



2018

COMPREHENSIVE ANNUAL FINANCIAL REPORT



City of Doral, Florida
Fiscal Year Ended September 30, 2018

CITY OF DORAL, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2018

Prepared by:
THE FINANCE DEPARTMENT

CITY OF DORAL, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018
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INTRODUCTORY SECTION



March 25, 2019

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, 2018.

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 Garcia, Espinosa, Miyares, Rodriguez, Trueba & Co. LLP, 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, 2018, 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, 2018, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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 in 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 68,244. 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, people's transportation plan fund, park impact fee fund, police impact fee fund, capital improvement projects fund and the infrastructure replacement 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 2018 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 \$12.081 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's proximity to the Miami International Airport (MIA) provides a great venue for

increased activity in the industries dealing in international trade. In 2018, MIA served 45 million passengers, with 49% 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 3 in international passenger volume among all U.S. airports.

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 allow the City the use their facilities for events. The City's fiscal year 2019 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, in addition to providing each school with up to \$1,500 in supplies. Also, in support of local businesses and non-profit agencies the City's fiscal year 2019 budget makes available \$30,000 of funds for a façade improvements program and \$25,000 for non-profit community based organizations to plan, develop and implement sustainable projects that serve the needs of the Doral Community.

Long-Term Financial Planning and Relevant Financial Policies

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 stormwater improvements, construction of roadways, and sidewalks and roadway repairs. The construction of the Police substation which broke ground in March 2016 was completed this fiscal year. Construction of Glades Park commenced in 2018 and it is expected to be completed by the Summer of 2019. The park is conceived as a place in which the community can gather to enjoy nature in a safe environment.

Maintaining Adequate Fund Balances

The City follows GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions which requires that governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The City's most significant fund balance classifications include:

Restricted: This classification includes amounts that can be used only for the specific purposes as determined by legislation, external regulations or laws of other government. Effective September 30, 2018 the City has \$11.8 million restricted to transportation, parks and police impact fee funds, law enforcement trust fund, capital Improvement fund and the infrastructure replacement fund.

Committed: This classification includes amounts that can only be used for a specific purposes as determined by City Council. Ordinances and resolutions approved by Council are the highest level of

decision making authority for the City. Once adopted the limitation imposed by an ordinance or resolution remains in effect until another ordinance or resolution removes or revises the limitation. As of September 30, 2018, the City has \$40.5 million of committed funds for park, police and public works capital improvements, along with transportation roadway improvements, and other projects such as the funding of the emergency grant fund.

Unassigned: This classification includes the residual fund balance for the General Fund and represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the General Fund. At September 30, 2018 the City has \$43.2 million in unassigned funds. As approved by a City Ordinance the unassigned fund balance of the City shall not be less than 15% of the approved budget for the fiscal year.

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, 2017. This was the fourteenth 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, 2017. This is the fourth 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 Garcia, Espinosa, Miyares, Rodriguez, Trueba & Co., LLP, 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,

A blue ink signature of Albert P. Childress, written in a cursive style.

Albert P. Childress, M.B.A., M.P.A., ICMA-CM
Acting City Manager

A blue ink signature of Matilde Gil Menendez, written in a cursive style.

Matilde Gil Menendez, CPA, CGMA
Finance Director



Government Finance Officers Association

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

Presented to

**City of Doral
Florida**

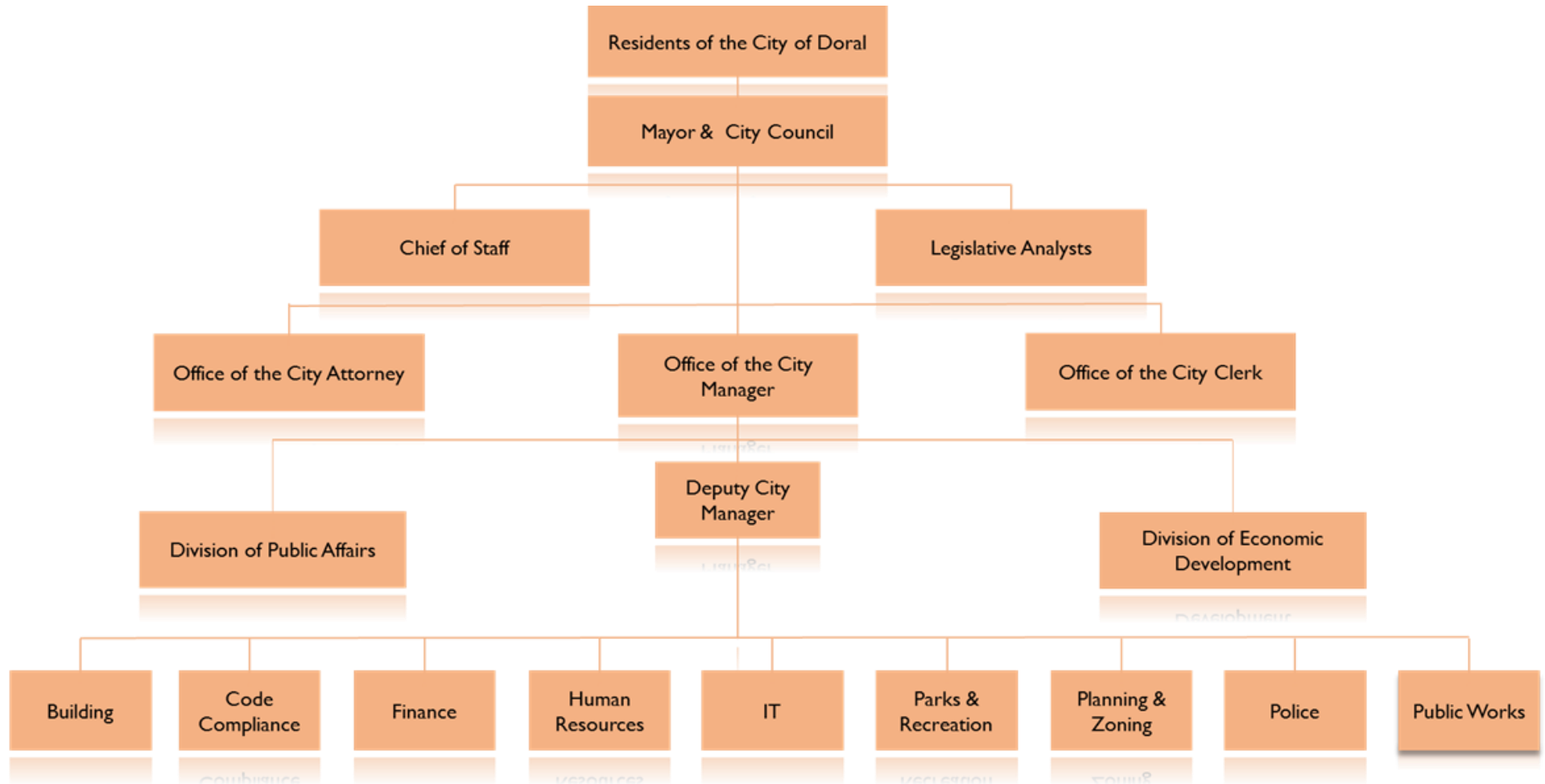
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morill

Executive Director/CEO

City of Doral, Florida Organizational Chart



CITY OF DORAL, FLORIDA

CITY OFFICIALS

SEPTEMBER 30, 2018

CITY COUNCIL

Juan Carlos Bermudez, Mayor
Claudia Mariaca, Vice Mayor
Digna Cabral
Pete Cabrera
Christi Fraga

ACTING CITY MANAGER

Albert P. Childress, MBA, MPA, ICMA-CM

CITY CLERK

Connie Diaz, MMC

CITY ATTORNEY

Luis Figueredo, Esq.

FINANCE DIRECTOR

Matilde G. Menendez, CPA, CGMA

CITY AUDITORS

Garcia, Espinosa, Miyares, Rodriguez, Trueba & Co. LLP
Certified Public Accountants

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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, 2018, 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.

Auditors' 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, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note I to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As discussed in Note XIII to the financial statements, a restatement of beginning net position and beginning fund balance was reported to correct accounts receivable. Our opinion is not modified with respect to these matters.

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, other post-employment benefits schedule, and pension schedules on pages 3-11, 55-56, 58, and 59-62 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 budget and actual schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and budget and actual schedules 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 budget and actual schedules 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 March 25, 2019, 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.



Coral Gables, Florida
March 25, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

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, 2018. 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 resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$311 million (*net position*). Of this amount, \$218.8 million is the net investment in capital assets, \$17.5 million is restricted for transportation related uses, \$14.5 million is restricted for stormwater and drainage related uses, \$2.2 million is restricted for public safety related uses, \$1.4 million is restricted for capital improvements and infrastructure replacement, \$3.8 million is restricted for parks and recreation related projects, \$52.7 million (*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 \$11.1 million from \$299.9 million, as restated (Note XIII), in FY 2017 to \$311 million in FY 2018. The increase is attributable to an overall increase of \$9.4 million in governmental activities and an increase of \$1.7 million in business type activities.
- As of the close of the current fiscal year, the City's governmental funds reported an ending fund balance of \$95.6 million. Of this amount, \$43.2 million is available for spending at the government's discretion (*unassigned fund balance*).

Committed funds of \$40.5 million are to be used as follows: \$13.2 million for park construction and improvements, \$5.3 million for Public Works improvements including construction of a ramp over Doral Blvd., \$8.0 million for the purchase of land, \$10.6 million for Transportation projects, and \$3.2 million for various smaller projects.

Nonspendable fund balance of \$9 thousand are for prepaid items and \$11.8 million has been restricted for use as follows: \$6.8 million for use in transportation projects, \$2.5 million for use for in park projects, \$1.4 million for use for police projects and \$329 thousand is restricted by state and federal agencies to be used in approved law enforcement technology and equipment, and \$20 thousand for Government Center capital improvements.

- At the end of the current fiscal year, unassigned fund balance for the general fund was \$44 million or 83% 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 of resources, liabilities and deferred inflows of resources, with the difference between the 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).

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 business-type activities of the City include stormwater operations.

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, people's transportation fund, infrastructure replacement 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 54 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found beginning on page 63 of this report.

Government-wide Financial Analysis

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 financial position of the City.

The table below presents a summary of net position as of September 30, 2018 and 2017, derived from the government-wide Statement of Net Position:

Table A-1 - Summary of net position

	Governmental Activities		Business-Type Activities		Total		
	2018	2017	2018	2017	2018	2017	Change
Assets:							
Current assets	\$ 103,530,214	\$ 97,747,527	\$ 14,644,488	\$ 15,055,295	\$ 118,174,702	\$ 112,802,822	\$ 5,371,880
Capital assets	212,923,973	209,192,302	25,277,402	24,148,833	238,201,375	233,341,135	4,860,240
Total assets	<u>316,454,187</u>	<u>306,939,829</u>	<u>39,921,890</u>	<u>39,204,128</u>	<u>356,376,077</u>	<u>346,143,957</u>	<u>10,232,120</u>
Deferred Outflows of Resources:							
Deferred outflows on							
Derivative instrument	872,453	1,454,483	-	-	872,453	1,454,483	(582,030)
Pension	11,847,994	11,830,501	-	-	11,847,994	11,830,501	17,493
Loss on refunding	-	-	314,297	366,680	314,297	366,680	(52,383)
Total deferred outflows of resources	<u>12,720,447</u>	<u>13,284,984</u>	<u>314,297</u>	<u>366,680</u>	<u>13,034,744</u>	<u>13,651,664</u>	<u>(616,920)</u>
Liabilities:							
Current liabilities	9,894,574	11,780,067	556,070	1,093,900	10,450,644	12,873,967	(2,423,323)
Long-term liabilities	39,536,666	38,800,087	5,540,959	5,998,248	45,077,625	44,798,335	279,290
Total liabilities	<u>49,431,240</u>	<u>50,580,154</u>	<u>6,097,029</u>	<u>7,092,148</u>	<u>55,528,269</u>	<u>57,672,302</u>	<u>(2,144,033)</u>
Deferred Inflows of Resources:							
Deferred inflows on							
Pension	2,092,528	1,054,778	-	-	2,092,528	1,054,778	1,037,750
OPEB	75,402	-	-	-	75,402	-	75,402
Business license tax	677,786	477,807	-	-	677,786	477,807	199,979
Total deferred inflows of resources	<u>2,845,716</u>	<u>1,532,585</u>	<u>-</u>	<u>-</u>	<u>2,845,716</u>	<u>1,532,585</u>	<u>1,313,131</u>
Net Position:							
Net investment in capital assets	199,225,439	194,181,019	19,593,451	18,074,959	218,818,890	212,255,978	6,562,912
Restricted	24,949,858	24,291,778	14,545,707	14,403,701	39,495,565	38,695,479	800,086
Unrestricted	52,722,381	49,639,277	-	-	52,722,381	49,639,277	3,083,104
Total net position	<u>\$ 276,897,678</u>	<u>\$ 268,112,074</u>	<u>\$ 34,139,158</u>	<u>\$ 32,478,660</u>	<u>\$ 311,036,836</u>	<u>\$ 300,590,734</u>	<u>\$ 10,446,102</u>

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 of resources exceeded liabilities and deferred inflows of resources by \$311 million at the close of the most recent fiscal year.

The largest portion of the City's net position, \$218.8 million or 70% of total net position, reflects the 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. The next largest portion of the City's net position is unrestricted (resources available for spending) and is 17% of total net position. Restricted net position represents 13% of total net position and contains resources that are subject to external restrictions on how they can be spent.

At the end of the current fiscal year, the City of Doral is able to report an increase in net position of \$11.1 million, primarily attributable to an increase in total assets of \$10.5 million. The increase in total assets is comprised of a \$4.9 million increase in capital assets from ongoing construction projects and an increase of \$5.6 million in current assets associated with an increase in cash and cash equivalents due to an increase in revenues. The construction projects also increased the restricted net position by \$800 thousand. The City's ability to self-finance acquisition and construction of new capital/infrastructure projects such as the police substation and expansion of the police/public works facility which were completed this fiscal year, increased the net investment in capital assets by \$7.2 million.

