact fees	1,700,000	1,700,000	5,946,135	4,246,135
Grant revenues	-	-	560,590	560,590
Total revenues	<u>4,337,700</u>	<u>4,337,700</u>	<u>9,222,371</u>	<u>4,884,671</u>
Expenditures:				
Current:				
Public works	<u>10,163,780</u>	<u>14,627,894</u>	<u>5,088,519</u>	<u>9,539,375</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources	<u>(5,826,080)</u>	<u>(10,290,194)</u>	<u>4,133,852</u>	<u>14,424,046</u>
Other financing sources				
Appropriation of prior year fund balance	<u>5,826,080</u>	<u>10,290,194</u>	<u>-</u>	<u>(10,290,194)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,133,852</u>	<u>\$ 4,133,852</u>

See notes to budgetary comparison schedule

**CITY OF DORAL, FLORIDA**  
**NOTES TO BUDGETARY COMPARISON SCHEDULES**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2015**

**Notes to Budgetary Comparison Schedules**

Annual appropriated budgets are prepared for the General Fund, Transportation Fund, Park Impact Fee Fund, Police Impact Fee Fund and Capital Improvement Projects Fund. The City follows these procedures in establishing the budgetary data reflected in the financial statements.

1. 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.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.
4. 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, 2015, there were supplemental appropriations of \$8,976,941 in the General Fund, \$4,464,114 in the Transportation Fund, \$585,071 in the Park Impact Fee Fund, and \$2,296 in the Capital Improvement Projects Fund.
5. Formal budgetary integration is employed as a management control device for the General Fund.
6. The budget for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**CITY OF DORAL, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE**  
**NET PENSION LIABILITY**  
**FLORIDA RETIREMENT SYSTEM**  
**LAST 2 FISCAL YEARS\***

	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	0.04908490%	0.04200912%
City's proportionate share of the net pension liability (asset)	\$ 6,339,973	\$ 2,563,174
City's covered-employee payroll	\$ 7,828,489	\$ 6,564,017
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	80.99%	39.05%
Plan fiduciary net position as a percentage of the total pension liability	92.00%	96.09%

\* The amounts presented for each fiscal year were determined as of 6/30 (measurement date of the collective net pension liability). GASB 68 requires information for 10 years; until a full 10-year trend is compiled, the City is presenting information for only those years for which information is available.

**CITY OF DORAL, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CONTRIBUTIONS**  
**FLORIDA RETIREMENT SYSTEM**  
**LAST 2 FISCAL YEARS\***

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,580,262	\$ 1,254,454
Contributions in relation to the contractually required contribution	<u>\$ (1,580,262)</u>	<u>\$ (1,254,454)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 8,065,358	\$ 6,877,000
Contributions as a percentage of covered-employee payroll	19.59%	18.24%

\* GASB 68 requires information for 10 years; until a full 10-year trend is compiled, the City is presenting information for only those years for which information is available.

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## **COMBINING FINANCIAL STATEMENTS**

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## NONMAJOR GOVERNMENTAL FUNDS

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### Special Revenue Funds

**Law Enforcement Trust Fund** – This fund accounts for proceeds received from the sale of property seized and forfeited through Local, State and Federal agencies. Funds are to be expended in compliance with applicable Federal, State and Local law, regulations and orders.

**Park Impact Fee Fund** – This fund accounts for a fee applied to each unit of new construction single-family, duplex and multifamily buildings for the purpose of park construction, development and improvements.

**Police Impact Fee Fund** – This fund accounts for a fee applied to each unit of new construction single-family, duplex and multifamily buildings for the purpose of police department improvements.

### Capital Projects Fund

**Capital Improvement Projects Fund** – 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, 2015**

	Special Revenue			Capital Projects	Total
	Law Enforcement Trust Fund	Park Impact Fee Fund	Police Impact Fee Fund	Capital Improvement Projects Fund	
<b><u>ASSETS</u></b>					
Cash and cash equivalents	\$ 561,735	\$ 9,177,676	\$ 2,346,742	\$ 224,243	\$ 12,310,396
Accounts receivable - net	21,348	-	-	-	21,348
Total assets	\$ 583,083	\$ 9,177,676	\$ 2,346,742	\$ 224,243	\$ 12,331,744
<b><u>LIABILITIES</u></b>					
Accounts payable and accrued liabilities	\$ 11,419	\$ 115,546	\$ -	\$ 38,506	\$ 165,471
Escrow deposits	25,743	-	-	-	25,743
Due to other funds	64,136	-	-	-	64,136
Total liabilities	101,298	115,546	-	38,506	255,350
<b><u>FUND BALANCES</u></b>					
Restricted	481,785	862,203	732,670	-	2,076,658
Committed	-	8,199,927	1,614,072	185,737	9,999,736
Total fund balances	481,785	9,062,130	2,346,742	185,737	12,076,394
Total liabilities and fund balances	\$ 583,083	\$ 9,177,676	\$ 2,346,742	\$ 224,243	\$ 12,331,744

**CITY OF DORAL, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	<u>Special Revenue</u>			<u>Capital Projects</u>	<u>Total</u>
	<u>Law Enforcement Trust Fund</u>	<u>Park Impact Fee Fund</u>	<u>Police Impact Fee Fund</u>	<u>Capital Improvement Projects Fund</u>	
Revenues:					
Fines and forfeitures	\$ 76,320	\$ -	\$ -	\$ -	\$ 76,320
Impact fees	-	3,188,508	922,812	-	4,111,320
Total revenues	<u>76,320</u>	<u>3,188,508</u>	<u>922,812</u>	<u>-</u>	<u>4,187,640</u>
Expenditures:					
Current:					
Police	3,762	-	-	-	3,762
Public works	-	-	-	3,988	3,988
Parks and recreation	-	89,322	-	-	89,322
Capital outlay	12,348	805,544	-	83,475	901,367
Total expenditures	<u>16,110</u>	<u>894,866</u>	<u>-</u>	<u>87,463</u>	<u>998,439</u>
Excess (deficiency) of revenues over (under) expenditures	<u>60,210</u>	<u>2,293,642</u>	<u>922,812</u>	<u>(87,463)</u>	<u>3,189,201</u>
Net changes in fund balance	60,210	2,293,642	922,812	(87,463)	3,189,201
Fund balances, beginning	421,575	6,768,488	1,423,930	273,200	8,887,193
Fund balances, ending	<u>\$ 481,785</u>	<u>\$ 9,062,130</u>	<u>\$ 2,346,742</u>	<u>\$ 185,737</u>	<u>\$ 12,076,394</u>

**CITY OF DORAL, FLORIDA**  
**SCHEDULES OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	<b>Law Enforcement Trust Fund</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
Revenues:				
Charges for services	\$ -	\$ -	\$ 76,320	\$ 76,320
Expenditures:				
Current:				
Police	-	3,006	16,110	(13,104)
Excess (deficiency) of revenues over (under) expenditures before other financing sources	-	(3,006)	60,210	63,216
Other financing sources (uses)				
Appropriation of prior year fund balance	-	3,006	-	(3,006)
Net change in fund balance	\$ -	\$ -	\$ 60,210	\$ 60,210

**CITY OF DORAL, FLORIDA**  
**SCHEDULES OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

**Park Impact Fee Fund**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Impact fees and special assessments	\$ 1,993,904	\$ 1,993,904	\$ 3,188,508	\$ 1,194,604
Grants and contributions	500,000	500,000	-	(500,000)
Total revenues	<u>2,493,904</u>	<u>2,493,904</u>	<u>3,188,508</u>	<u>694,604</u>
Expenditures:				
Current:				
Parks and recreation	<u>8,518,346</u>	<u>9,103,417</u>	<u>894,866</u>	<u>8,208,551</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources	<u>(6,024,442)</u>	<u>(6,609,513)</u>	<u>2,293,642</u>	<u>8,903,155</u>
Other financing sources (uses)				
Appropriation of prior year fund balance	<u>6,024,442</u>	<u>6,609,513</u>	<u>-</u>	<u>(6,609,513)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,293,642</u>	<u>\$ 2,293,642</u>

**CITY OF DORAL, FLORIDA**  
**SCHEDULES OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	<b>Police Impact Fee Fund</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
Revenues:				
Impact fees	\$ 180,000	\$ 180,000	\$ 922,812	\$ 742,812
Expenditures:				
Current:				
Police	1,614,072	1,614,072	-	1,614,072
Excess (deficiency) of revenues over (under) expenditures before other financing sources	(1,434,072)	(1,434,072)	922,812	2,356,884
Other financing sources (uses)				
Appropriation of prior year fund balance	1,434,072	1,434,072	-	(1,434,072)
Net change in fund balance	\$ -	\$ -	\$ 922,812	\$ 922,812

**CITY OF DORAL, FLORIDA**  
**SCHEDULES OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

**Capital Improvement Projects Fund**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Grant revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Public works	388,686	390,982	87,463	303,519
Excess (deficiency) of revenues over (under) expenditures before other financing sources	(388,686)	(390,982)	(87,463)	303,519
Other financing sources (uses)				
Appropriation of prior year fund balance	388,686	390,982	-	(390,982)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (87,463)</u>	<u>\$ (87,463)</u>

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**STATISTICAL SECTION**

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## 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>
<b>Financial Trends</b> <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>	62-65
<b>Revenue Capacity</b> <i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	66-69
<b>Debt Capacity</b> <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>	70-73
<b>Demographic and Economic Information</b> <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>	74-75
<b>Operating Information</b> <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>	76-78

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

**CITY OF DORAL, FLORIDA**  
**NET ASSETS BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Governmental activities:</b>										
Invested in capital assets, net of related debt	\$ 6,052,226	\$ 23,202,258	\$ 39,639,029	\$ 41,662,505	\$ 92,251,381	\$ 119,771,884	\$ 141,379,804	\$ 141,542,303	143,180,968	152,045,423
Restricted	1,668,093	3,177,068	3,754,632	5,515,965	10,168,722	11,033,844	13,214,721	18,900,716	20,635,882	27,958,935
Unrestricted	27,803,600	38,051,098	24,459,667	48,331,904	50,479,055	38,183,021	39,117,307	52,132,770	68,520,006	68,462,838
Total governmental activities net assets	<u>35,523,919</u>	<u>64,430,424</u>	<u>67,853,328</u>	<u>95,510,374</u>	<u>152,899,158</u>	<u>168,988,749</u>	<u>193,711,832</u>	<u>212,575,789</u>	<u>232,336,856</u>	<u>248,467,196</u>
<b>Business-type activities:</b>										
Invested in capital assets, net of related debt	-	164,604	869,798	1,090,316	3,558,431	6,974,941	9,998,262	9,981,984	10,251,848	12,719,354
Restricted	-	5,110,253	6,947,066	9,060,722	11,335,185	10,614,726	11,675,417	13,087,937	15,286,069	14,817,975
Unrestricted	2,334,304	-	-	-	-	-	-	-	-	-
Total business-type activities net assets	<u>2,334,304</u>	<u>5,274,857</u>	<u>7,816,864</u>	<u>10,151,038</u>	<u>14,893,616</u>	<u>17,589,667</u>	<u>21,673,679</u>	<u>23,069,921</u>	<u>25,537,917</u>	<u>27,537,329</u>
<b>Total government:</b>										
Invested in capital assets, net of related debt	6,052,226	23,366,862	40,508,827	42,752,821	95,809,812	126,746,825	151,378,066	151,524,287	153,442,816	164,764,777
Restricted	1,668,093	8,287,321	10,701,698	14,576,687	21,503,907	21,648,570	24,890,138	31,988,653	35,921,951	42,776,730
Unrestricted	30,137,904	38,051,098	24,459,667	48,331,904	50,479,055	38,183,021	39,117,307	52,132,770	68,520,006	68,462,838
Total government net assets	<u>\$ 37,858,223</u>	<u>\$ 69,705,281</u>	<u>\$ 75,670,192</u>	<u>\$ 105,661,412</u>	<u>\$ 167,792,774</u>	<u>\$ 186,578,416</u>	<u>\$ 215,385,511</u>	<u>\$ 235,645,710</u>	<u>\$ 257,884,773</u>	<u>\$ 276,004,345</u>