The table below presents a summary of changes in net position for the years ended September 30, 2018 and 2017, as derived from the government-wide Statement of Activities:

Table A-2 - Summary of changes in net position

	Governmental Activities		Business-Type Activities		Total		
	2018	2017	2018	2017	2018	2017	Change
Program Revenues:							
Charges for services	\$ 18,756,465	\$ 12,240,022	\$ 3,896,240	\$ 3,906,429	\$ 22,652,705	\$ 16,146,451	\$ 6,506,254
Operating grants and contributions	119,706	465,838	-	-	119,706	465,838	(346,132)
Capital grants and contributions	574,507	4,560,819	-	-	574,507	4,560,819	(3,986,312)
General Revenues:							
Property taxes	21,899,811	19,871,386	-	-	21,899,811	19,871,386	2,028,425
Utility taxes	9,507,908	8,654,764	-	-	9,507,908	8,654,764	853,144
Franchise fees	4,875,966	3,716,350	-	-	4,875,966	3,716,350	1,159,616
Communication service tax	4,162,963	3,965,885	-	-	4,162,963	3,965,885	197,078
Intergovernmental (unrestricted)	9,581,738	8,738,724	-	-	9,581,738	8,738,724	843,014
Investments earnings	750,535	637,388	103,049	97,700	853,584	735,088	118,496
Miscellaneous	720,753	447,898	-	175,918	720,753	623,816	96,937
Total revenues	70,950,352	63,299,074	3,999,289	4,180,047	74,949,641	67,479,121	7,470,520
Expenses:							
General government	12,539,571	12,405,273	-	-	12,539,571	12,405,273	134,298
Building	3,735,068	4,094,040	-	-	3,735,068	4,094,040	(358,972)
Police	24,067,740	21,344,326	-	-	24,067,740	21,344,326	2,723,414
Planning, zoning and code enforcement	2,108,115	2,125,245	-	-	2,108,115	2,125,245	(17,130)
Public works and physical environment	9,868,032	7,936,725	-	-	9,868,032	7,936,725	1,931,307
Parks and recreation	8,587,610	7,963,268	-	-	8,587,610	7,963,268	624,342
Interest on long-term debt	612,168	638,210	-	-	612,168	638,210	(26,042)
Stormwater utility	-	-	2,338,791	2,258,913	2,338,791	2,258,913	79,878
Total expenses	61,518,304	56,507,087	2,338,791	2,258,913	63,857,095	58,766,000	5,091,095
Changes in net position	\$ 9,432,048	\$ 6,791,987	\$ 1,660,498	\$ 1,921,134	\$ 11,092,546	\$ 8,713,121	\$ 2,379,425
Net position - beginning, as previously reported	268,112,074	261,320,087	32,478,660	30,557,526	300,590,734	291,877,613	8,713,121
Restatement of net position	(646,444)	-	-	-	(646,444)	-	(646,444)
Net position - ending	\$ 276,897,678	\$ 268,112,074	\$ 34,139,158	\$ 32,478,660	\$ 311,036,836	\$ 300,590,734	\$ 10,446,102

The net position for fiscal year 2017 was restated (Note XIII). The City's implementation of GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* resulted in an increase to the liability of \$324 thousand for a total OPEB liability of \$1.9 million. Additionally, accounts receivable of \$323 thousand associated with Hurricane Irma which were recorded in the Emergency Grant Fund and expected to be collected in fiscal year 2018 were determined not to have been obligated by FEMA, as originally interpreted. As a result, the accounts receivable balance in the Emergency Grant fund was adjusted. The total adjustment to the fiscal year 2017 net position was a reduction of \$646 thousand.

Over time, increases and decreases in net position measure whether the City's financial position is improving or deteriorating. The City's total net position increased by \$11.1 million during the current fiscal year. Fiscal year 2017 also reported an increase in net position of \$8.1 million (as restated).

The net position in **Governmental Activities** increased by \$9.4 million in 2018. This is an increase of \$3.3 million when compared to the change in the restated net position of 2017. Key elements in the change in net position for governmental activities are as follows:

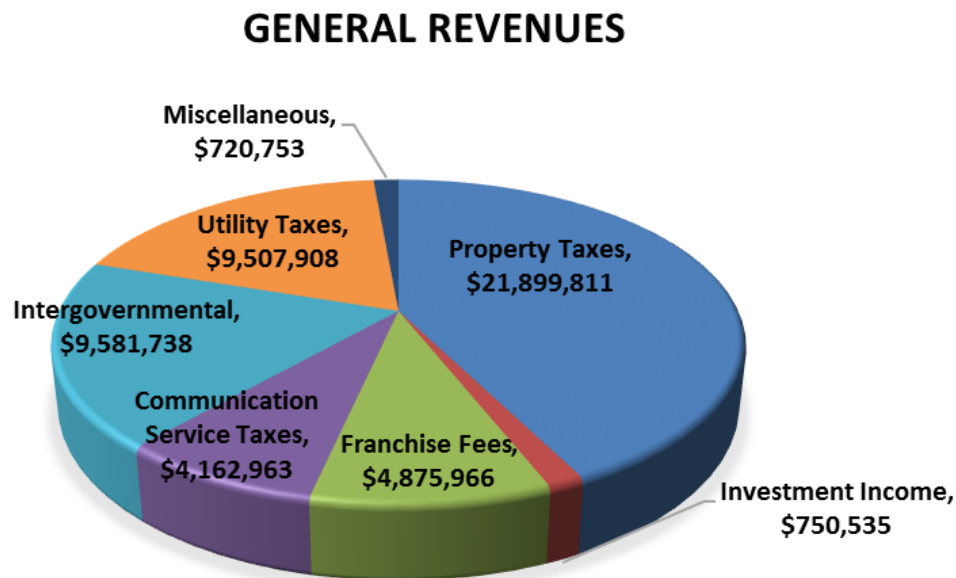
- Charges for services accounted for \$18.8 million or 26% of total governmental revenues of \$70.9 million, a 7% increase over the prior year, primarily attributable to an increase in roadway, parks and police impact fees of \$3 million. Building permits revenues also showed an increase of \$1.9 million. This increase in impact fees and building permits are attributable to new construction taking place throughout the City.
- Property taxes increased by 10.2% or \$2 million over the prior year. The is attributable to an increase in assessed values and new construction. The City's ad valorem millage rate remained unchanged.

The net position in **Business-Type Activities** increased by \$1.7 million in 2018. This is a decrease of \$200 thousand when compared to the change in net position in 2017. Overall, revenues continue to exceed expenditures.

The chart below presents the general revenues of \$51.5 million for the year ended September 30, 2018, as derived from the government-wide Statement of Activities:

General Revenues:

Revenues by Source – Governmental Activities

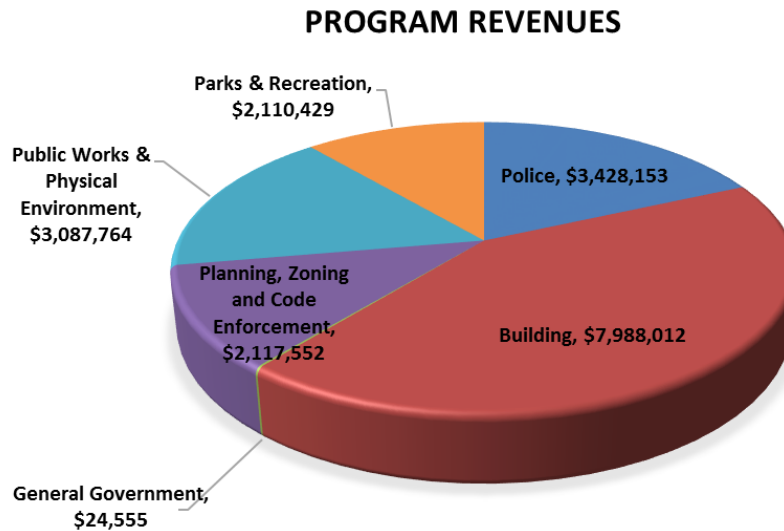


- As noted earlier, property taxes increased by 10.2% or \$2 million over the prior year. The increase is primarily attributable to an increase in the assessed values of taxable properties along with new construction. There were no changes in the City's ad valorem millage rates.
- Increases in the Half Cent Tax and Municipal Surtax proceeds contributed to the current year's increase in Intergovernmental revenues of \$843 thousand.
- The increase in utility tax revenues of \$853 thousand during the current fiscal year is primarily attributable to electric utilities collections.

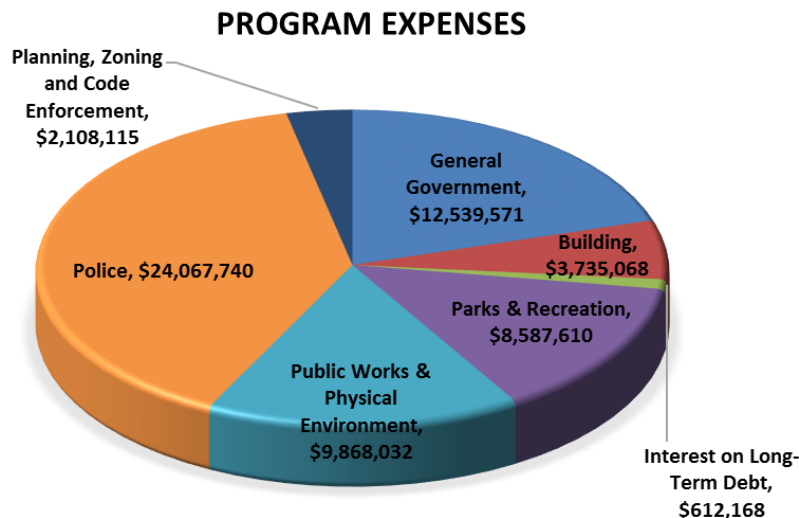
- Communication Service Taxes increased by \$197 thousand during the current fiscal year. The decrease is in line with state revenue estimates for fiscal year 2018.
- The increase in Franchise fees of 42% is associated with the electric franchise fees paid by FPL and collected by the Miami-Dade County. All cities in the County experienced a similar increase.

The charts below present the charges for services program revenues of \$18.8 million and program expenditures of \$615 million for the year ended September 30, 2018, as derived from the government-wide Statement of Activities:

Program Revenues and Expenses – Governmental Activities



- During fiscal year 2018 the City experienced an increase in the collection of impact fee revenues over the prior fiscal year of \$3 million. This increase affected the revenues of the following programs: Police, Parks & Recreation, and Public Works and Physical Environment. Building permits revenues also showed an increase of \$1.9 million. The increase in both impact fees and building permits are attributable to new construction taking place throughout the City.



- Total governmental program expenses totaled \$61.5 million, with Police program expenses comprising 37.8% of the total. The increase of \$2.7 million in Police program expenses during the current fiscal year is primarily attributable to increases in personnel and related operating expenditures along with depreciation expense.
- Public Works and Physical Environment expenses increased by \$1.9 million during the current year. The increase is attributable to expenses of \$933 thousand associated with Hurricane Irma clean-up efforts, the balance attributable to the centralization of the fleet maintenance, personnel and depreciation expense.

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.

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 83.3% of total general fund expenditures.

At the end of the current fiscal year, fund balance of the general fund was \$71.9 million; of this amount \$44.5 million constitutes *unassigned fund* balance, which is available for spending at the City's discretion; \$27.4 million is *committed* for various projects such as the purchase of land for land banking for future civic use, construction of a ramp over Doral Blvd. as part of the Florida's Turnpike widening project, the build-out of an Emergency Operations Center, completion of the construction of Doral Glades Park, and fleet purchases.

During the fiscal year, total fund balance in the general fund increased by \$7.6 million when compared to the prior year. The increase was attributable to revenues such property taxes, building permits, franchise fees and intergovernmental revenues. In addition, the reduction in expenditures over the prior year is attributable to the completion of Legacy Park in fiscal year 2016. The general fund also contributed \$500 thousand to the infrastructure replacement fund.

The transportation fund balance decreased by \$844 thousand. The general fund did not contribute to the transportation fund in the current fiscal year. While revenues increased by \$453 thousand chiefly attributable to increases in impact fees, expenditures in the fund exceeded revenues. Currently, there are various ongoing roadway improvement projects which were partially funded from contributions from the general fund.

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, 2018 and 2017 respectively.

Table B-1
Summary of condensed Balance Sheet

	September 30, 2018	September 30, 2017
Total Assets	<u>\$ 104,943,269</u>	<u>\$ 98,069,113</u>
Total Liabilities	8,698,116	8,955,924
Deferred Inflows of Resources	677,786	477,807
Nonspendable Fund Balance	9,152	96,804
Restricted Fund Balance	11,845,952	10,102,699
Committed Fund Balance	40,546,862	37,482,903
Unassigned Fund Balance	<u>43,165,401</u>	<u>40,952,976</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 104,943,269</u>	<u>\$ 98,069,113</u>

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

	September 30, 2018	September 30, 2017
Total Revenues	\$ 70,675,869	\$ 60,663,694
Total Expenditures	<u>63,421,031</u>	<u>71,833,766</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 7,254,838</u>	<u>\$ (11,170,072)</u>

Governmental activities. Governmental activities increased the City’s fund balance by approximately \$7.3 million. The increase is mainly attributable to Charges for services which rose by \$6.5 million during the current fiscal year. The rise in new construction is primarily attributable to increases in Impact fee revenues of \$3 million and in building permits of 1.9 million over the prior fiscal year.

General Fund Budgetary Highlights

The original budget was amended by the City Council during 2018 to cover encumbrance carryovers from the prior fiscal year for expenditures not previously appropriated in the budget. The budgetary comparison schedule on page 55 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 57 of the CAFR.

Capital Assets

As of September 30, 2018, the City’s capital assets for governmental activities, net of accumulated depreciation were \$212.9 million. The capital assets for business-type activities, net of accumulated depreciation were \$25.3 million. The total increase in capital assets was as due to:

- Public Works improvements of streets
- Information Technology upgrades and improvement to the City’s systems
- Park improvements and construction of Glades Park
- Expansion of the Police/Public Works facility and the construction of the new substation
- Additions to the City’s fleet of vehicles

Further details may be found on page 38 on 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 \$39.5 million as of September 30, 2018. This represents an increase of \$600 thousand over the last year's total debt of \$38.9 million. The increase is attributable to the net pension and OPEB liabilities. The City implemented GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, (see Notes XII and XIII) this fiscal year. The implementation resulted in a restatement of the governmental activities net position for fiscal year 2017 to report the City's total OPEB liability of \$1.9 million, an additional \$324 thousand.

As a result of changes to the Internal Revenue Code that became effective as of January 2018, the City's privately placed taxed exempt Series 2006A and 2007A Bonds became subject to a corporate tax rate adjustment which triggered a provision of the financing documents related to the loan, providing for an automatic adjustment to the interest rate. The purchaser of the bonds waived the corporate tax rate adjustment which caused the Bonds to be treated as retired and reissued in May 2018 for federal tax purposes. Proceeds were not received in connection with the reissuance, and the outstanding principal balance, maturity date and interest remained the same. A detailed schedule of the debt activity can be found on pages 39-41 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 3.2% as of January 2019. This compares favorably to the state's average unemployment rate of 3.5%.
- Inflationary trends in the region compare favorably to national indices.

These factors were considered in preparing the City's budget for the 2019 fiscal year.

In fiscal year 2018, unassigned fund balance in the general fund increased to \$44.5 million. The fiscal year 2019 General Fund budget did not require the use of fund balance to fund capital improvements and did not include an increase to the ad valorem millage rate. The overall budget was prepared to meet Council's strategic priorities and reflect the administration's commitment to sound financial and operational practices, meeting the needs and expectations for exceptional services of our growing community. The approved fiscal year 2019 was \$3.4 million higher than the prior fiscal year 2018 budget. The increase was primarily in personnel related expenditures of 10% over the prior year, and transfers to other funds.

The Council by motion may make supplemental appropriations during the year.

Major Initiatives

At a municipal election duly held in the City on November 6, 2018, voters approved by majority the issuance by the City of general obligation bonds in a principal amount not exceeding \$150 million, maturing in not less than 30 years, bearing interest not exceeding the maximum interest rates and payable for ad valorem taxes. The use of the bond funds will be for the health, safety and welfare of the residents of the City and the protection of natural areas, parks recreational facilities with safety features, including and not limited to, green spaces, community centers, cultural amenities, aquatic facility, playgrounds, sport fields and approximately 5 miles of walking/cycling trails.

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.

BASIC FINANCIAL STATEMENTS

CITY OF DORAL, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 33,472,794	\$ 4,147,650	\$ 37,620,444
Investments	66,347,367	10,294,222	76,641,589
Accounts receivable - net	3,686,403	202,616	3,889,019
Other assets	14,498	-	14,498
Prepaid items	9,152	-	9,152
Capital assets not being depreciated	87,981,286	1,918,301	89,899,587
Capital assets being depreciated, net	124,942,687	23,359,101	148,301,788
Total assets	<u>316,454,187</u>	<u>39,921,890</u>	<u>356,376,077</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Derivative instrument	872,453	-	872,453
Pension	11,847,994	-	11,847,994
Loss on refunding	-	314,297	314,297
Total deferred outflows of resources	<u>12,720,447</u>	<u>314,297</u>	<u>13,034,744</u>
<u>LIABILITIES</u>			
Accounts payable and accrued liabilities	5,641,517	98,781	5,740,298
Accrued interest	117,638	-	117,638
Escrow deposits	1,643,544	-	1,643,544
Derivative instrument - swap liabilities	872,453	-	872,453
Noncurrent liabilities:			
Due in one year	1,619,422	457,289	2,076,711
Due in more than one year	39,536,666	5,540,959	45,077,625
Total liabilities	<u>49,431,240</u>	<u>6,097,029</u>	<u>55,528,269</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Business license tax	677,786	-	677,786
Pension	2,092,528	-	2,092,528
OPEB	75,402	-	75,402
Total deferred inflows of resources	<u>2,845,716</u>	<u>-</u>	<u>2,845,716</u>
<u>NET POSITION</u>			
Net investment in capital assets	199,225,439	19,593,451	218,818,890
Restricted for:			
Stormwater and drainage	-	14,545,707	14,545,707
Capital improvement projects	1,365,940	-	1,365,940
Public safety	2,221,313	-	2,221,313
Parks and recreation	3,815,664	-	3,815,664
Transportation	17,546,941	-	17,546,941
Unrestricted	52,722,381	-	52,722,381
Total net position	<u>\$ 276,897,678</u>	<u>\$ 34,139,158</u>	<u>\$ 311,036,836</u>

See notes to basic financial statements

CITY OF DORAL, FLORIDA
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2018

		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
<u>Functions/programs</u>							
Governmental activities:							
General government	\$ 12,539,571	\$ 24,555	\$ 22,747	294,483	\$ (12,197,786)	\$ -	\$ (12,197,786)
Police	24,067,740	3,428,153	96,959	-	(20,542,628)	-	(20,542,628)
Building	3,735,068	7,988,012	-	-	4,252,944	-	4,252,944
Planning, zoning and code enforcement	2,108,115	2,117,552	-	-	9,437	-	9,437
Public works and physical environment	9,868,032	3,087,764	-	280,024	(6,500,244)	-	(6,500,244)
Parks and recreation	8,587,610	2,110,429	-	-	(6,477,181)	-	(6,477,181)
Interest on long-term debt	612,168	-	-	-	(612,168)	-	(612,168)
Total governmental activities	61,518,304	18,756,465	119,706	574,507	(42,067,626)	-	(42,067,626)
Business-type activities:							
Stormwater	2,338,791	3,896,240	-	-	-	1,557,449	1,557,449
Total business-type activities	\$ 2,338,791	\$ 3,896,240	\$ -	\$ -	\$ -	\$ 1,557,449	\$ 1,557,449
General revenues:							
Property taxes					\$ 21,899,811	\$ -	\$ 21,899,811
Utility taxes					9,507,908	-	9,507,908
Franchise fees on gross receipts					4,875,966	-	4,875,966
Communication service tax					4,162,963	-	4,162,963
Intergovernmental (unrestricted)					9,581,738	-	9,581,738
Investment income (unrestricted)					750,535	103,049	853,584
Miscellaneous					720,753	-	720,753
Total general revenues					51,499,674	103,049	51,602,723
Change in net position					9,432,048	1,660,498	11,092,546
Net position, beginning, as restated (Note XIII)					267,465,630	32,478,660	299,944,290
Net position, ending					\$ 276,897,678	\$ 34,139,158	\$ 311,036,836

See notes to basic financial statements

CITY OF DORAL, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	<u>Major Funds</u>		<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>Transportation</u>	<u>Governmental</u>	<u>Governmental</u>
			<u>Funds</u>	<u>Funds</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 12,931,585	\$ 12,824,494	\$ 7,716,715	\$ 33,472,794
Investments	61,744,452	4,602,915	-	66,347,367
Accounts receivable - net	2,542,698	281,005	862,700	3,686,403
Due from other funds	1,413,055	-	-	1,413,055
Other assets	14,498	-	-	14,498
Prepaid items	9,152	-	-	9,152
Total assets	<u>\$ 78,655,440</u>	<u>\$ 17,708,414</u>	<u>\$ 8,579,415</u>	<u>\$ 104,943,269</u>
<u>LIABILITIES</u>				
Accounts payable and accrued liabilities	\$ 4,538,751	\$ 618,776	\$ 483,990	\$ 5,641,517
Escrow deposits	1,527,808	103,560	12,176	1,643,544
Due to other funds	-	-	1,413,055	1,413,055
Total liabilities	<u>6,066,559</u>	<u>722,336</u>	<u>1,909,221</u>	<u>8,698,116</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Business license tax	<u>677,786</u>	<u>-</u>	<u>-</u>	<u>677,786</u>
<u>FUND BALANCES</u>				
Nonspendable	9,152	-	-	9,152
Restricted	-	6,267,848	5,578,104	11,845,952
Committed	27,442,956	10,718,230	2,385,676	40,546,862
Unassigned	44,458,987	-	(1,293,586)	43,165,401
Total fund balances	<u>71,911,095</u>	<u>16,986,078</u>	<u>6,670,194</u>	<u>95,567,367</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 78,655,440</u>	<u>\$ 17,708,414</u>	<u>\$ 8,579,415</u>	<u>\$ 104,943,269</u>

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, 2018

Fund balances - total government funds (Page 14) \$ 95,567,367

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	313,762,399
Less accumulated depreciation	(100,838,426)

Deferred outflows related to pensions	11,847,994
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Deferred inflows related to:

Pensions	(2,092,528)
Other post-employment benefits	(75,402)

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	(11,564,894)	
QNIP bonds	(2,133,640)	
Accrued interest payable	(117,638)	
OPEB liability	(2,199,805)	
Net pension liability	(23,578,680)	
Compensated absences	(1,679,069)	(41,273,726)
	<u>(41,273,726)</u>	<u>(41,273,726)</u>

Net position of governmental activities (Page 12)	<u><u>\$ 276,897,678</u></u>
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CITY OF DORAL, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Major Funds		Other	Total
	General	Transportation	Governmental Funds	Governmental Funds
Revenues:				
Property taxes	\$ 21,899,811	\$ -	\$ -	\$ 21,899,811
Utility taxes	9,507,908	-	-	9,507,908
Franchise fees	4,875,966	-	-	4,875,966
Intergovernmental revenues	6,190,448	882,853	2,508,437	9,581,738
Licenses, permits and fines	11,242,777	-	-	11,242,777
Impact fees	-	2,832,515	2,173,877	5,006,392
Communication service tax	4,162,963	-	-	4,162,963
Charges for services	2,376,864	-	130,432	2,507,296
Grants and contributions	42,500	257,524	119,706	419,730
Investment and interest income	564,851	123,656	62,028	750,535
Miscellaneous	545,614	163,456	11,683	720,753
Total revenues	<u>61,409,702</u>	<u>4,260,004</u>	<u>5,006,163</u>	<u>70,675,869</u>
Expenditures:				
Current:				
General government	11,435,676	-	13,122	11,448,798
Police	19,781,681	-	61,056	19,842,737
Public works	4,105,450	610,580	2,600,447	7,316,477
Parks and recreation	5,203,301	-	55,907	5,259,208
Building	3,673,008	-	-	3,673,008
Planning and zoning	791,404	-	-	791,404
Code enforcement	1,282,484	-	-	1,282,484
Capital outlay	5,133,430	4,493,909	2,243,799	11,871,138
Debt service:				
Principal	1,312,750	-	-	1,312,750
Interest	623,027	-	-	623,027
Total expenditures	<u>53,342,211</u>	<u>5,104,489</u>	<u>4,974,331</u>	<u>63,421,031</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,067,491</u>	<u>(844,485)</u>	<u>31,832</u>	<u>7,254,838</u>
Other financing sources (uses)				
Transfers in	-	-	500,000	500,000
Transfers out	(500,000)	-	-	(500,000)
Total other financing sources (uses)	<u>(500,000)</u>	<u>-</u>	<u>500,000</u>	<u>-</u>
Net change in fund balances	7,567,491	(844,485)	531,832	7,254,838
Fund balances - beginning, as restated (Note XIII)	<u>64,343,604</u>	<u>17,830,563</u>	<u>6,138,362</u>	<u>88,312,529</u>
Fund balances - ending	<u>\$ 71,911,095</u>	<u>\$ 16,986,078</u>	<u>\$ 6,670,194</u>	<u>\$ 95,567,367</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, 2018

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)	\$ 7,254,838
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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	11,871,138	
Less current year depreciation	<u>(8,234,941)</u>	
Net adjustment		3,636,197

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, and donations) is to increase (decrease) net position.	95,474
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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	1,063,879	
QNIP bond payments	<u>248,870</u>	
Net adjustment		1,312,749

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	(217,673)	
OPEB liability	(395,616)	
Net pension liability	(2,264,780)	
Accrued interest payable	<u>10,859</u>	
Net adjustment		<u>(2,867,210)</u>

Change in net position of governmental activities (Page 13)	<u><u>\$ 9,432,048</u></u>
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CITY OF DORAL, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2018

	Business-Type Activities Enterprise Fund Major Fund
	<u>Stormwater</u>
<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	\$ 4,147,650
Investments	10,294,222
Accounts receivable	202,616
Total current assets	<u>14,644,488</u>
Capital assets:	
Capital assets not being depreciated	1,918,301
Capital assets being depreciated, net	23,359,101
Total noncurrent assets	<u>25,277,402</u>
Total assets	<u>39,921,890</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Loss on refunding	<u>314,297</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable and accrued liabilities	98,781
Revenue bonds	457,289
Total current liabilities	<u>556,070</u>
Noncurrent liabilities:	
Revenue bonds	5,540,959
Total noncurrent liabilities	<u>5,540,959</u>
Total liabilities	<u>6,097,029</u>
<u>NET POSITION</u>	
Net investment in capital assets	19,593,451
Restricted for stormwater and drainage	14,545,707
Total net position	<u>\$ 34,139,158</u>

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, 2018

	Business-Type Activities Enterprise Fund Major Fund
	<u>Stormwater</u>
Operating revenues:	
Stormwater fees	\$ 3,896,240
Total operating revenues	<u>3,896,240</u>
Operating expenses:	
Operating, administrative and maintenance	1,455,852
Depreciation	607,713
Total operating expenses	<u>2,063,565</u>
Operating income	<u>1,832,675</u>
Non-operating revenues (expenses):	
Interest income	228,803
Unrealized loss on investments	(125,754)
Interest expense	<u>(275,226)</u>
Total non-operating revenues (expenses)	<u>(172,177)</u>
Change in net position	1,660,498
Net position, beginning	<u>32,478,660</u>
Net position, ending	<u><u>\$ 34,139,158</u></u>

See notes to basic financial statements

CITY OF DORAL, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Activities
	Enterprise Fund
	Major Fund
	<u>Stormwater</u>
Cash flows from operating activities:	
Cash received from customers	\$ 3,929,533
Cash paid to suppliers and vendors	(1,343,121)
Cash paid to employees	(116,881)
Net cash provided by operating activities	<u>2,469,531</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(2,284,945)
Principal retirements of capital debt	(442,306)
Interest paid on capital debt	(222,843)
Net cash (used in) capital and related financing activities	<u>(2,950,094)</u>
Cash flows from investing activities:	
Purchase of investment securities	(4,414,861)
Proceeds from sale and maturities of investment securities	4,222,293
Interest on investments	228,803
Net cash provided by investing activities	<u>36,235</u>
Net decrease in cash and cash equivalents	(444,328)
Cash and cash equivalents, October 1	4,591,978
Cash and cash equivalents, September 30	<u><u>\$ 4,147,650</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	<u>\$ 1,832,675</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	607,713
Change in assets and liabilities:	
(Increase) in accounts receivable	33,293
Increase in accounts payable and accrued liabilities	(4,150)
Total adjustments	<u>636,856</u>
Net cash provided by operating activities	<u><u>\$ 2,469,531</u></u>
Noncash investing, capital and related financing activities:	
Amortization of deferred loss	\$ 52,383
Change in fair value of investments	\$ (125,754)

See notes to basic financial statements

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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, 2018

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 rule the effect of interfund activity has been eliminated for the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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

The City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). This statement improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB). GASB 75 replaces the requirement of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. See XIII for additional details.

D. Deposits and Investments

The City's cash and cash equivalents, for purposes of the statement of cash flows, includes cash on hand, demand deposits, money market funds, 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), Municipal Obligations, Corporate Notes, and Registered Investment Companies (Mutual Funds), which are reported at fair value and are based on significant observable inputs.

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: Florida PRIME, United States Government Securities, United States Government Agencies (includes CMO and MBS), Federal Instrumentalities, Supranationals, Non-Negotiable Certificate of Deposit and Saving Accounts, Money Market Funds, Fixed Income Mutual Funds and Exchange Traded Funds, Repurchase Agreements, Commercial Paper, Bankers' Acceptances, State and/or Local Government Taxable and/or Tax-exempt Debt, Intergovernmental Investment Pools, Corporate Obligations or Corporate Notes, Agency Mortgage-Backed Securities (includes CMO), and Asset Backed Securities.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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”.

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 using the consumption method. 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, 2018 was 1.9000 mills (\$1.9000 per \$1,000 of taxable assessed valuation).

H. Restricted Assets

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

I. Capital Assets

Capital assets which include land, construction in progress, infrastructure, buildings, public domain and system infrastructure, vehicles, and 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 acquisition value at the date of donation.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets (Continued)

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.

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
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, 2018 is \$872,453.

The loss on refunding of \$314,297 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, 2018, \$52,383, is included in interest expense 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 and other postemployment benefits (OPEB). The source of the deferred revenue is local business license tax collected in advance of \$677,786, 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, 2018

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 and OPEB 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 the total OPEB liability in its government-wide financial statements. For governmental activities, the total other postemployment benefit liability 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 total other postemployment benefit liability and the net pension liability will be liquidated by the General Fund.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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, 2018 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, 2018, 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, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balance (Continued)

	General	Transportation	Other Governmental Funds	Total Governmental Funds
Fund Balances:				
Nonspendable:				
Prepays	\$ 9,152	\$ -	\$ -	\$ 9,152
Restricted:				
Transportation	-	6,267,848	508,109	6,775,957
Park impact fees	-	-	2,468,714	2,468,714
Police impact fees	-	-	1,421,667	1,421,667
Police forfeitures (LETf)	-	-	329,119	329,119
Capital improvement projects	-	-	20,063	20,063
Infrastructure improvements	-	-	700,000	700,000
Technology enhancements	-	-	130,432	130,432
Committed:				
Transportation projects	-	10,718,230	-	10,718,230
Transportation - CITT	-	-	52,754	52,754
Parks and recreation facilities	-	-	1,346,950	1,346,950
Capital projects	26,811,895	-	515,445	27,327,340
Public safety - capital outlays	-	-	470,527	470,527
Subsequent year's budget	631,061	-	-	631,061
Assigned	-	-	-	-
Unassigned	44,458,987	-	(1,293,586)	43,165,401
Total Fund Balances	<u>\$ 71,911,095</u>	<u>\$ 16,986,078</u>	<u>\$ 6,670,194</u>	<u>\$ 95,567,367</u>
 Fund Balances:				
Nonspendable	\$ 9,152	\$ -	\$ -	\$ 9,152
Restricted	-	6,267,848	5,578,104	11,845,952
Committed	27,442,956	10,718,230	2,385,676	40,546,862
Assigned	-	-	-	-
Unassigned	44,458,987	-	(1,293,586)	43,165,401
Total Fund Balances	<u>\$ 71,911,095</u>	<u>\$ 16,986,078</u>	<u>\$ 6,670,194</u>	<u>\$ 95,567,367</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, 2018

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
Building Department revenues	Building permitting and inspection activities
Police Forfeitures	Law enforcement
Federal, State and Local grants	Grant specific projects or programs

For the fiscal year ended September 30, 2018, the City complied, in all material respects, with these revenue restrictions.