**CITY OF DORAL, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses:</b>										
<b>Governmental activities:</b>										
General government	\$ 3,550,056	\$ 4,042,423	\$ 6,392,127	\$ 9,254,163	\$ 9,395,586	\$ 9,377,567	\$ 8,798,055	\$ 8,204,661	\$ 8,389,824	\$ 11,600,181
Public safety	10,967,211	13,318,322	15,608,252	13,272,672	13,309,746	13,075,987	12,965,522	12,489,625	13,407,671	14,465,522
Community development **	-	-	-	-	-	-	-	-	-	-
Building department **	2,322,401	3,075,941	3,431,312	2,681,306	2,409,914	2,385,076	2,233,942	2,596,095	2,864,600	3,459,627
Planning & zoning department **	633,859	851,765	1,271,656	1,490,300	1,756,263	1,611,160	1,675,114	1,646,449	1,659,889	2,029,350
Public works	748,229	894,629	1,596,806	2,449,170	4,436,348	4,185,763	4,252,964	5,532,198	6,080,384	7,134,089
Parks and recreation	1,306,101	2,166,591	2,414,919	2,933,542	3,581,420	3,142,369	5,098,902	5,181,129	4,721,102	5,312,829
Mitigation/ QNIP	8,180,211	398,178	17,371,673	380,362	6,407,677	381,493	-	-	-	-
Interest on long-term debt	450,073	984,740	928,928	920,428	1,006,180	1,069,561	868,321	963,412	830,011	730,862
<b>Total governmental activities</b>	<b>28,158,141</b>	<b>25,732,589</b>	<b>49,015,673</b>	<b>33,381,943</b>	<b>42,303,134</b>	<b>35,228,976</b>	<b>35,892,820</b>	<b>36,613,569</b>	<b>37,953,481</b>	<b>44,732,460</b>
<b>Business-type activities:</b>										
Stormwater utility	85,569	49,501	770,723	805,418	2,238,982	1,554,642	1,381,554	2,786,111	1,802,865	2,435,450
<b>Total business-type activities</b>	<b>85,569</b>	<b>49,501</b>	<b>770,723</b>	<b>805,418</b>	<b>2,238,982</b>	<b>1,554,642</b>	<b>1,381,554</b>	<b>2,786,111</b>	<b>1,802,865</b>	<b>2,435,450</b>
<b>Total government expenses</b>	<b>\$ 28,243,710</b>	<b>\$ 25,782,090</b>	<b>\$ 49,786,396</b>	<b>\$ 34,187,361</b>	<b>\$ 44,542,116</b>	<b>\$ 36,783,618</b>	<b>\$ 37,274,374</b>	<b>\$ 39,399,680</b>	<b>\$ 39,756,346</b>	<b>\$ 47,167,910</b>
<b>Program revenues:</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General government	\$ 743,012	\$ 925,276	\$ 874,751	\$ 976	\$ 128,823	\$ 112,836	\$ 125,626	\$ 132,997	\$ 21,223	\$ 24,405
Building department	5,607,313	7,046,317	4,841,501	3,263,765	2,812,662	4,412,564	4,957,425	7,021,431	6,952,601	9,266,485
Community development	-	-	-	-	-	-	-	-	-	-
Planning & zoning department	224,169	152,749	440,845	855,403	914,770	996,774	1,148,344	1,334,366	2,202,349	1,825,735
Public safety	861,643	1,357,086	1,059,257	1,420,671	1,186,253	1,281,524	2,387,197	1,902,291	2,023,454	2,498,809
Public works	-	-	-	851,038	290,544	908,130	1,925,115	1,890,988	2,791,693	6,217,993
Parks/recreation	1,459,663	2,139,521	532,021	429,071	728,160	1,762,181	2,075,532	2,231,399	1,673,723	3,843,519
<b>Operating grants and contributions</b>										
General government	-	-	-	40,586	-	-	-	-	-	-
Parks/recreation	-	416,319	-	-	-	-	-	-	-	-
Public safety	-	-	-	8,863	-	-	-	300,000	91,360	5,584
<b>Capital grants and contributions</b>										
General government	-	-	-	147,000	-	-	35,372	-	-	86,492
Public safety	-	-	-	-	-	-	1,686,744	20,986	23,112	216,415
Public works	-	-	-	764,951	732,460	947,429	161,348	204,866	1,115,394	560,590
Parks/recreation	91,343	-	-	5,828,755	-	-	2,500	-	2,671	5,500
<b>Total governmental activities program revenues</b>	<b>8,987,143</b>	<b>12,037,268</b>	<b>7,748,375</b>	<b>13,611,079</b>	<b>6,793,672</b>	<b>10,421,438</b>	<b>14,505,203</b>	<b>15,039,324</b>	<b>16,897,580</b>	<b>24,551,527</b>
<b>Business-type activities:</b>										
<b>Charges for services:</b>										
Stormwater utility	2,322,923	2,990,054	3,207,457	2,899,271	3,752,026	3,803,236	3,796,658	3,848,250	3,733,063	3,827,559
Operating grants and contributions	-	-	110,845	-	369,815	360,407	-	-	-	-
Capital grants and contributions	-	-	-	-	-	-	1,595,521	257,523	505,487	506,039
<b>Total business-type activities program revenues</b>	<b>2,322,923</b>	<b>2,990,054</b>	<b>3,318,302</b>	<b>2,899,271</b>	<b>4,121,841</b>	<b>4,163,643</b>	<b>5,392,179</b>	<b>4,105,773</b>	<b>4,238,550</b>	<b>4,333,598</b>
<b>Total program revenues</b>	<b>\$ 11,310,066</b>	<b>\$ 15,027,322</b>	<b>\$ 11,066,677</b>	<b>\$ 16,510,350</b>	<b>\$ 10,915,513</b>	<b>\$ 14,585,081</b>	<b>\$ 19,897,382</b>	<b>\$ 19,145,097</b>	<b>\$ 21,136,130</b>	<b>\$ 28,885,125</b>
<b>Net (expense) revenue:</b>										
Governmental activities	\$ (19,170,998)	\$ (13,695,321)	\$ (41,267,298)	\$ (19,770,864)	\$ (35,509,462)	\$ (24,807,538)	\$ (21,387,617)	\$ (21,574,245)	\$ (21,055,901)	\$ (20,180,933)
Business-type activities	2,237,354	2,940,553	2,547,579	2,093,853	1,882,859	2,609,001	4,010,625	1,319,662	2,435,685	1,898,148
<b>Total net expense</b>	<b>\$ (16,933,644)</b>	<b>\$ (10,754,768)</b>	<b>\$ (38,719,719)</b>	<b>\$ (17,677,011)</b>	<b>\$ (33,626,603)</b>	<b>\$ (22,198,537)</b>	<b>\$ (17,376,992)</b>	<b>\$ (20,254,583)</b>	<b>\$ (18,620,216)</b>	<b>\$ (18,282,785)</b>
<b>General revenues:</b>										
<b>Governmental activities:</b>										
<b>Taxes:</b>										
Property taxes	\$ 17,202,696	\$ 20,893,975	\$ 24,179,740	\$ 25,389,666	\$ 22,448,001	\$ 19,868,535	\$ 19,766,557	\$ 17,031,372	\$ 15,383,682	\$ 17,103,609
Utility taxes	2,469,240	4,339,239	6,020,561	6,151,070	6,452,449	6,600,735	6,803,372	7,271,270	7,915,628	8,012,390
Communications services tax	3,557,442	4,019,547	4,085,310	4,743,877	5,205,814	4,920,479	5,080,171	4,980,273	5,519,464	4,846,707
Franchise taxes	2,801,948	3,278,696	5,586,792	5,703,733	5,887,483	4,344,291	4,947,073	4,597,851	3,982,872	4,047,368
Intergovernmental	3,577,547	7,765,837	3,432,355	2,665,510	3,136,493	3,560,046	4,717,657	6,678,764	7,074,393	7,661,687
Investment earnings and other	1,268,347	2,114,194	991,239	2,496,612	890,892	765,501	561,988	199,726	358,342	703,354
Other revenue	-	-	-	-	-	-	3,653,477	-	-	-
Miscellaneous	10,643,324	190,337	394,205	277,442	322,575	566,532	580,405	409,337	582,588	623,750
<b>Total governmental activities</b>	<b>41,520,544</b>	<b>42,601,825</b>	<b>44,690,202</b>	<b>47,427,910</b>	<b>44,343,707</b>	<b>40,626,119</b>	<b>46,110,700</b>	<b>41,168,593</b>	<b>40,816,969</b>	<b>42,998,865</b>
<b>Business-type activities:</b>										
Investment earnings and other	-	-	(5,572)	240,321	264,004	87,050	73,387	18,154	42,310	91,084
<b>Total business-type activities</b>	<b>-</b>	<b>-</b>	<b>(5,572)</b>	<b>240,321</b>	<b>264,004</b>	<b>87,050</b>	<b>73,387</b>	<b>18,154</b>	<b>42,310</b>	<b>91,084</b>
<b>Total general revenues</b>	<b>\$ 41,520,544</b>	<b>\$ 42,601,825</b>	<b>\$ 44,684,630</b>	<b>\$ 47,668,231</b>	<b>\$ 44,607,711</b>	<b>\$ 40,713,169</b>	<b>\$ 46,184,087</b>	<b>\$ 41,186,747</b>	<b>\$ 40,859,279</b>	<b>\$ 43,089,949</b>
Debt forgiveness	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 271,010	\$ -	\$ -	\$ -	\$ -
<b>Change in net position:</b>										
Governmental activities	\$ 22,349,546	\$ 28,906,504	\$ 3,422,904	\$ 27,657,046	\$ 8,834,245	\$ 16,089,591	\$ 24,723,083	\$ 19,594,348	\$ 19,761,068	\$ 22,817,932
Business-type activities	2,237,354	2,940,553	2,542,007	2,334,174	2,146,863	2,696,051	4,084,012	1,337,816	2,477,995	1,989,232
<b>Total change in net position</b>	<b>\$ 24,586,900</b>	<b>\$ 31,847,057</b>	<b>\$ 5,964,911</b>	<b>\$ 29,991,220</b>	<b>\$ 10,981,108</b>	<b>\$ 18,785,642</b>	<b>\$ 28,807,095</b>	<b>\$ 20,932,164</b>	<b>\$ 22,239,063</b>	<b>\$ 24,807,164</b>