C. Excess of Expenditures Over Appropriations

For the year ended September 30, 2018, none of the City's budgeted funds' had expenditures exceeding appropriations. The Law Enforcement Trust Fund's expenditures were funded with revenues received in the current year and funding available from prior years.

D. Deficit Fund Balance

The City's Emergency Grant Fund is reporting a deficit in fund balance which was caused by expenditures incurred as related to Hurricane Irma which were subsidized by the General Fund. Amounts are expected to be reimbursed through disaster grants awarded by the Federal Emergency Management Agency.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

III. 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 establishes 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, 2018, the carrying amount of the City's bank deposit accounts were \$37,620,444. 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 and money market funds permitted under the City's formal investment policy.

Investment Portfolio

Investment holdings consist of \$76,641,589 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), Asset Backed Securities, Municipal Obligations, Corporate Notes, and Registered Investment Companies (Mutual Funds), which are reported at fair value in accordance with GASB standards. Investment and interest income includes realized and unrealized gains and losses on investments. During the fiscal year ended September 30, 2018, investment and interest income in the statement of revenues, expenditures, and changes in fund balances includes approximately \$610,000 and \$275,000 of unrealized and realized losses, respectively. The calculation of realized gains and losses is independent of the calculation of the change in the fair value of investments. Realized gains and losses of the current period include unrealized amounts from prior periods.

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 and Exchange Traded Funds (ETFs), Intergovernmental Pools (LGIPs), and Florida PRIME.

As of September 30, 2018, the City had the following investments presented in terms of years:

Security Type	Fair Value	Duration (Years)
U.S. Treasury Notes	\$ 23,091,048	1.82
Government Agency Mortgage Backed Securities	1,198,609	2.92
Government Agency Collateralized Mortgage Obligations	38,583	4.17
Federal Instrumentalities	5,460,149	1.74
Federal Instrumentalities Collateralized Mortgage Obligations	262,867	4.34
Municipal Obligations	8,739,619	1.48
Corporate Notes	21,765,976	1.81
Asset Backed Securities	16,007,379	1.41
Fidelity Institutional Government Class I Money Market Fund	77,359	0.003*
Total	\$ 76,641,589	1.62

* 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.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

III. DEPOSITS AND INVESTMENTS (Continued)

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. The maximum average duration of the short-term portfolio is one (1) year.

Investments of reserves and other non-operating funds (“core funds”) shall have a term appropriate to the need for funds, but in no event shall exceed five and one-half (5.50) years from date of settlement. The maturities of the underlying securities of a repurchase agreement will follow the requirements of the Securities Industry and Financial Markets Association (SIFMA) Master Repurchase Agreement.

The City utilizes “weighted average duration” as a measurement of interest rate risk and as of September 30, 2018, the investments had a weighted average duration of 1.62 years.

The City has securities with embedded call options.

CUSIP	Description	Maturity Date	Market Value	Call Type	Next Call Date
38375YEK4	GNR 0882B A	9/20/2038	\$ 35,152	Continuous	4/11/2023
36295QV56	GN 677536	11/15/2037	5,729	Continuous	12/22/2023
36202EWX3	G2 004262	10/20/2038	6,497	Continuous	9/30/2023
36202ETK5	G2 004154	6/20/2023	20,993	Continuous	8/5/2020
36202ESV2	G2 004132	5/20/2023	31,940	Continuous	8/5/2020
36294XCV6	GN 662584	9/15/2037	38,395	Continuous	10/25/2023
36202ESE0	G2 004117	4/20/2038	61,913	Continuous	8/28/2023
36295FC51	GN 668892	6/15/2037	126,180	Continuous	8/9/2023
36295DXN4	GN 667685	10/15/2038	252,104	Continuous	11/9/2023
313603MP4	FNR 8999 H	12/25/2019	3,432	Continuous	4/4/2019
31410C6G2	FN 885671	10/1/2036	2,855	Continuous	8/2/2023
31413HYP7	FN 946318	9/1/2037	3,320	Continuous	1/2/2024
3136ANMF1	FNA 15M08A FA	11/25/2018	11,249	Continuous	11/1/2018
31413VAM9	FN 956412	11/1/2037	10,375	Continuous	12/26/2023
3136AQSW1	FNA 15M15A AS2	1/25/2019	12,921	Continuous	1/1/2019
31410WCJ5	FN 899273	11/1/2036	19,927	Continuous	9/4/2023
31410WAC2	FN 899203	10/1/2036	51,936	Continuous	10/18/2023
3136ANA98	FNA 15M10A FA	3/25/2019	61,848	Continuous	12/19/2018
3136AQDQ0	FNA 15M13A AQ2	9/25/2019	101,612	Continuous	1/24/2019
3136AP3Z3	FNA 15M12A FA	4/25/2020	346,954	Continuous	7/22/2019
3137A9QP4	FHR 3842B PH	4/15/2041	262,867	Continuous	2/1/2023
34530YAD5	FORDO 15C A3	2/15/2020	26,109	Continuous	11/1/2018
65475WAD0	NAROT 15B A3	3/16/2020	149,346	Continuous	12/8/2018
90327CAD2	USAOT 161 A4	11/15/2021	495,000	Continuous	10/21/2019
43814PAC4	HAROT 173 A3	9/18/2021	739,790	Continuous	12/4/2019
47788EAC2	JDOT 18B A3	11/15/2022	749,773	Continuous	12/23/2020
14312QAC0	CARMX 164 A3	8/16/2021	734,771	Continuous	6/1/2019
14313FAD1	CARMX 183 A3	6/15/2023	930,281	Continuous	1/3/2021
65477XAE4	NALT 16B A4	1/18/2022	922,202	Continuous	2/15/2019
98162CAD3	WOLS 18B A3	12/15/2021	954,924	Continuous	12/26/2020
36256GAD1	GMALT 183 A3	6/21/2021	1,005,147	Continuous	6/11/2020
44891EAC3	HART 16B A3	4/15/2021	1,096,087	Continuous	5/14/2019
05522RCW6	BACCT 171 A	3/16/2020	1,282,009	Continuous	3/15/2020
34531LAD2	FORDL 18B A3	12/15/2021	1,254,928	Continuous	8/8/2020
02007HAC5	ALLYA 172 A3	8/16/2021	1,488,761	Continuous	8/2/2019
92868LAD3	VALET 181 A3	11/21/2022	1,698,840	Continuous	1/3/2021
36292DWC2	GN 646043	10/15/2037	28,870	Continuous	12/12/2023
Total			\$ 15,025,036		

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

III. DEPOSITS AND INVESTMENTS (Continued)

The City has \$17,507,438 invested in Asset Backed Securities (ABS), United States Government Agencies CMO and MBS, Federal Instrumentalities CMO and MBS with a weighted average life of 1.45 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.

CUSIP	Description	Maturity Date	Market Value	Average Life (Years)*
38375YEK4	GNR 0882B A	9/20/2038	\$ 35,318	4.53
36295QV56	GN 677536	11/15/2037	5,757	5.23
36202EWX3	G2 004262	10/20/2038	6,533	5.00
36202ETK5	G2 004154	6/20/2023	21,106	1.85
36202ESV2	G2 004132	5/20/2023	32,109	1.85
36294XCV6	GN 662584	9/15/2037	38,578	5.07
36202ESE0	G2 004117	4/20/2038	62,227	4.91
36295FC51	GN 668892	6/15/2037	126,920	4.86
36295DXN4	GN 667685	10/15/2038	253,455	5.11
313603MP4	FNR 8999 H	12/25/2019	3,451	0.51
31410C6G2	FN 885671	10/1/2036	2,855	4.84
31413HYP7	FN 946318	9/1/2037	3,337	5.26
3136ANMF1	FNA 15M08A FA	11/25/2018	11,252	0.09
31413VAM9	FN 956412	11/1/2037	10,426	5.24
3136AQS1	FNA 15M15A AS2	1/25/2019	12,924	0.25
31410WCJ5	FN 899273	11/1/2036	19,927	4.93
31410WAC2	FN 899203	10/1/2036	51,783	5.05
3136ANA98	FNA 15M10A FA	3/25/2019	61,972	0.22
3136AQDQ0	FNA 15M13A AQ2	9/25/2019	101,752	0.32
3136AP3Z3	FNA 15M12A FA	4/25/2020	347,678	0.81
3137A9QP4	FHR 3842B PH	4/15/2041	262,957	4.34
34530YAD5	FORDO 15C A3	2/15/2020	26,125	0.09
65475WAD0	NAROT 15B A3	3/16/2020	149,535	0.19
65477XAE4	NALT 16B A4	1/18/2022	922,864	0.38
98162CAD3	WOLS 18B A3	12/15/2021	955,939	2.24
161571HC1	CHAIT 162 A	6/17/2019	991,167	1.70
36256GAD1	GMALT 183 A3	6/21/2021	1,005,590	0.62
44891EAC3	HART 16B A3	4/15/2021	1,097,221	1.46
05522RCW6	BACCT 171 A	3/16/2020	1,283,636	1.86
34531LAD2	FORDL 18B A3	12/15/2021	1,256,540	0.84
02587AAJ3	AMXCA 171 A	2/18/2020	1,480,896	2.26
02007HAC5	ALLYA 172 A3	8/16/2021	1,489,948	5.20
92868LAD3	VALET 181 A3	11/21/2022	1,700,609	4.53
36292DWC2	GN 646043	10/15/2037	29,013	5.23
Total			\$ 17,507,438	1.45

* 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, 2018

III. 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	N/A
GNMA	
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 \$38,546,315 was deposited in a qualified public depository, as required by Chapter 280, Florida Statutes.

As of September 30, 2018, the City had the following credit quality:

Security Type	Standard & Poor's Credit Rating Category*	Portfolio Asset Allocation
U.S. Treasury Notes	AA+	30.13%
Government Agency Mortgage Backed Securities	AA+	1.56%
Government Agency Collateralized Mortgage Obligations	AA+	0.05%
Federal Instrumentalities	AA+	7.12%
Federal Instrumentalities Collateralized Mortgage Obligations	AA+	0.34%
Municipal Obligations	AAA/AA/A	11.40%
Corporate Notes	AAA/AA/A	28.40%
Asset Backed Securities	AAA/Aaa*	20.89%
Fidelity Institutional Government Class I Money Market Fund	AAAm	0.10%
Total		100.00%

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

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

III. DEPOSITS AND INVESTMENTS (Continued)

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, 2018, the City's investment portfolio was held with a third-party custodian as required by the City's investment policy.

Concentration of Credit Risk

The City's investment policy has established asset allocation and issuer limits on the following investments which are designed to reduce concentration of credit risk of the City's investment portfolio.

Sector	Sector Maximum (%)	Per Issuer Maximum (%)
U.S. Treasury	100%	100%
GNMA		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%
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

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

III. DEPOSITS AND INVESTMENTS (Continued)

As of September 30, 2018, the City had the following issuer concentration based on fair value:

Security Type	Fair Value	Portfolio Asset Allocation
US Treasury Notes/Bonds	\$ 23,091,048	30.13%
Federal National Mortgage Association Notes (FNMA)	629,125	0.82%
Federal Home Loan Bank Notes (FHLB)	5,442,105	7.10%
Government National Mortgage Association (GNMA)	611,675	0.80%
Federal Home Loan Mortgage Company (FHLMC)	277,302	0.36%
3M Company Corporate Notes	829,766	1.08%
American Express Credit Corporate Notes	2,128,297	2.78%
Apple Inc. Corporate Notes	743,072	0.97%
Automatic Data Processing, Inc. Corporate Notes	1,472,490	1.92%
Bank of America Corporate Notes	684,817	0.89%
Branch Banking and Trust Company Corporate Notes	893,429	1.17%
Chevron Corporate Notes	445,092	0.58%
Citibank Corporate Notes	1,027,244	1.34%
General Dynamics Corporate Notes	716,223	0.93%
General Electric Company Corporate Notes	1,291,549	1.69%
Goldman Sachs Bank USA Corporate Notes	501,676	0.65%
John Deere Capital Corporate Notes	790,213	1.03%
JPMorgan Corporate Notes	981,887	1.28%
Microsoft Corporate Notes	1,384,318	1.81%
PACCAR Financial Corporate Notes	1,209,625	1.58%
PepsiCo, Inc. Corporate Notes	744,663	0.97%
State Street Corporate Notes	1,301,175	1.70%
The Walt Disney Company Corporate Notes	1,184,266	1.55%
UnitedHealth Group Incorporated Corporate Notes	612,542	0.80%
Visa Inc. Corporate Notes	1,236,544	1.61%
Walmart Inc. Corporate Notes	1,584,738	2.07%
Ally Auto ABS	1,489,948	1.94%
American Express ABS	1,480,492	1.93%
BA Credit Card Trust ABS	1,283,136	1.67%
CarMax Auto ABS	1,665,052	2.17%
Chase Issuance Trust ABS	991,067	1.29%
Ford ABS	1,282,164	1.67%
GM ABS	1,005,590	1.31%
Honda ABS	742,140	0.97%
Hyundai ABS	1,096,721	1.43%
John Deere ABS	749,774	0.98%
Nissan ABS	1,072,299	1.40%
USAA ABS	494,999	0.65%
Volkswagen ABS	1,700,409	2.22%
World Omni ABS	955,939	1.25%
City of Austin, Texas	1,500,988	1.96%
County of Alameda Municipal Bonds	1,001,617	1.31%
Massachusetts Housing Agency Municipal Bonds	751,598	0.98%
New York City Transitional Finance Authority Municipal Bonds	2,153,026	2.81%
State of Connecticut Municipal Bonds	1,017,500	1.33%
Texas St Tech University Municipal Bonds	2,314,891	3.02%
Fidelity Institutional Government Class I Money Market Mutual Fund	77,359	0.10%
Total	\$ 76,641,589	100.00%

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

III. 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.

IV. FAIR VALUE MEASUREMENTS

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The City has the following fair value measurements as of September 30, 2018:

Security Type	Fair Value Sept. 30, 2018	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
U.S. Treasury Notes	\$ 23,091,048	\$ -	\$ 23,091,048	\$ -
Government Agency Mortgage Backed Securities	1,198,609	-	1,198,609	-
Government Agency Collateralized Mortgage Obligations	38,583	-	38,583	-
Federal Instrumentalities	5,460,149	-	5,460,149	-
Federal Instrumentalities Collateralized Mortgage Obligations	262,867	-	262,867	-
Municipal Obligations	8,739,619	-	8,739,619	-
Corporate Notes	21,765,976	-	21,765,976	-
Asset Backed Securities	16,007,379	-	16,007,379	-
Fidelity Institutional Government Class I Money Market Fund	77,359	-	77,359	-
Total	\$ 76,641,589	\$ -	\$ 76,641,589	\$ -
Derivative Instruments				
Derivative Liabilities	\$ (872,453)	\$ -	\$ (872,453)	\$ -

Investment securities classified in Level 2 are valued as follows:

- U.S. Government Obligations and Corporate Notes are valued by obtaining feeds continuously from a number of live data sources including active market makers and inter-dealer brokers. Sources are reviewed on the basis of their historical accuracy for individual issues and maturity ranges.
- Mortgage Backed Securities are valued by incoming market data enriched to derive spread, yield, and/or price date as appropriate, enabling known data points to be extrapolated for application across a range of related securities.
- Collateralized Mortgage Obligations are valued by obtaining available trades, covers, bids, offers and price talk for similar obligations. Evaluation of tranches are based on interpretation of accepted modeling, trading, and pricing conventions.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

IV. FAIR VALUE MEASUREMENTS (Continued)

- Municipal Obligations are valued based on internal yield curves adjusted throughout the day based on trades and other pertinent market information.
- Money Market Funds are priced based on an evaluation model which considers an instrument's days to final maturity to generate a yield based on the relevant curve for the security. Adjustments to the yield can be made at a group of individual instrument level as market conditions warrant.
- Derivative instruments classified in Level 2 are valued using a risk adjusted valuation/income approach, which uses the discounted cash flow method to discount the amounts of market expected future cash flows to a single present value, using a rate of return that takes into account the relative risk of cash flows and time value of money. The risk adjusted amount is applied to the nonperformance risk free valuation to get the fair value. See Note IX for additional details.

V. RECEIVABLES

Receivables as of September 30, 2018 are as follows:

	Intergovernmental	Grants	Other	Total
General Fund	\$ 2,369,464	\$ 12,500	\$ 160,734	\$ 2,542,698
Transportation Fund	78,840	202,165	-	281,005
Stormwater Fund	202,616	-	-	202,616
Non-Major Funds	839,953	22,747	-	862,700
	<u>\$ 3,490,873</u>	<u>\$ 237,412</u>	<u>\$ 160,734</u>	<u>\$ 3,889,019</u>

VI. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund balances at September 30, 2018 were as follows:

	Interfund Receivable	Interfund Payable
General Fund	\$ 1,413,055	\$ -
Emergency Grant Fund	-	1,316,333
Law Enforcement Trust Fund	-	59,127
Peoples Transportation Fund	-	37,595
	<u>\$ 1,413,055</u>	<u>\$ 1,413,055</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.

Interfund transfers for the year ended September 30, 2018 consisted of transfers based on the City's budget to help fund future capital replacement in the Infrastructure Replacement Fund.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

VII. CAPITAL ASSETS

Capital assets activity for the fiscal year ended September 30, 2018 was as follows:

	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending</u>
Governmental activities					
Capital assets not being depreciated:					
Land	\$ 77,605,960	\$ -	\$ -	\$ -	\$ 77,605,960
Infrastructure and buildings - construction in progress	24,875,454	7,621,441	(27,156)	(22,094,413)	10,375,326
Total capital assets not being depreciated	<u>102,481,414</u>	<u>7,621,441</u>	<u>(27,156)</u>	<u>(22,094,413)</u>	<u>87,981,286</u>
Capital assets being depreciated:					
Buildings	51,451,502	15,289,539	-	-	66,741,041
Infrastructure	116,535,489	7,087,719	-	-	123,623,208
Public domain and system infrastructure	7,193,940	-	-	-	7,193,940
Furniture, fixtures and equipment	18,069,113	2,534,314	(1,077,178)	-	19,526,249
Vehicles	8,610,848	1,707,021	(1,621,194)	-	8,696,675
Total capital assets being depreciated	<u>201,860,892</u>	<u>26,618,593</u>	<u>(2,698,372)</u>	<u>-</u>	<u>225,781,113</u>
Less accumulated depreciation for:					
Buildings	(3,191,247)	(1,297,335)	-	-	(4,488,582)
Infrastructure	(72,078,523)	(3,279,619)	-	-	(75,358,142)
Public domain and system infrastructure	(3,175,307)	(359,697)	-	-	(3,535,004)
Furniture, fixtures and equipment	(11,030,440)	(2,111,750)	1,047,703	-	(12,094,487)
Vehicles	(5,674,487)	(1,186,540)	1,498,816	-	(5,362,211)
Total accumulated depreciation	<u>(95,150,004)</u>	<u>(8,234,941)</u>	<u>2,546,519</u>	<u>-</u>	<u>(100,838,426)</u>
Total capital assets being depreciated, net	<u>106,710,888</u>	<u>18,383,652</u>	<u>(151,853)</u>	<u>-</u>	<u>124,942,687</u>
Governmental activities capital assets, net	<u>\$ 209,192,302</u>	<u>\$ 26,005,093</u>	<u>\$ (179,009)</u>	<u>\$ (22,094,413)</u>	<u>\$ 212,923,973</u>
Business-type activities					
Capital assets not being depreciated:					
Infrastructure assets - construction in progress	\$ 3,327,501	\$ 628,080	\$ -	\$ (2,037,279)	\$ 1,918,302
Capital assets being depreciated:					
Infrastructure assets - stormwater improvements	25,381,121	3,145,481	-	-	28,526,602
Furniture, fixtures and equipment	7,792	-	-	-	7,792
Vehicles	69,681	-	-	-	69,681
Total capital assets being depreciated	<u>25,458,594</u>	<u>3,145,481</u>	<u>-</u>	<u>-</u>	<u>28,604,075</u>
Less accumulated depreciation for:					
Infrastructure assets - stormwater improvements	(4,582,233)	(601,446)	-	-	(5,183,679)
Furniture, fixtures and equipment	(6,166)	(415)	-	-	(6,581)
Vehicles	(48,863)	(5,852)	-	-	(54,715)
Total accumulated depreciation	<u>(4,637,262)</u>	<u>(607,713)</u>	<u>-</u>	<u>-</u>	<u>(5,244,975)</u>
Total capital assets being depreciated, net	<u>20,821,332</u>	<u>2,537,768</u>	<u>-</u>	<u>-</u>	<u>23,359,100</u>
Business-type activities capital assets, net	<u>\$ 24,148,833</u>	<u>\$ 3,165,848</u>	<u>\$ -</u>	<u>\$ (2,037,279)</u>	<u>\$ 25,277,402</u>

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

Governmental activities:	
General government	\$ 890,093
Police	1,410,031
Public works	2,542,763
Parks and recreation	3,320,553
Building	47,202
Planning, zoning and code enforcement	24,299
Total depreciation expense - governmental activities	<u>\$ 8,234,941</u>
Business-type activities:	
Stormwater	<u>\$ 607,713</u>

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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 (Reissuance): 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.

As a result of changes to the Internal Revenue Code that became effective as of January 1, 2018, the Series 2006A Bonds became subject to a corporate tax rate adjustment which triggered a provision of the financing documents related to the loan, providing for an automatic adjustment to the interest rate. The purchaser of the bonds waived the corporate tax rate adjustment (“adjustment waiver”). The adjustment waiver caused the prior Series 2006A Bonds to be treated as retired and reissued in May 2018 for federal tax purposes. In May 2018 the Bonds were reissued with no proceeds being received in connection with the issuance, and the outstanding principal balance and maturity date remained the same. All applicable fees were waived and the interest rate and swap agreement on the loan remained the same.

Capital Improvement Revenue Bond Series 2007A (Reissuance): 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.

As a result of changes to the Internal Revenue Code that became effective as of January 1, 2018, the Series 2007A Bonds became subject to a corporate tax rate adjustment which triggered a provision of the financing documents related to the loan, providing for an automatic adjustment to the interest rate. The purchaser of the bonds waived the corporate tax rate adjustment (“adjustment waiver”). The adjustment waiver caused the prior Series 2007A Bonds to be treated as retired and reissued in May 2018 for federal tax purposes. In May 2018 the Bonds were reissued with no proceeds being received in connection with the issuance, and the outstanding principal balance and maturity date remained the same. All applicable fees were waived and the interest rate and swap agreement on the loan remained the same.

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, 2018

VIII. LONG-TERM DEBT (Continued)

Debt service requirements to maturity for the fiscal year ended September 30, 2018 are summarized as follows:

Series 2006A	Principal	Interest	Total
2019	522,705	221,398	744,103
2020	545,223	198,880	744,103
2021	568,710	175,392	744,102
2022	593,210	150,893	744,103
2023	618,765	125,338	744,103
2024-2027	2,567,323	233,063	2,800,386
Total	<u>\$ 5,415,936</u>	<u>\$ 1,104,964</u>	<u>\$ 6,520,900</u>
Series 2007A	Principal	Interest	Total
2019	522,761	223,273	746,034
2020	545,443	200,591	746,034
2021	569,109	176,925	746,034
2022	593,802	152,232	746,034
2023	619,566	126,468	746,034
2024-2027	2,572,493	225,132	2,797,625
Total	<u>\$ 5,423,174</u>	<u>\$ 1,104,621</u>	<u>\$ 6,527,795</u>
Series 2007B	Principal	Interest	Total
2019	65,451	9,034	74,485
2020	69,385	8,172	77,557
2021	73,556	7,259	80,815
2022	77,977	6,290	84,267
2023	82,665	5,264	87,929
2024-2027	356,750	9,500	366,250
Total	<u>\$ 725,784</u>	<u>\$ 45,519</u>	<u>\$ 771,303</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, 2018, the remaining balance of the deferred loss on refunding amounted to \$314,297.

Debt service requirements to maturity for the fiscal year ended September 30, 2018 are summarized as follows:

	Principal	Interest	Total
2019	457,289	207,539	664,828
2020	473,282	191,717	664,999
2021	489,735	175,342	665,077
2022	506,464	158,397	664,861
2023	524,112	140,873	664,985
2024-2028	2,904,862	419,515	3,324,377
2029	642,504	22,231	664,735
Total	<u>\$ 5,998,248</u>	<u>\$ 1,315,614</u>	<u>\$ 7,313,862</u>

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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, 2018 was \$248,870 and the balance of the remaining principal payments range from \$99,425 to \$189,625 through September 2027.

Debt service requirements to maturity for the fiscal year ended September 30, 2018 are summarized as follows:

	Principal	Interest	Total
2019	258,505	87,683	346,188
2020	268,550	77,215	345,765
2021	279,210	66,340	345,550
2022	290,895	55,034	345,929
2023	302,785	43,259	346,044
2024-2027	733,695	73,544	807,239
Total	<u>\$ 2,133,640</u>	<u>\$ 403,075</u>	<u>\$ 2,536,715</u>

Long-term debt activity for the fiscal year ended September 30, 2018 was as follows:

	Beginning*	Additions	Reductions	Ending	Due Within One Year
Governmental Activities					
Capital Improvement Revenue Bonds:					
Series 2006A	\$ 5,917,053	\$ -	\$ 501,117	\$ 5,415,936	\$ 522,705
Series 2007A	5,924,196	-	501,022	5,423,174	522,761
Series 2007B	787,524	-	61,740	725,784	65,451
Total Bonds	<u>12,628,773</u>	<u>-</u>	<u>1,063,879</u>	<u>11,564,894</u>	<u>1,110,917</u>
Other Liabilities:					
QNIP bonds	2,382,510	-	248,870	2,133,640	258,505
OPEB liability	1,879,591	405,041	84,827	2,199,805	-
Compensated absences	1,461,396	2,113,859	1,896,186	1,679,069	250,000
Net pension liability	22,334,157	3,549,964	2,305,441	23,578,680	-
Total Other Liabilities	<u>28,057,654</u>	<u>6,068,864</u>	<u>4,535,324</u>	<u>29,591,194</u>	<u>508,505</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 40,686,427</u>	<u>\$ 6,068,864</u>	<u>\$ 5,599,203</u>	<u>\$ 41,156,088</u>	<u>\$ 1,619,422</u>
Business-Type Activities					
Stormwater Utility Revenue Bonds	<u>\$ 6,440,554</u>	<u>\$ -</u>	<u>\$ 442,306</u>	<u>\$ 5,998,248</u>	<u>\$ 457,289</u>

IX. INTEREST RATE SWAPS

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (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, 2018

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, 2018, 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, 2018:

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	5,415,935	5/4/2006	4/1/2027	4.24%	65% of 3-Month LIBOR + 0.45%	(\$432,370)	Regions Bank	Baa2/BBB+/BBB
Series 2007 A	10,000,000	5,423,174	1/16/2007	4/1/2027	4.27%	65% of 3-Month LIBOR + 0.45%	(\$440,083)	Regions Bank	Baa2/BBB+/BBB
							<u>(\$872,453)</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, 2018 the swaps had a negative fair value of (\$432,370) and (\$440,083) 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 and included nonperformance risk. 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, which take into account the relative risk of cash flows and time value of money, for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

For each swap, the nonperformance risk was computed as the total cost of the transactions required to hedge the default exposure. Default probabilities were derived from observable inputs that fall into Level 2 of the GASB Statement No. 72 fair value hierarchy. A risk adjusted amount is calculated using the income approach, which uses the discounted cash flow method to discount the amounts of market expected future cash flows to a single present value, using a rate of return that takes into account the relative risk of cash flows and time value of money. The difference between the nonperformance risk free valuation and risk adjusted valuation is the transaction's risk adjusted amount. This risk adjusted amount is applied to the nonperformance risk free valuation to get the fair value under GASB 72.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

IX. INTEREST RATE SWAPS (Continued)

Credit Risk: As of September 30, 2018, 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 Baa2 by Moody's, BBB+ by Standard & Poor's, and BBB by Fitch as of September 30, 2018.

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

The City's sworn employees are eligible to participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple-employer defined benefit pension plans administered by the Florida Department of Management Services, Division of Retirement, including the Pension Plan and the Retiree Health Insurance Subsidy (HIS Plan). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (Investment Plan) alternative to the Pension Plan, which is administered by the State Board of Administration (SBA). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Legislature establishes and may amend the contribution requirements and benefit terms of all FRS plans.

The plan administrator for the FRS prepares and publishes its own stand-alone comprehensive annual financial report, including financial statements and required supplementary information. Copies of this report can be obtained from the Department of Management Services, Division of Retirement, Bureau of Research and Member Communications or at the Division's website.

Pension Plan

Plan Description and Benefits Provided

The Pension Plan is a multiple-employer cost sharing defined benefit pension plan. All budgeted sworn City employees are eligible to participate in the Pension Plan. The City's covered payroll for the 187 employees covered by the System for the year ended September 30, 2018 was \$10,395,109.

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.

CITY OF DORAL, FLORIDA
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SEPTEMBER 30, 2018

X. EMPLOYEE RETIREMENT PLANS (Continued)

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 12.37% of salaries for participants of the DROP. During 2018 the City had one employee participating in this program.