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

**CITY OF DORAL, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General fund:										
Reserved	\$ -	\$ 617,475	\$ 17,607,202	\$ 1,899,761	\$ 11,410,036	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved and designated	-	-	-	-	26,775,000	-	-	-	-	-
Unreserved	22,333,658	43,759,009	24,617,572	41,344,944	13,063,995	-	-	-	-	-
Nonspendable	-	-	-	-	-	335,440	388,354	161,833	200,816	8,790
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	5,335,272	4,141,453	7,934,049	8,976,944	14,490,186
Unassigned	-	-	-	-	-	20,888,609	35,075,273	45,852,964	61,431,181	62,545,560
Total general fund	<u>22,333,658</u>	<u>44,376,484</u>	<u>42,224,774</u>	<u>43,244,705</u>	<u>51,249,031</u>	<u>26,559,321</u>	<u>39,605,080</u>	<u>53,948,846</u>	<u>70,608,941</u>	<u>77,044,536</u>
All other governmental funds:										
Reserved	1,563,211	2,659,838	282,636	5,515,965	4,427,304	-	-	-	-	-
Unreserved and designated, reported in:										
Capital projects fund	-	-	-	-	5,559,536	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	-	-	-	-	242,547	-	-	-	-	-
Transportation fund	-	-	-	-	-	-	-	-	-	-
Capital projects fund	5,704,660	(5,630,185)	3,371,076	5,559,535	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	11,033,844	11,324,481	14,781,778	15,602,116	9,943,141
Committed	-	-	-	-	-	12,858,436	225,891	3,694,235	4,762,862	18,015,794
Assigned	-	-	-	-	-	-	-	424,703	270,904	-
Unassigned	-	-	-	-	-	-	2,595,027	-	-	-
Total all other governmental funds	<u>7,267,871</u>	<u>(2,970,347)</u>	<u>3,653,712</u>	<u>11,075,500</u>	<u>10,229,387</u>	<u>23,892,280</u>	<u>14,145,399</u>	<u>18,900,716</u>	<u>20,635,882</u>	<u>27,958,935</u>
Total governmental funds	<u>\$ 29,601,529</u>	<u>\$ 41,406,137</u>	<u>\$ 45,878,486</u>	<u>\$ 54,320,205</u>	<u>\$ 61,478,418</u>	<u>\$ 50,451,601</u>	<u>\$ 53,750,479</u>	<u>\$ 72,849,562</u>	<u>\$ 91,244,823</u>	<u>\$ 105,003,471</u>