Effective July 1, 2011 employees are required to contribute 3% of salaries to the Pension Plan. Sworn employees who have retired under the FRS and are no longer eligible for the "special risk" retirement rate will receive regular class rate contributions from the City. The employer contribution for regular employees and special risk members applicable to the last three fiscal years are as follows:

Employer Contribution Rates	Regular Employees	Special Risk Members
Effective 7/1/16	5.80%	20.85%
Effective 7/1/17	6.20%	21.55%
Effective 7/1/18	6.54%	22.78%

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

	2018	2017	2016
Employer contribution	\$ 2,204,195	\$ 2,082,376	\$ 1,817,153
Percentage contributed	100%	100%	100%

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

At September 30, 2018, the City reported a liability of \$20,203,780 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. 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, 2018, the City's proportion was approximately 0.067%, which was an increase of approximately 0.002% from its proportion measured as of June 30, 2017.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

X. EMPLOYEE RETIREMENT PLANS (Continued)

For the year ended September 30, 2018, the City recognized total pension expense of \$2,251,670, of which \$2,026,416 was attributed to the Pension Plan. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to the Pension Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,711,564	\$ 62,122
Changes of assumptions	6,601,613	-
Net difference between projected and actual earnings on pension plan investments	-	1,560,988
Changes in proportion and differences between City contributions and proportionate share of contributions	1,962,812	106,861
City contributions subsequent to the measurement date	512,085	-
	<u>\$ 10,788,074</u>	<u>\$ 1,729,971</u>

The \$512,085 reported as deferred outflows of resources related to the Pension Plan 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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Year Ended September 30:	
2019	\$ 3,097,350
2020	\$ 2,331,818
2021	\$ 711,527
2022	\$ 1,395,537
2023	\$ 864,782
Thereafter	\$ 145,004

Actuarial Assumptions

The total pension liability in the June 30, 2018 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
Salary increases	3.25% average, including inflation
Investment rate of return	7.00%, net of pension plan investment expense

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, 2018 were based on the results of an actuarial experience study for the period July 1, 2008 - June 30, 2013. Differences between the assumptions used for June 30, 2018 measurement date calculations and June 30, 2017 measurement date calculations are limited to the new mortality tables for those in active employment, and the change in the discount rate for the Pension Plan from 7.10% as of June 30, 2017 to 7.00% for June 30, 2018. The 7.00% rate of return assumption used in the June 30, 2018 calculations was deemed reasonable and appropriate by the actuary per Actuarial Standard of Practice Number 27 (ASOP 27).

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

X. EMPLOYEE RETIREMENT PLANS (Continued)

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:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return
Cash	1%	2.9%	2.9%
Fixed income	18%	4.4%	4.3%
Global equity	54%	7.6%	6.3%
Real estate (property)	11%	6.6%	6.0%
Private equity	10%	10.7%	7.8%
Strategic investments	6%	6.0%	5.7%
Total	100%		

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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 7.00%, 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 (6.00%) or one percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's proportionate share of the net pension liability	\$ 36,872,746	\$ 20,203,780	\$ 6,359,218

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.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

X. EMPLOYEE RETIREMENT PLANS (Continued)

HIS Plan

Plan Description and Benefits Provided

The HIS Plan is a multiple-employer cost-sharing defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. For the fiscal year ended September 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions and Funding Policy

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. The employer contributions are a percentage of gross compensation for all active FRS members. The employer contribution rates for all classes through September 30, 2018 were 1.66%. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy to all participants, benefits may be reduced or cancelled.

For the fiscal year ending September 30, 2018, the City's contributions to the HIS Plan totaled approximately \$173,000.

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

At September 30, 2018, the City reported a liability of \$3,374,899 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. 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 HIS Plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the City's proportion was approximately 0.031%, which was an increase of approximately 0.001% from its proportion measured as of June 30, 2017.

For the year ended September 30, 2018, the City recognized total pension expense of \$2,251,670, of which \$225,254 was attributed to the HIS Plan. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to the HIS Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 51,668	\$ 5,734
Changes of assumptions	375,331	356,823
Net difference between projected and actual earnings on pension plan investments	2,037	-
Changes in proportion and differences between City contributions and proportionate share of contributions	587,261	-
City contributions subsequent to the measurement date	43,623	-
	<u>\$ 1,059,920</u>	<u>\$ 362,557</u>

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

X. EMPLOYEE RETIREMENT PLANS (Continued)

The \$43,623 reported as deferred outflows of resources related to the HIS Plan 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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Year Ended September 30:		
2019	\$	193,026
2020	\$	192,854
2021	\$	165,493
2022	\$	97,399
2023	\$	(3,425)
Thereafter	\$	8,393

Actuarial Assumptions

The total pension liability in the June 30, 2018 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
Salary increases	3.25% average, including inflation
Investment rate of return	3.87%

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, 2018 were based on the results of an actuarial experience study for the period July 1, 2008 - June 30, 2013. Differences between the assumptions used for June 30, 2018 measurement date calculations and June 30, 2017 measurement date calculations are limited to the change in the Bond Buyer General Obligation 20-Bond Municipal Bond Index used in the valuation of the HIS Plan (municipal rate increased from 3.58% to 3.87%), and the new mortality tables for those in active employment.

Discount Rate

The discount rate used to measure the total pension liability was 3.87%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

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 3.87%, 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 (2.87%) or one percentage-point higher (4.87%) than the current rate:

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

X. EMPLOYEE RETIREMENT PLANS (Continued)

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
City's proportionate share of the net pension liability	\$ 3,843,813	\$ 3,374,899	\$ 2,984,033

Pension Plan Fiduciary Net Position

Detailed information about the HIS 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.

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the defined benefit pension plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida State Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members. Effective July 1, 2012, allocations to the investment member's accounts, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Senior Management Service class 7.67%, and Special Risk class 14.0%.

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

For the fiscal year ending September 30, 2018, the City's contributions for participants in the Investment Plan totaled approximately \$390,000.

Section 401(A) Money Purchase Retirement Plan

The City as a single-employer contributes to various City of Doral Money Purchase Plans, which are defined contribution plans created in accordance with Internal Revenue Code Section 401(a). Under the plans, which are available to all full time City employees, the City contributes 12% to general employees, directors, assistant directors, legislative analysts and chief of staff. Additionally, 18% is contributed to the city council, and variable rates currently up to 24.5% are contributed to the chief and deputy chief of police, and to retired sworn employees. Employees, other than police, are required to contribute 6% to the plans.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

X. EMPLOYEE RETIREMENT PLANS (Continued)

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.

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. During 2016 construction of the police station commenced and was completed in January 2018.

Other: The City leases equipment under various leases, most of which are executed on a year-to-year basis. Rental expenses for equipment leases for the year ended September 30, 2018 amounted to approximately \$470,000. Future commitments under operating leases at September 30, 2018 approximate \$124,000 per year through 2019.

Construction Commitments

At September 30, 2018, the City is in the process of various construction projects including the construction of Glades Park and Doral Central Park, and multiple roadway infrastructure improvements. The commitments remaining for the cost of construction is approximately \$38.4 million. The projects are currently in various stages of design, engineering, and/or construction.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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 that retires from their employment with the City 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.

The City adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). This standard replaces the requirements of GASB Statement No. 45 as it relates to governments that provide postemployment benefits other than pensions. GASB 75 requires governments providing defined benefit postemployment benefits to recognize the long-term obligation for those benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of other postemployment benefits. GASB 75 also enhances accountability and transparency through revised and new note disclosures and required supplementary information, including disclosing descriptive information about the types of benefits provided, how contributions to the plans are determined, and assumptions and methods used to calculate the liability. The implementation of GASB 75 resulted in a restatement of the governmental activities net position (Note XIII).

Funding Policy

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

Employees Covered by Benefit Terms

The benefits provided are the same as those provided for active employees. Spouses and dependents of eligible retirees are also eligible for medical coverage. All employees of the City are eligible to receive postemployment health care benefits. All retiree and dependent coverage is at the expense of the retiree.

As of the September 30, 2018 actuarial valuation, the following employees were covered by the benefit terms of the Plan:

Inactive plan members or beneficiaries currently receiving benefits	0
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	326
	<hr/>
	326

Total OPEB Liability

The City's total OPEB liability of \$2,199,805 was measured as of September 30, 2018 and was determined based on an actuarial valuation performed as of the same date.

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions.

Rate of Inflation	2.40%
Discount Rate	3.83%
Rate of Growth in Real Income / GDP per capita	1.50%
Extra Trend due to Technology and other factors	1.00%
Health Share of GDP Resistance Point	25.0%
Year for Limiting Cost Growth to GDP Growth	2075

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

XII. OTHER POST EMPLOYMENT BENEFITS (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended September 30, 2018, the City recognized total OPEB expense of \$395,616. As of the fiscal year ended September 30, 2018, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 14,154
Changes of assumptions	-	61,248
Total	<u>\$ -</u>	<u>\$ 75,402</u>

Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30,	Deferred Outflows/(Inflows) of Resources
2019	\$ (9,425)
2020	(9,425)
2021	(9,425)
2022	(9,425)
2023	(9,425)
Thereafter	(28,277)
Total	<u>\$ (75,402)</u>

Changes in the Total OPEB Liability

	Total OPEB Liability
Net OPEB obligation as of September 30, 2017	\$ 1,556,000
Cumulative effect of adoption of GASB 75	323,591
Restated balance as of September 30, 2017	\$ 1,879,591
Changes for the Year:	
Service Cost	339,534
Interest	65,507
Experience Losses/(Gains)	(15,923)
Changes in Assumptions	(68,904)
Net Changes	<u>320,214</u>
Balance as of September 30, 2018	<u>\$ 2,199,805</u>

Change of assumptions reflect a change in the discount rate from 4.00% for the fiscal year ending September 30, 2017 to 3.83% for the fiscal year ending September 30, 2018.

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

XII. OTHER POST EMPLOYMENT BENEFITS (Continued)

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.83%) or one percentage point higher (4.83%) than the current discount rate

	1.00% Decrease (2.83%)	Current Discount Rate (3.83%)	1.00% Increase (4.83%)
Total OPEB liability	\$ 2,412,635	\$ 2,199,805	\$ 2,000,141

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1.00% Decrease (3.00%)	Medical Trend (4.00%)	1.00% Increase (5.00%)
Total OPEB liability	\$ 1,836,637	\$ 2,199,805	\$ 2,650,509

XIII. RESTATEMENT OF BEGINNING NET POSITION AND FUND BALANCE

The City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). This standard replaces the requirements of GASB Statement No. 45 as it relates to governments that provide postemployment benefits other than pensions. GASB 75 requires governments providing defined benefit other postemployment benefits to recognize the long-term obligation for those benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of other postemployment benefits. GASB 75 also enhances accountability and transparency through revised and new note disclosures and required supplementary information, including disclosing descriptive information about the types of benefits provided, how contributions to the plans are determined, and assumptions and methods used to calculate the liability. The implementation of GASB 75 resulted in a restatement of the governmental activities net position to report the City's total OPEB liability for the postemployment health insurance program, and resulted in the City recording a total OPEB liability of \$1,879,591. More detailed information regarding the City's other postemployment benefits is included in Note XII.

Additionally, accounts receivable previously recorded in the Emergency Grant Fund were expected to be collected during the current year based on grantor approval and obligation of funds. During 2018 the City determined the funds were not yet obligated as originally interpreted. In order to account for the correction, as of October 1, 2017 the City decreased accounts receivable in the Emergency Grant Fund. Accordingly, net position and fund balance have been restated as follows:

	Governmental Activities
Net position, September 30, 2017, as previously reported	\$ 268,112,074
Cumulative effect of adoption of GASB Statement No. 75	(323,591)
Accounts receivable correction in prior period	(322,853)
Net position, September 30, 2017, as restated	<u>\$ 267,465,630</u>

CITY OF DORAL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

XIII. RESTATEMENT OF BEGINNING NET POSITION AND FUND BALANCE (Continued)

	Total Governmental Funds
Fund balance, September 30, 2017, as previously reported	\$ 88,635,382
Accounts receivable correction in prior period	(322,853)
Fund balance, September 30, 2017, as restated	<u>\$ 88,312,529</u>

XIV. SUBSEQUENT EVENTS

In November 2018 the City's residents passed a referendum to approve the issuance of a General Obligations Park Bond (the "Bond") in the amount of \$150 million for purposes of funding the construction of future City of Doral park projects. The Bond will finance the costs of building/improving parks and recreational facilities with safety features, including, but not limited to, green spaces, community centers, cultural amenities, aquatic facility, playgrounds, sports fields, and five miles of walking/cycling trails for the advancement of public health and protection of natural areas.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DORAL, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Property taxes	\$ 22,255,400	\$ 22,255,400	\$ 21,899,811	\$ (355,589)
Utility taxes	8,520,000	8,520,000	9,507,908	987,908
Franchise fees	4,128,500	4,128,500	4,875,966	747,466
Intergovernmental revenues	5,847,306	5,847,306	6,190,448	343,142
Licenses, permits and fines	9,113,512	9,113,512	11,242,777	2,129,265
Communication service tax	4,065,741	4,065,741	4,162,963	97,222
Charges for services	2,220,617	2,220,617	2,376,864	156,247
Grants and contributions	-	-	42,500	42,500
Investment and interest income	600,000	600,000	564,851	(35,149)
Miscellaneous	250,000	250,000	545,614	295,614
Total revenues	57,001,076	57,001,076	61,409,702	4,408,626
Expenditures:				
General government				
Elected officials	1,149,081	1,149,081	1,080,669	68,412
Manager's office	668,976	668,976	651,345	17,631
Public affairs	753,565	807,695	644,818	162,877
City clerk	702,512	702,512	394,202	308,310
Finance department	1,102,061	1,104,861	1,015,494	89,367
City attorney	685,000	819,189	543,695	275,494
Human resources	761,725	781,322	692,322	89,000
Information technology	4,968,135	6,054,784	4,465,538	1,589,246
Economic development	370,510	430,510	414,043	16,467
General government	3,618,832	3,540,596	2,264,655	1,275,941
Total general government	14,780,397	16,059,526	12,166,781	3,892,745
Police	21,511,871	22,330,747	20,630,347	1,700,400
Public works	5,173,205	18,699,565	5,028,359	13,671,206
Parks and recreation	5,744,846	20,238,676	7,747,854	12,490,822
Building	4,380,233	4,381,695	3,715,535	666,160
Planning and zoning	1,040,482	1,331,168	791,404	539,764
Code enforcement	1,425,919	1,425,919	1,326,154	99,765
Debt service:				
Principal	1,312,811	1,312,811	1,312,750	61
Interest	631,312	631,312	623,027	8,285
Total expenditures	56,001,076	86,411,419	53,342,211	33,069,208
Excess (deficiency) of revenues over (under) expenditures before other financing sources	1,000,000	(29,410,343)	8,067,491	37,477,834
Other financing sources (uses)				
Transfers out	(500,000)	(500,000)	(500,000)	-
Appropriation of prior year fund balance	-	30,410,343	-	(30,410,343)
Total other financing sources (uses)	(500,000)	29,910,343	(500,000)	(30,410,343)
Net change in fund balance	\$ 500,000	\$ 500,000	\$ 7,567,491	\$ 7,067,491

See notes to budgetary comparison schedule

CITY OF DORAL, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MAJOR SPECIAL REVENUE FUND - TRANSPORTATION FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental revenues	\$ 784,429	\$ 784,429	\$ 882,853	\$ 98,424
Impact fees	1,750,000	1,750,000	2,832,515	1,082,515
Grant revenues	-	-	257,524	257,524
Investment income	70,000	70,000	123,656	53,656
Miscellaneous	-	-	163,456	163,456
Total revenues	2,604,429	2,604,429	4,260,004	1,655,575
Expenditures:				
Current:				
Public works	7,185,578	18,001,068	5,104,489	12,896,579
Excess (deficiency) of revenues over (under)				
expenditures before other financing sources	(4,581,149)	(15,396,639)	(844,485)	14,552,154
Other financing sources (uses)				
Appropriation of prior year fund balance	4,581,149	15,396,639	-	(15,396,639)
Net change in fund balance	\$ -	\$ -	\$ (844,485)	\$ (844,485)

See notes to budgetary comparison schedule

CITY OF DORAL, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FISCAL YEAR ENDED SEPTEMBER 30, 2018

I. BUDGETARY INFORMATION

Annual appropriated budgets are prepared for the General Fund, Transportation Fund, Park Impact Fee Fund, Police Impact Fee Fund, Capital Improvement Projects Fund, Infrastructure Replacement Fund, and People's Transportation Plan 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, 2018, there were supplemental appropriations of \$22,310,343 in the General Fund, \$10,815,490 in the Transportation Fund, \$1,892,589 in the Park Impact Fee Fund, \$726,470 in the Police Impact Fee Fund, \$326,685 in the People's Transportation Plan Fund, and \$427,845 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 CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS (OPEB)
SEPTEMBER 30, 2018

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 339,534
Interest	65,507
Differences between expected and actual experience	(15,923)
Changes of assumptions	<u>(68,904)</u>
Net change in total OPEB liability	320,214
Total OPEB liability - beginning	<u>1,879,591</u>
Total OPEB liability - ending	<u><u>\$ 2,199,805</u></u>
 Covered-employee payroll	 \$ 24,841,162
Total OPEB liability as a percentage of covered-employee payroll	 8.86%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF DORAL, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST 5 FISCAL YEARS*

	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	0.06707647%	0.06456219%	0.06382596%	0.04908490%	0.04200912%
City's proportionate share of the net pension liability (asset)	\$ 20,203,780	\$ 19,097,064	\$ 16,116,104	\$ 6,339,973	\$ 2,563,174
City's covered payroll	\$ 10,414,656	\$ 10,026,993	\$ 9,129,495	\$ 7,828,489	\$ 6,564,017
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	193.99%	190.46%	176.53%	80.99%	39.05%
Plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	84.88%	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 PENSION PLAN
LAST 5 FISCAL YEARS*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,204,195	\$ 2,082,376	\$ 1,817,153	\$ 1,454,377	\$ 1,173,805
Contributions in relation to the contractually required contribution	<u>\$ (2,204,195)</u>	<u>\$ (2,082,376)</u>	<u>\$ (1,817,153)</u>	<u>\$ (1,454,377)</u>	<u>\$ (1,173,805)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,395,109	\$ 9,833,009	\$ 9,238,938	\$ 8,065,358	\$ 6,877,000
Contributions as a percentage of covered payroll	21.20%	21.18%	19.67%	18.03%	17.07%

* 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 THE PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY PENSION PLAN
LAST 5 FISCAL YEARS*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	0.03188647%	0.03027454%	0.02958271%	0.02589614%	0.02194310%
City's proportionate share of the net pension liability (asset)	\$ 3,374,899	\$ 3,237,093	\$ 3,447,742	\$ 2,640,999	\$ 2,051,733
City's covered payroll	\$ 10,414,656	\$ 10,026,993	\$ 9,129,495	\$ 7,828,489	\$ 6,564,017
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	32.41%	32.28%	37.76%	33.74%	31.26%
Plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	0.97%	0.50%	0.99%

* 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 HEALTH INSURANCE SUBSIDY PENSION PLAN
LAST 5 FISCAL YEARS*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 172,883	\$ 172,063	\$ 143,366	\$ 125,885	\$ 80,649
Contributions in relation to the contractually required contribution	<u>\$ (172,883)</u>	<u>\$ (172,063)</u>	<u>\$ (143,366)</u>	<u>\$ (125,885)</u>	<u>\$ (80,649)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,395,109	\$ 9,833,009	\$ 9,238,938	\$ 8,065,358	\$ 6,877,000
Contributions as a percentage of covered payroll	1.66%	1.75%	1.55%	1.56%	1.17%

* 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.

COMBINING FINANCIAL STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

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.

People's Transportation Plan Fund – This fund manages monies to be utilized for transportation purposes that are generated from the one-half cent sales tax and the Miami-Dade County Transportation Tax, and funding is used for the City's transportation expenditures.

Emergency Grant Fund – This fund was established for the purpose of accounting for emergency and disaster recovery expenditures that will be covered by grant funding.

Building Technology Fund – This fund accounts for a specific portion of building department permit fees. Funds are to be used for technology-related enhancements and expenditures.

Capital Projects Fund

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

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 funding police department capital expenditures necessary to provide public safety.

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.

Infrastructure Replacement Fund – This fund was established for the purpose of planning and budgeting for capital maintenance and replacement needs and accounting for such costs. This includes major government facilities, infrastructure, equipment, and networks that enable the delivery of public sector services.

CITY OF DORAL, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	Special Revenue				Capital Projects				
	Law Enforcement Trust Fund	People's Transportation Plan Fund	Emergency Grant Fund	Building Technology Fund	Capital Improvement Projects Fund	Police Impact Fee Fund	Park Impact Fee Fund	Infrastructure Replacement Fund	Total
<u>ASSETS</u>									
Cash and cash equivalents	\$ 400,149	\$ 22,222	\$ -	\$ 130,432	\$ 535,508	\$ 2,011,046	\$ 3,917,358	\$ 700,000	\$ 7,716,715
Accounts receivable - net	1,243	838,710	22,747	-	-	-	-	-	862,700
Total assets	<u>\$ 401,392</u>	<u>\$ 860,932</u>	<u>\$ 22,747</u>	<u>\$ 130,432</u>	<u>\$ 535,508</u>	<u>\$ 2,011,046</u>	<u>\$ 3,917,358</u>	<u>\$ 700,000</u>	<u>\$ 8,579,415</u>
<u>LIABILITIES</u>									
Accounts payable and accrued liabilities	\$ 970	\$ 262,474	\$ -	\$ -	\$ -	\$ 118,852	\$ 101,694	\$ -	\$ 483,990
Escrow deposits	12,176	-	-	-	-	-	-	-	12,176
Due to other funds	59,127	37,595	1,316,333	-	-	-	-	-	1,413,055
Total liabilities	<u>72,273</u>	<u>300,069</u>	<u>1,316,333</u>	<u>-</u>	<u>-</u>	<u>118,852.00</u>	<u>101,694</u>	<u>-</u>	<u>1,909,221</u>
<u>FUND BALANCES</u>									
Restricted	329,119	508,109	-	130,432	20,063	1,421,667	2,468,714	700,000	5,578,104
Committed	-	52,754	-	-	515,445	470,527	1,346,950	-	2,385,676
Unassigned	-	-	(1,293,586)	-	-	-	-	-	(1,293,586)
Total fund balances	<u>329,119</u>	<u>560,863</u>	<u>(1,293,586)</u>	<u>130,432</u>	<u>535,508</u>	<u>1,892,194</u>	<u>3,815,664</u>	<u>700,000</u>	<u>6,670,194</u>
Total liabilities and fund balances	<u>\$ 401,392</u>	<u>\$ 860,932</u>	<u>\$ 22,747</u>	<u>\$ 130,432</u>	<u>\$ 535,508</u>	<u>\$ 2,011,046</u>	<u>\$ 3,917,358</u>	<u>\$ 700,000</u>	<u>\$ 8,579,415</u>

CITY OF DORAL, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Special Revenue				Capital Projects				
	Law Enforcement Trust Fund	People's Transportation Plan Fund	Emergency Grant Fund	Building Technology Fund	Capital Improvement Projects Fund	Police Impact Fee Fund	Park Impact Fee Fund	Infrastructure Replacement Fund	Total
Revenues:									
Intergovernmental revenues	\$ -	\$ 2,508,437	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,508,437
Charges for services	-	-	-	130,432	-	-	-	-	130,432
Grants and contributions	96,959	-	22,747	-	-	-	-	-	119,706
Impact fees	-	-	-	-	-	944,299	1,229,578	-	2,173,877
Other revenues	-	-	11,683	-	-	-	-	-	11,683
Interest income	-	-	-	-	-	17,421	44,607	-	62,028
Total revenues	<u>96,959</u>	<u>2,508,437</u>	<u>34,430</u>	<u>130,432</u>	<u>-</u>	<u>961,720</u>	<u>1,274,185</u>	<u>-</u>	<u>5,006,163</u>
Expenditures:									
Current:									
General government	-	-	13,122	-	-	-	-	-	13,122
Police	54,761	-	6,295	-	-	-	-	-	61,056
Public works	-	1,635,000	933,394	-	32,053	-	-	-	2,600,447
Parks and recreation	-	-	52,352	-	-	-	3,555	-	55,907
Capital outlay	<u>170,242</u>	<u>790,625</u>	<u>-</u>	<u>-</u>	<u>4,055</u>	<u>629,846</u>	<u>649,031</u>	<u>-</u>	<u>2,243,799</u>
Total expenditures	<u>225,003</u>	<u>2,425,625</u>	<u>1,005,163</u>	<u>-</u>	<u>36,108</u>	<u>629,846</u>	<u>652,586</u>	<u>-</u>	<u>4,974,331</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(128,044)</u>	<u>82,812</u>	<u>(970,733)</u>	<u>130,432</u>	<u>(36,108)</u>	<u>331,874</u>	<u>621,599</u>	<u>-</u>	<u>31,832</u>
Other financing sources (uses)									
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>500,000</u>
Net changes in fund balance	(128,044)	82,812	(970,733)	130,432	(36,108)	331,874	621,599	500,000	531,832
Fund balances, beginning, as restated (Note XIII)	<u>457,163</u>	<u>478,051</u>	<u>(322,853)</u>	<u>-</u>	<u>571,616</u>	<u>1,560,320</u>	<u>3,194,065</u>	<u>200,000</u>	<u>6,138,362</u>
Fund balances, ending	<u>\$ 329,119</u>	<u>\$ 560,863</u>	<u>\$ (1,293,586)</u>	<u>\$ 130,432</u>	<u>\$ 535,508</u>	<u>\$ 1,892,194</u>	<u>\$ 3,815,664</u>	<u>\$ 700,000</u>	<u>\$ 6,670,194</u>

CITY OF DORAL, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PEOPLE'S TRANSPORTATION PLAN FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	People's Transportation Plan Fund			Variance with
	Budgeted Amounts		Actual	Final Budget
	Original	Final	Amounts	Positive
				(Negative)
Revenues:				
Intergovernmental revenues	\$ 2,244,534	\$ 2,244,534	\$ 2,508,437	\$ 263,903
Expenditures:				
Current:				
Public works	2,143,222	2,469,907	2,425,625	44,282
Excess (deficiency) of revenues over (under)				
expenditures before other financing sources	101,312	(225,373)	82,812	308,185
Other financing sources (uses)				
Appropriation of prior year fund balance	-	326,685	-	(326,685)
Net change in fund balance	\$ 101,312	\$ 101,312	\$ 82,812	\$ (18,500)

CITY OF DORAL, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL IMPROVEMENT PROJECTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Capital Improvement Projects Fund			Variance with
	Budgeted Amounts		Actual	Final Budget
	Original	Final	Amounts	Positive
				(Negative)
Revenues:				
Grant revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Public works	257,708	685,553	36,108	649,445
Excess (deficiency) of revenues over (under)				
expenditures before other financing sources	(257,708)	(685,553)	(36,108)	649,445
Other financing sources (uses)				
Transfers in	-	-	-	-
Appropriation of prior year fund balance	257,708	685,553	-	(685,553)
Total other financing sources (uses)	257,708	685,553	-	(685,553)
Net change in fund balance	\$ -	\$ -	\$ (36,108)	\$ (36,108)

CITY OF DORAL, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PARK IMPACT FEE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Park Impact Fee Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Impact fees	\$ 400,000	\$ 400,000	\$ 1,229,578	\$ 829,578
Interest income	10,000	10,000	44,607	34,607
Total revenues	410,000	410,000	1,274,185	864,185
Expenditures:				
Current:				
Parks and recreation	920,204	2,812,793	652,586	2,160,207
Excess (deficiency) of revenues over (under)				
expenditures before other financing sources	(510,204)	(2,402,793)	621,599	3,024,392
Other financing sources (uses)				
Appropriation of prior year fund balance	510,204	2,402,793	-	(2,402,793)
Net change in fund balance	\$ -	\$ -	\$ 621,599	\$ 621,599

CITY OF DORAL, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
INFRASTRUCTURE REPLACEMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Infrastructure Replacement Fund			Variance with
	Budgeted Amounts		Actual	Final Budget
	Original	Final	Amounts	Positive
				(Negative)
Revenues:				
Grant revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Public works	-	-	-	-
Excess (deficiency) of revenues over (under)				
expenditures before other financing sources	-	-	-	-
Other financing sources (uses)				
Transfers in	500,000	500,000	500,000	-
Net change in fund balance	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ -</u>

CITY OF DORAL, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
POLICE IMPACT FEE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Police Impact Fee Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Impact fees	\$ 405,000	\$ 405,000	\$ 944,299	\$ 539,299
Interest income	-	-	17,421	17,421
Total revenues	405,000	405,000	961,720	556,720
Expenditures:				
Current:				
Police	389,000	1,115,469	629,846	485,623
Excess (deficiency) of revenues over (under)				
expenditures before other financing sources	16,000	(710,469)	331,874	1,042,343
Other financing sources (uses)				
Appropriation of prior year fund balance	-	726,469	-	(726,469)
Net change in fund balance	\$ 16,000	\$ 16,000	\$ 331,874	\$ 315,874

STATISTICAL SECTION

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	70-73
Revenue Capacity <i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	74-77
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	78-81
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	82-83
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	84-86

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 POSITION BY COMPONENT *
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
Net investment in capital assets **	\$ 41,662,505	\$ 92,251,381	\$ 119,771,884	\$ 141,379,804	\$ 141,542,303	\$ 143,180,968	\$ 152,045,423	\$ 173,839,454	\$ 194,181,019	\$ 199,225,439
Restricted	5,515,965	10,168,722	11,033,844	13,214,721	18,900,716	20,635,882	27,958,935	24,021,001	24,291,778	24,949,858
Unrestricted	48,331,904	50,479,055	38,183,021	39,117,307	52,132,770	68,520,006	68,462,838	63,459,632	49,639,277	52,722,381
Total governmental activities net position	95,510,374	152,899,158	168,988,749	193,711,832	212,575,789	232,336,856	248,467,196	261,320,087	268,112,074	276,897,678
Business-type activities:										
Net investment in capital assets **	1,090,316	3,558,431	6,974,941	9,998,262	9,981,984	10,251,848	12,719,354	14,759,801	18,074,959	19,593,451
Restricted	9,060,722	11,335,185	10,614,726	11,675,417	13,087,937	15,286,069	14,817,975	15,797,725	14,403,701	14,545,707
Unrestricted	-	-	-	-	-	-	-	-	-	-
Total business-type activities net position	10,151,038	14,893,616	17,589,667	21,673,679	23,069,921	25,537,917	27,537,329	30,557,526	32,478,660	34,139,158
Total government:										
Net investment in capital assets **	42,752,821	95,809,812	126,746,825	151,378,066	151,524,287	153,442,816	164,764,777	188,599,255	212,255,978	218,818,890
Restricted	14,576,687	21,503,907	21,648,570	24,890,138	31,988,653	35,921,951	42,776,730	39,818,726	38,695,479	39,495,565
Unrestricted	48,331,904	50,479,055	38,183,021	39,117,307	52,132,770	61,832,414	68,462,838	63,459,632	49,639,277	52,722,381
Total government net position	\$ 105,661,412	\$ 167,792,774	\$ 186,578,416	\$ 215,385,511	\$ 235,645,710	\$ 251,197,181	\$ 276,004,345	\$ 291,877,613	\$ 300,590,734	\$ 311,036,836

* Effective with the implementation of GASB Statement No. 63 in fiscal year 2013, Net Assets was renamed Net Position.