**CITY OF DORAL, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues:</b>										
Ad valorem taxes	\$ 17,202,696	\$ 20,893,975	\$ 24,179,740	\$ 25,389,666	\$ 22,448,001	\$ 19,868,535	\$ 19,766,557	\$ 17,031,372	\$ 15,383,682	\$ 17,103,609
Franchise fees	2,801,948	3,278,696	5,586,792	5,703,733	5,887,483	4,344,291	4,947,073	4,597,851	3,982,872	4,047,368
Utility taxes	2,469,240	4,339,239	6,020,561	6,151,070	6,452,449	6,600,735	6,803,372	7,271,270	7,915,628	8,012,390
Communications services tax	3,557,442	4,019,547	4,085,310	4,743,877	5,205,814	4,920,479	5,080,171	4,980,273	5,519,464	4,846,707
Impact fees	1,503,516	1,304,751	304,993	-	-	-	-	-	-	10,057,455
Licenses, permits and fines	5,439,854	8,911,239	6,476,391	5,189,771	4,820,997	6,282,078	8,033,873	10,410,450	11,303,153	12,940,075
Intergovernmental revenue	3,577,547	7,765,837	3,432,355	3,238,317	3,136,493	3,560,046	4,717,655	6,678,764	7,074,393	7,661,687
Grants	91,343	416,319	-	3,822,869	732,460	1,948,862	1,885,964	225,852	1,141,177	874,581
Charges for services	1,952,430	1,404,959	941,671	1,058,346	1,240,215	2,190,498	4,585,368	4,103,022	4,361,890	679,416
Investment income	1,268,347	2,114,194	991,239	2,496,612	890,892	765,501	561,988	199,726	358,342	703,354
County contributions	-	-	-	2,967,286	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	3,653,477	-	-	-
Miscellaneous	10,643,324	190,337	394,205	277,442	322,575	566,532	580,405	709,337	673,948	623,750
<b>Total revenues</b>	<b>50,507,687</b>	<b>54,639,093</b>	<b>52,413,257</b>	<b>61,038,989</b>	<b>51,137,379</b>	<b>51,047,557</b>	<b>60,615,903</b>	<b>56,207,917</b>	<b>57,714,549</b>	<b>67,550,392</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General government	3,421,798	4,361,334	12,324,554	7,944,991	7,607,245	7,289,967	7,762,037	7,098,768	6,872,927	10,486,031
Public safety	11,068,689	13,321,448	17,696,614	12,424,819	12,174,931	11,925,430	11,409,610	11,770,981	12,867,951	14,275,190
Community development	-	-	-	-	-	-	-	-	-	-
Building department	2,429,029	3,136,195	3,360,946	2,595,514	2,324,468	2,323,994	2,190,425	2,479,507	2,700,697	3,231,640
Planning & zoning department	624,142	840,422	1,373,831	660,443	940,664	733,300	763,577	770,265	740,026	851,650
Public works	974,145	1,532,432	4,835,676	4,337,079	2,795,827	2,320,683	2,407,942	3,222,023	3,427,931	4,771,966
Parks and recreation	26,703,891	17,976,592	6,272,388	4,043,174	3,498,325	3,043,217	3,348,673	3,473,086	3,028,267	3,631,397
Mitigation/ QNIP	8,180,211	398,178	379,062	17,752,035	6,407,677	381,493	-	-	-	-
Code Enforcement	-	-	-	827,722	791,819	838,232	884,225	838,762	884,398	1,095,752
Capital outlay *	-	-	-	-	4,926,791	30,253,895	26,259,761	5,453,543	6,813,343	13,550,419
Debt service:										
Principal retirement	-	283,145	797,827	1,114,022	1,716,599	2,051,185	1,418,030	1,115,679	1,144,018	1,156,686
Interest and other fiscal charges	478,728	984,740	900,010	897,471	946,820	1,074,478	872,745	886,221	839,730	741,013
<b>Total expenditures</b>	<b>53,880,633</b>	<b>42,834,486</b>	<b>47,940,908</b>	<b>52,597,270</b>	<b>44,131,166</b>	<b>62,235,874</b>	<b>57,317,025</b>	<b>37,108,835</b>	<b>39,319,288</b>	<b>53,791,744</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(3,372,946)</b>	<b>11,804,607</b>	<b>4,472,349</b>	<b>8,441,719</b>	<b>7,006,213</b>	<b>(11,188,317)</b>	<b>3,298,878</b>	<b>19,099,082</b>	<b>18,395,261</b>	<b>13,758,648</b>
<b>Other financing sources (uses):</b>										
Proceeds from debt	21,250,000	-	-	-	152,000	161,500	-	-	-	-
Proceeds from capital leases	82,000	-	-	-	-	-	-	-	-	-
Transfers in	1,497,500	4,774,650	11,473,072	6,198,327	1,505,339	18,906,970	4,000,000	2,224,635	-	-
Transfers out	(1,497,500)	(4,774,650)	(11,473,072)	(6,198,327)	(1,505,339)	(18,906,970)	(4,000,000)	(2,224,635)	-	-
<b>Total other financing sources (uses)</b>	<b>21,332,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>152,000</b>	<b>161,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ 17,959,054</b>	<b>\$ 11,804,607</b>	<b>\$ 4,472,349</b>	<b>\$ 8,441,719</b>	<b>\$ 7,158,213</b>	<b>\$ (11,026,817)</b>	<b>\$ 3,298,878</b>	<b>\$ 19,099,082</b>	<b>\$ 18,395,261</b>	<b>\$ 13,758,648</b>
<b>Debt service as a percentage of non-capital expenditures</b>	<b>0.89%</b>	<b>2.96%</b>	<b>3.54%</b>	<b>3.82%</b>	<b>6.79%</b>	<b>9.77%</b>	<b>7.38%</b>	<b>6.32%</b>	<b>6.10%</b>	<b>4.72%</b>

\* Previously reported under department expenditures

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

**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>	Real Property			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>	<u>Personal Property</u>				
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	3,851,279,699	5,507,774,735	701,979,329	10,061,033,763	2.447	\$ 24,619,350	0.24%
2010	3,222,909,584	5,101,021,138	586,225,597	8,910,156,319	2.447	\$ 21,803,153	0.24%
2011	3,161,978,948	4,748,006,395	579,454,649	8,489,439,992	2.437	\$ 20,688,765	0.24%
2012	3,312,983,103	4,772,615,450	576,831,880	8,662,430,433	2.222	\$ 19,247,920	0.22%
2013	3,551,392,971	4,707,004,491	599,050,879	8,857,448,341	1.928	\$ 17,077,160	0.19%
2014	4,035,545,395	4,783,211,865	687,192,078	9,505,949,338	1.928	\$ 18,327,470	0.19%
2015	4,497,349,164	4,974,418,342	684,094,294	10,155,861,800	1.900	\$ 19,296,137	0.19%

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.

**CITY OF DORAL, FLORIDA**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Tax Roll Year	City of Doral		Overlapping Rates (1)													Total Direct and Overlapping Rates
		General Operations	Total City	Miami-Dade County			Miami-Dade Fire & Rescue			Miami-Dade Schools			Other	SFWMD Millage	FIND Millage	Total State Millage	
				Operating Millage	Service Millage	Total County Millage	Operating Millage	Service Millage	Fire Millage	Operating Millage	Service Millage	School Millage					
2006	2005	2.447	2.447	5.615	0.285	5.900	2.609	0.042	2.651	7.691	0.414	8.105	1.008	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	0.896	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	0.893	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	0.972	0.535	0.035	0.569	19.333
2010	2009	2.447	2.447	5.428	0.445	5.873	2.575	0.020	2.595	7.864	0.385	8.249	0.873	0.535	0.035	0.569	20.606
2011	2010	2.438	2.438	4.805	0.285	5.090	2.450	0.013	2.463	7.765	0.240	8.005	0.742	0.374	0.035	0.408	19.146
2012	2011	2.222	2.222	4.704	0.285	4.989	2.450	0.013	2.463	7.765	0.233	7.998	0.734	0.368	0.035	0.402	18.807
2013	2012	1.928	1.928	4.704	0.422	5.126	2.450	0.013	2.462	7.644	0.333	7.977	0.731	0.352	0.035	0.387	18.611
2014	2013	1.928	1.928	4.667	0.450	5.117	2.421	0.011	2.432	7.775	0.199	7.974	1.010	0.158	0.035	0.193	18.654
2015	2014	1.900	1.900	4.667	0.450	5.117	2.421	0.008	2.429	7.413	0.199	7.612	0.993	0.146	0.032	0.178	18.229

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).

**CITY OF DORAL, FLORIDA**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

2015				2006			
<u>Taxpayer</u>	<u>Net Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Net Assessed Value</u>	<u>Taxpayer</u>	<u>Net Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Net Assessed Value</u>
PSBP INDUSTRIAL LLC	\$ 220,520,627	1	2.33%	MIAMI INTERNATIONAL MALL	\$ 122,300,000	1	1.34%
WEST DADE COUNTY ASSOCIATES	141,230,000	2	1.49%	ATLAS PROPERTY I LLC	120,330,040	2	1.31%
TRUMP ENDEAVOR 12 LC	75,591,310	3	0.80%	CENTURY GRAND ONE LLP	82,064,800	3	0.90%
FLORDADE LLC	75,151,990	4	0.79%	ATLAS PROPERTY II LLC	70,657,200	4	0.77%
SUMMIT PROPERTIES PARTNERSHIP LIM	62,744,714	5	0.66%	COVE AT THE LANDINGS	62,000,000	5	0.68%
AERC DORAL WEST LLC	61,500,000	6	0.65%	VALENCIA AT DORAL LLC	56,937,250	6	0.62%
LIT INDUSTRIAL LIMITED PARTNERSHIP	60,850,000	7	0.64%	METROPOLITAN LIFE	55,001,336	7	0.60%
MCP THE PALMS AT DORAL LLC	58,350,000	8	0.62%	CHARLES B & CLAUDIA G LEMON	52,752,300	8	0.58%
DORAL GRANDE RESIDENCES LTD	53,500,100	9	0.56%	CARNIVAL CORPORATION	49,000,000	9	0.53%
PPF AMLI 11481 NW 41ST STREET LLC	49,500,000	10	0.52%	LUXUM DEVELOPMENT, INC	49,000,000	10	0.53%
	<u>\$ 858,938,741</u>		<u>9.07%</u>		<u>\$ 720,042,926</u>		<u>7.86%</u>

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

**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 <u>Year</u>	Collected within the Fiscal Year of the Levy		Collections in Subsequent <u>Year's</u>	Total Collections to Date	
		<u>Amount</u>	<u>Percent of Levy</u>		<u>Amount</u>	<u>Percent of Levy</u>
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%
2010	23,229,827	20,938,455	90.14%	1,509,546	22,448,001	96.63%
2011	20,744,000	19,658,043	94.76%	210,492	19,868,535	95.78%
2012	19,668,000	19,343,191	98.35%	423,366	19,766,557	100.50%
2013	18,278,000	17,031,372	93.18%	29,824	17,061,195	93.34%
2014	16,269,251	15,383,682	94.56%	8,744	15,392,426	94.61%
2015	17,411,000	17,101,157	98.22%	8,205	17,109,362	98.27%

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

**CITY OF DORAL, FLORIDA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended <u>September 30,</u>	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		Percentage of Personal Income (1)	Debt Per Capita
	<u>General Obligation Bonds</u>	<u>Revenue Bonds</u>	<u>QNIP Bonds</u>	<u>Revenue Bonds</u>	<u>Total</u>		
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%	617
2009	-	19,482,208	-	8,798,047	28,280,255	2.25%	821
2010	-	18,916,226	4,016,565	8,519,130	31,451,921	2.80%	824
2011	-	18,130,761	3,562,490	8,230,105	29,923,356	2.14%	643
2012	-	17,309,874	3,368,970	7,930,052	28,608,896	2.09%	611
2013	-	16,452,024	3,288,815	7,618,510	27,359,349	1.96%	555
2014	-	15,557,819	3,076,234	7,676,131	26,310,184	1.80%	497
2015	-	14,623,356	2,854,010	7,279,307	24,756,673	1.59%	445

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

(1) Personal income amounts calculated using U.S. Census Bureau data.