** Effective with the implementation of GASB Statement No. 63 in fiscal year 2013, Invested in Capital Assets, Net of Related Debt was renamed Net Investment in Capital Assets.

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses:										
Governmental activities:										
General government	\$ 9,254,163	\$ 9,395,586	\$ 9,377,567	\$ 8,798,055	\$ 8,204,661	\$ 8,389,824	\$ 11,600,181	\$ 13,092,689	\$ 12,405,273	\$ 12,539,571
Public safety	13,272,672	13,309,746	13,075,987	12,965,522	12,489,625	13,407,671	14,465,522	20,704,715	21,344,326	24,067,740
Building department	2,681,306	2,409,914	2,385,076	2,233,942	2,596,095	2,864,600	3,459,627	3,876,139	4,094,040	3,735,068
Planning & zoning department	1,490,300	1,756,263	1,611,160	1,675,114	1,646,449	1,659,889	2,029,350	2,210,100	2,125,245	2,108,115
Public works	2,449,170	4,436,348	4,185,763	4,252,964	5,532,198	6,080,384	7,134,089	7,962,384	7,936,725	9,868,032
Parks and recreation	2,933,542	3,581,420	3,142,369	5,098,902	5,181,129	4,721,102	5,312,829	6,313,838	7,963,268	8,587,610
Mitigation/ QNIP	380,362	6,407,677	381,493	-	-	-	-	-	-	-
Interest on long-term debt	920,428	1,006,180	1,069,561	868,321	963,412	830,011	730,862	673,704	638,210	612,168
Total governmental activities	<u>33,381,943</u>	<u>42,303,134</u>	<u>35,228,976</u>	<u>35,892,820</u>	<u>36,613,569</u>	<u>37,953,481</u>	<u>44,732,460</u>	<u>54,833,569</u>	<u>56,507,087</u>	<u>61,518,304</u>
Business-type activities:										
Stormwater utility	<u>805,418</u>	<u>2,238,982</u>	<u>1,554,642</u>	<u>1,381,554</u>	<u>2,786,111</u>	<u>1,802,865</u>	<u>2,435,450</u>	<u>1,878,698</u>	<u>2,258,913</u>	<u>2,338,791</u>
Total business-type activities	<u>805,418</u>	<u>2,238,982</u>	<u>1,554,642</u>	<u>1,381,554</u>	<u>2,786,111</u>	<u>1,802,865</u>	<u>2,435,450</u>	<u>1,878,698</u>	<u>2,258,913</u>	<u>2,338,791</u>
Total government expenses	<u>\$ 34,187,361</u>	<u>\$ 44,542,116</u>	<u>\$ 36,783,618</u>	<u>\$ 37,274,374</u>	<u>\$ 39,399,680</u>	<u>\$ 39,756,346</u>	<u>\$ 47,167,910</u>	<u>\$ 56,712,267</u>	<u>\$ 58,766,000</u>	<u>\$ 63,857,095</u>
Program revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 976	\$ 128,823	\$ 112,836	\$ 125,626	\$ 132,997	\$ 21,223	\$ 24,405	\$ 25,551	\$ 21,152	\$ 24,555
Building department	3,263,765	2,812,662	4,412,564	4,957,425	7,021,431	6,952,601	9,266,485	9,347,590	6,062,045	7,988,012
Planning & zoning department	855,403	914,770	996,774	1,148,344	1,334,366	2,202,349	1,825,735	2,185,310	1,923,968	2,117,552
Public safety	1,420,671	1,186,253	1,281,524	2,387,197	1,902,291	2,023,454	2,498,809	2,432,741	1,667,871	3,428,153
Public works	851,038	290,544	908,130	1,925,115	1,890,988	2,791,693	6,217,993	3,023,982	1,539,514	3,087,764
Parks/recreation	429,071	728,160	1,762,181	2,075,532	2,231,399	1,673,723	3,843,519	3,287,354	1,025,472	2,110,429
Operating grants and contributions										
General government	40,586	-	-	-	-	-	-	-	322,852	22,747
Parks/recreation	-	-	-	-	-	-	-	460,000	128,003	-
Public safety	8,863	-	-	-	300,000	91,360	5,584	11,354	14,983	96,959
Capital grants and contributions										
General government	147,000	-	-	35,372	-	-	86,492	-	2,785,380	294,483
Public safety	-	-	-	1,686,744	20,986	23,112	216,415	16,025	16,633	-
Public works	764,951	732,460	947,429	161,348	204,866	1,115,394	560,590	1,288,040	1,592,806	280,024
Parks/recreation	<u>5,828,755</u>	<u>-</u>	<u>-</u>	<u>2,500</u>	<u>-</u>	<u>2,671</u>	<u>5,500</u>	<u>450,566</u>	<u>166,000</u>	<u>-</u>
Total governmental activities program revenues	<u>13,611,079</u>	<u>6,793,672</u>	<u>10,421,438</u>	<u>14,505,203</u>	<u>15,039,324</u>	<u>16,897,580</u>	<u>24,551,527</u>	<u>22,528,513</u>	<u>17,266,679</u>	<u>19,450,678</u>
Business-type activities:										
Charges for services:										
Stormwater utility	2,899,271	3,752,026	3,803,236	3,796,658	3,848,250	3,733,063	3,827,559	3,855,651	3,906,429	3,896,240
Operating grants and contributions	-	369,815	360,407	-	-	-	-	-	-	-
Capital grants and contributions	-	-	-	1,595,521	257,523	505,487	506,039	750,000	-	-
Total business-type activities program revenues	<u>2,899,271</u>	<u>4,121,841</u>	<u>4,163,643</u>	<u>5,392,179</u>	<u>4,105,773</u>	<u>4,238,550</u>	<u>4,333,598</u>	<u>4,605,651</u>	<u>3,906,429</u>	<u>3,896,240</u>
Total program revenues	<u>\$ 16,510,350</u>	<u>\$ 10,915,513</u>	<u>\$ 14,585,081</u>	<u>\$ 19,897,382</u>	<u>\$ 19,145,097</u>	<u>\$ 21,136,130</u>	<u>\$ 28,885,125</u>	<u>\$ 27,134,164</u>	<u>\$ 21,173,108</u>	<u>\$ 23,346,918</u>
Net (expense) revenue:										
Governmental activities	<u>\$ (19,770,864)</u>	<u>\$ (35,509,462)</u>	<u>\$ (24,807,538)</u>	<u>\$ (21,387,617)</u>	<u>\$ (21,574,245)</u>	<u>\$ (21,055,901)</u>	<u>\$ (20,180,933)</u>	<u>\$ (32,305,056)</u>	<u>\$ (39,240,408)</u>	<u>\$ (42,067,626)</u>
Business-type activities	<u>2,093,853</u>	<u>1,882,859</u>	<u>2,609,001</u>	<u>4,010,625</u>	<u>1,319,662</u>	<u>2,435,685</u>	<u>1,898,148</u>	<u>2,726,953</u>	<u>1,647,516</u>	<u>1,557,449</u>
Total net expense	<u>\$ (17,677,011)</u>	<u>\$ (33,626,603)</u>	<u>\$ (22,198,537)</u>	<u>\$ (17,376,992)</u>	<u>\$ (20,254,583)</u>	<u>\$ (18,620,216)</u>	<u>\$ (18,282,785)</u>	<u>\$ (29,578,103)</u>	<u>\$ (37,592,892)</u>	<u>\$ (40,510,177)</u>
General revenues:										
Governmental activities:										
Taxes:										
Property taxes	\$ 25,389,666	\$ 22,448,001	\$ 19,868,535	\$ 19,766,557	\$ 17,031,372	\$ 15,383,682	\$ 17,103,609	\$ 17,937,470	\$ 19,871,386	\$ 21,899,811
Utility taxes	6,151,070	6,452,449	6,600,735	6,803,372	7,271,270	7,915,628	8,012,390	8,429,829	8,654,764	9,507,908
Communications services tax	4,743,877	5,205,814	4,920,479	5,080,171	4,980,273	5,519,464	4,846,707	4,246,691	3,965,885	4,162,963
Franchise taxes	5,703,733	5,887,483	4,344,291	4,947,073	4,597,851	3,982,872	4,047,368	4,175,420	3,716,350	4,875,966
Intergovernmental	2,665,510	3,136,493	3,560,046	4,717,657	6,678,764	7,074,393	7,661,687	8,323,509	8,738,724	9,581,738
Investment earnings and other	2,496,612	890,892	765,501	561,988	199,726	358,342	703,354	832,653	637,388	750,535
Other revenue	-	-	-	3,653,477	-	-	-	-	-	-
Miscellaneous	277,442	322,575	566,532	580,405	409,337	582,588	623,750	1,212,375	447,898	720,753
Total governmental activities	<u>47,427,910</u>	<u>44,343,707</u>	<u>40,626,119</u>	<u>46,110,700</u>	<u>41,168,593</u>	<u>40,816,969</u>	<u>42,998,865</u>	<u>45,157,947</u>	<u>46,032,395</u>	<u>51,499,674</u>
Business-type activities:										
Investment earnings and other	240,321	264,004	87,050	73,387	18,154	42,310	91,084	293,424	273,618	103,049
Total business-type activities	<u>240,321</u>	<u>264,004</u>	<u>87,050</u>	<u>73,387</u>	<u>18,154</u>	<u>42,310</u>	<u>91,084</u>	<u>293,424</u>	<u>273,618</u>	<u>103,049</u>
Total general revenues	<u>\$ 47,668,231</u>	<u>\$ 44,607,711</u>	<u>\$ 40,713,169</u>	<u>\$ 46,184,087</u>	<u>\$ 41,186,747</u>	<u>\$ 40,859,279</u>	<u>\$ 43,089,949</u>	<u>\$ 45,451,371</u>	<u>\$ 46,306,013</u>	<u>\$ 51,602,723</u>
Debt forgiveness	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 271,010</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Change in net position:										
Governmental activities	<u>\$ 27,657,046</u>	<u>\$ 8,834,245</u>	<u>\$ 16,089,591</u>	<u>\$ 24,723,083</u>	<u>\$ 19,594,348</u>	<u>\$ 19,761,068</u>	<u>\$ 22,817,932</u>	<u>\$ 12,852,891</u>	<u>\$ 6,791,987</u>	<u>\$ 9,432,048</u>
Business-type activities	<u>2,334,174</u>	<u>2,146,863</u>	<u>2,696,051</u>	<u>4,084,012</u>	<u>1,337,816</u>	<u>2,477,995</u>	<u>1,989,232</u>	<u>3,020,377</u>	<u>1,921,134</u>	<u>1,660,498</u>
Total change in net position	<u>\$ 29,991,220</u>	<u>\$ 10,981,108</u>	<u>\$ 18,785,642</u>	<u>\$ 28,807,095</u>	<u>\$ 20,932,164</u>	<u>\$ 22,239,063</u>	<u>\$ 24,807,164</u>	<u>\$ 15,873,268</u>	<u>\$ 8,713,121</u>	<u>\$ 11,092,546</u>

* Effective with the implementation of GASB Statement No. 63 in fiscal year 2013, Net Assets was renamed Net Position.

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

	Fiscal Year									
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General fund:										
Reserved	\$ 1,899,761	\$ 11,410,036	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved and designated	-	26,775,000	-	-	-	-	-	-	-	-
Unreserved	41,344,944	13,063,995	-	-	-	-	-	-	-	-
Nonspendable	-	-	335,440	388,354	161,833	200,816	8,790	9,152	96,804	9,152
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	5,335,272	4,141,453	7,934,049	8,976,944	14,490,186	22,278,672	23,293,824	27,442,956
Unassigned	-	-	20,888,609	35,075,273	45,852,964	61,431,181	62,545,560	53,496,629	40,952,976	44,458,987
Total general fund	<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>	<u>75,784,453</u>	<u>64,343,604</u>	<u>71,911,095</u>
All other governmental funds:										
Reserved	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	5,559,535	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	11,033,844	11,324,481	14,781,778	15,602,116	9,943,141	11,604,935	10,102,699	11,845,952
Committed	-	-	12,858,436	225,891	3,694,235	4,762,862	18,015,794	12,416,066	14,189,079	13,103,906
Assigned	-	-	-	-	424,703	270,904	-	-	-	-
Unassigned	-	-	-	2,595,027	-	-	-	-	-	(1,293,586)
Total all other governmental funds	<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>	<u>24,021,001</u>	<u>24,291,778</u>	<u>23,656,272</u>
Total governmental funds	<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>	<u>\$ 99,805,454</u>	<u>\$ 88,635,382</u>	<u>\$ 95,567,367</u>

Note: New fund balance classifications added beginning Fiscal Year 2011 with the implementation of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Ad valorem taxes	\$ 25,389,666	\$ 22,448,001	\$ 19,868,535	\$ 19,766,557	\$ 17,031,372	\$ 15,383,682	\$ 17,103,609	\$ 17,937,470	\$ 19,871,386	\$ 21,899,811
Franchise fees	5,703,733	5,887,483	4,344,291	4,947,073	4,597,851	3,982,872	4,047,368	4,175,420	3,716,350	4,875,966
Utility taxes	6,151,070	6,452,449	6,600,735	6,803,372	7,271,270	7,915,628	8,012,390	8,429,829	8,654,764	9,507,908
Communications services tax	4,743,877	5,205,814	4,920,479	5,080,171	4,980,273	5,519,464	4,846,707	4,246,691	3,965,885	4,162,963
Impact fees	-	-	-	-	-	-	10,057,455	6,255,126	1,971,620	5,006,392
Licenses, permits and fines	5,189,771	4,820,997	6,282,078	8,033,873	10,410,450	11,303,153	12,940,075	11,826,690	8,136,793	11,242,777
Intergovernmental revenue	3,238,317	3,136,493	3,560,046	4,717,655	6,678,764	7,074,393	7,661,687	8,323,509	8,738,724	9,581,738
Grants	3,822,869	732,460	1,948,862	1,885,964	225,852	1,141,177	874,581	2,225,985	2,391,277	419,730
Charges for services	1,058,346	1,240,215	2,190,498	4,585,368	4,103,022	4,361,890	679,416	2,220,712	2,131,609	2,507,296
Investment income	2,496,612	890,892	765,501	561,988	199,726	358,342	703,354	832,653	637,388	750,535
County contributions	2,967,286	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	3,653,477	-	-	-	-	-	-
Miscellaneous	277,442	322,575	566,532	580,405	709,337	673,948	623,750	1,212,375	447,898	720,753
Total revenues	<u>61,038,989</u>	<u>51,137,379</u>	<u>51,047,557</u>	<u>60,615,903</u>	<u>56,207,917</u>	<u>57,714,549</u>	<u>67,550,392</u>	<u>67,686,460</u>	<u>60,663,694</u>	<u>70,675,869</u>
Expenditures:										
Current:										
General government	7,944,991	7,607,245	7,289,967	7,762,037	7,098,768	6,872,927	10,486,031	11,043,543	11,583,418	11,448,798
Public safety	12,424,819	12,174,931	11,925,430	11,409,610	11,770,981	12,867,951	14,275,190	16,248,248	18,107,004	19,842,737
Building department	2,595,514	2,324,468	2,323,994	2,190,425	