**CITY OF DORAL, FLORIDA**  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS

All bonded indebtedness is in the form of revenue bonds.

**CITY OF DORAL, FLORIDA**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

SEPTEMBER 30, 2015

<u>Government Unit</u>	2015		
	<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	\$ 17,477,367	100.00%	\$ 17,477,367
Overlapping Debt:			
Miami-Dade County (1)	1,384,231,000	4.4074%	61,008,679
Miami-Dade County School Board (1)	365,012	4.4074%	<u>16,088</u>
Subtotal, Overlapping Debt			61,024,766
Total Direct and Overlapping Debt			<u>\$ 78,502,133</u>

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) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Value that is within the City's boundaries, divided by the County's total taxable assessed value.

**CITY OF DORAL, FLORIDA**  
PLEDGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS

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

**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>
2006	33,500	75,218	3.7%	-
2007	34,472	77,475	4.2%	-
2008	34,322	74,050	4.5%	1,547,135
2009	34,456	74,016	10.7%	1,254,126
2010	38,131	72,629	12.6%	1,121,700
2011	46,516	73,734	12.0%	1,397,713
2012	47,534	71,656	5.9%	1,371,900
2013	49,253	71,695	5.7%	1,396,717
2014	52,889	70,446	4.3%	1,462,010
2015	55,660	72,623	4.6%	1,553,137

Sources:

- (1) University of Florida, Bureau of Economic Research, Estimates of Population
- (2) United States Census Bureau
- (3) Florida Department of Labor/United States Department of Labor
- (4) Not available for years prior to 2008 (Total Personal Income=Population x per capita income)

**CITY OF DORAL, FLORIDA**

**PRINCIPAL EMPLOYERS**

**CURRENT YEAR AND NINE YEARS AGO**

	2015				2006		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
<u>Employer</u>				<u>Employer</u>			
CARNIVAL CRUISE LINES	2,380	1	3.21%	CARNIVAL CRUISE LINES	2,380	1	26.69%
TRUMP ENDEAVOR 12 LLC	900	2	1.21%	50 STATE SECURITY SERVICE INC	850	2	9.53%
UNIVISION NETWORK LTD PARTNERSHIP	800	3	1.08%	AMADEUS NORTH AMERICA, LLC	462	3	5.18%
MIAMI HERALD MEDIA COMPANY	635	4	0.86%	RYDER TRUCK RENTAL	441	4	4.95%
SUPREME INTERNATIONAL CORPORATION	525	5	0.71%	BLUE CROSS BLUE SHIELD FL	412	5	4.62%
UNIVISION NETWORK LIMITED	500	6	0.67%	BRINKS, INC	366	6	4.10%
AMADEUS NORTH AMERICA LLC	450	7	0.61%	POST, BUCKLEY, SCHUH & JERNIGAN	285	7	3.20%
PERRY ELLIS INTERNATIONAL INC	420	8	0.57%	WALMART STORES EAST LP	285	8	3.20%
BLUE CROSS BLUE SHIELD OF FL INC	412	9	0.55%	SEARS ROEBUCK & COMPANY	280	9	3.14%
BRINKS INCORPORATED	366	10	0.49%	ISACO INTERNATIONAL CORP	250	10	2.80%
Total	<u>7,388</u>				<u>6,011</u>		

**CITY OF DORAL, FLORIDA**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Number of Employees:										
City Council	2	2	3	1	1	1	1	2	11	10
City Manager's Office	5	6	5	6	7	8	8	8	9	13
City Clerk's Office	3	4	3	3	3	3	3	4	4	3
City Attorney's Office *	1	1	1	1	1	1	1	1	1	1
Finance Department	2	3	4	6	7	7	7	7	8	9
Procurement	-	-	-	-	-	-	1	2	2	2
Administrative Services	1	2	-	-	-	-	-	-	-	-
Police Department	110	110	130	124	133	135	118	125	138	150
Community Development **	-	-	-	-	-	-	-	-	-	-
Building and Permitting **	18	28	30	30	30	29	29	29	32	37
Planning & Zoning **	7	5	7	7	7	7	8	8	7	9
Code Compliance **	8	10	10	10	12	12	12	14	14	16
Licensing **	2	2	2	-	-	-	-	-	-	-
Public Works	6	10	15	15	17	17	19	21	25	27
Parks and Recreation	28	27	32	36	35	35	34	37	45	43
Human Resources	2	2	3	3	3	3	3	4	3	4
IT	-	-	4	7	7	8	8	7	6	10
	<u>          </u>									
Total Number of Employees	<u>195</u>	<u>212</u>	<u>249</u>	<u>249</u>	<u>263</u>	<u>266</u>	<u>252</u>	<u>267</u>	<u>305</u>	<u>334</u>

Source: City of Doral Finance Department

The City was incorporated on June 24, 2003.

\* Includes contractual personnel.

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

**CITY OF DORAL, FLORIDA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Public safety:										
Police:										
Police personnel and officers	110	110	130	124	133	135	118	125	138	150
Police calls for service	21,258	35,406	42,545	29,308	46,270	30,291	40,437	36,784	40,877	25,620
Planning and development:										
Building permits issued	(A)	3,500	2,320	3,730	3,755	4,611	5,352	8,743	5,425	9,546

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

**CITY OF DORAL, FLORIDA**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</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	2
Shifts	3	3	3	3	3	3	3	2	2	2
Fire:										
Fire stations	2	2	2	2	2	2	2	2	3	3
Planning and development										
Building permits issued	1,631	3,500	2,320	3,730	3,755	4,611	5,352	8,743	5,425	9,546
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	20.0	20.2	20.7	37.7	39.0	41.0
Transportation:										
Miles of streets	175.0	175.0	175.0	175.0	200.0	177.0	177.5	204.0	205.0	206.0
Number of street lights	410	410	410	410	431	453	457	472	5,304 *	5,417 *
Number of traffic signals	61	61	61	61	66	71	75	68	69	70
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
Parks acreage	109	109	109	109	110	111	121	121	123	123
Community center	-	1	1	1	1	1	1	1	1	1
Tennis courts	4	5	5	5	5	5	5	5	5	5
Baseball/softball fields	2	2	2	2	2	2	2	2	2	2
Utility system:										
Miles of mains	203.0	203.0	203.0	203.0	383.0	383.0	384.0	381.0	389.0	423.6
Fire hydrants - City of Doral	2,166	2,166	2,166	2,166	2,342	2,342	2,355	2,342	2,347	2,359

Sources: Various City Departments

\* Inclusive of the City and County right-of-way as well as private and non-private residential.

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## **COMPLIANCE SECTION**

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, 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, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 26, 2016.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

*Rodriguez Trueba & Company*

Rodriguez, Trueba & Co., P.A.  
Doral, Florida  
April 26, 2016



## MANAGEMENT LETTER REQUIRED BY SECTION 10.550 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

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

### Report on the Financial Statements

We have audited the financial statements of the City of Doral, Florida (the "City"), as of and for the fiscal year ended September 30, 2015, and have issued our report thereon dated April 26, 2016.

### Auditors' Responsibility

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

### Other Reports and Schedule

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major State Project and Report on Internal Control Over Compliance Required By Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; and Independent Auditors' Report on Compliance with the Requirements of Section 218.415, Florida Statutes in Accordance with Chapter 10.550, Rules of the Auditor General of the State of Florida. Disclosures in those reports and schedule, which are dated April 26, 2016, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City was created pursuant to the constitution of the State of Florida, Home Rule Charter of Miami-Dade County, Article 5, Section 5.05. There were no component units related to the City.

## **Financial Condition**

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

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

## **Annual Financial Report**

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the City for the fiscal year ended September 30, 2015, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2015. In connection with our audit, we determined that these two reports were in agreement.

## **Other Matters**

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

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

## **Purpose of this Letter**

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

*Rodriguez Trueba & Company*

Rodriguez, Trueba & Co., P.A.  
Doral, Florida  
April 26, 2016

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES IN ACCORDANCE WITH CHAPTER 10.550, RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

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

We have examined the City of Doral, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2015. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

*Rodriguez Trueba & Company*

Rodriguez, Trueba & Co., P.A.  
Doral, Florida  
April 26, 2016

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT  
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

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

**Report on Compliance for Each Major State Project**

We have audited City of Doral, Florida's (the "City") compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major State projects for the year ended September 30, 2015. The City's major State projects and are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State projects.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General. Those standards, and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State project. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on Each Major State Project***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State projects for the year ended September 30, 2015.

## **Report on Internal Control over Compliance**

Management of City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State project and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses, or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

*Rodriguez Trueba & Company*

Rodriguez, Trueba & Co., P.A.  
Doral, Florida  
April 26, 2016

**CITY OF DORAL, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2015**

<u>State Agency/ Pass-Through Grantor/ Program Title</u>	<u>State CSFA Number</u>	<u>State Grant Number</u>	<u>State Expenditures</u>
<b>Florida Department of Environmental Protection</b>			
<u>Direct Program:</u>			
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP13201	\$ <u>506,039</u>
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>			<b>\$ <u><u>506,039</u></u></b>

The accompanying notes are an integral part of this schedule

**CITY OF DORAL, FLORIDA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2015**

**NOTE 1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of state financial assistance includes the state grant activity of the City of Doral and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Chapter 10.550, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 2. CONTINGENCY**

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by grantor agency as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

**CITY OF DORAL, FLORIDA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED SEPTEMBER 30, 2015**

**PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

None.

**PRIOR YEAR MAJOR FEDERAL AWARDS/STATE PROJECTS FINDINGS AND QUESTIONED COSTS**

None.

**CITY OF DORAL, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2015**

**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

**Financial Statements**

Type of auditors’ report issued:	<i>Unmodified Opinion</i>
Internal control over financial reporting:	
Material weakness(es) identified?	___ yes <u>X</u> no
Significant deficiencies identified not considered to be material weakness?	___ yes <u>X</u> no
Non-compliance material to financial statements noted?	___ yes <u>X</u> no

**State Financial Assistance**

Internal control over major projects:	
Material weakness(es) identified?	___ yes <u>X</u> no
Significant deficiencies identified not considered to be material weakness?	___ yes <u>X</u> no
Type of auditors’ report issued on compliance for major state projects:	<i>Unmodified Opinion</i>
Any audit findings disclosed that are required to be reported in accordance with rule 10.557 of the Auditor General of the State of Florida?	
	___ yes <u>X</u> no

Identification of major state projects:

<u>State Projects</u>	<u>State CSFA No.</u>
DEP – Statewide Surface Water Restoration and Wastewater Projects	37.039
Dollar threshold used to distinguish between Type A and Type B projects:	\$151,812

**SECTION II – FINANCIAL STATEMENT FINDINGS**

None.

**SECTION III – MAJOR STATE PROJECTS FINDINGS AND QUESTIONED COSTS**

None.

**SECTION IV – OTHER ISSUES**

No corrective action plan is required because there were no findings required to be reported under the Florida Single Audit Act.



**IMPACT FEE ORDINANCE AFFIDAVIT**

STATE OF FLORIDA  
COUNTY OF   Miami-Dade  

BEFORE ME, the undersigned authority, personally appeared Matilde Menendez, Finance Director of the City of Doral, who being duly sworn, deposes and says on oath that:

1. I am the Finance Director for the City of Doral, Florida.
2. The City of Doral adopted impact fee Ordinance 2015-18 and Ordinance 2015-24.
3. The City of Doral has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, of the Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Matilde Menendez  
Signature of Affiant

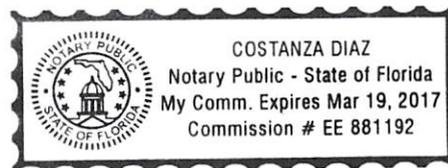
5/11/2016  
Date

Matilde G. Menendez  
Printed Name of Affiant

Executed this   11   day of   May  , 20  16   by   Matilde G. Menendez  

Personally known   X   or  
Produced identification \_\_\_\_\_  
Type of identification produced: \_\_\_\_\_

Costanza Diaz  
Notary Public – State of   Florida  



My Commission Expires:  
My Commission Number: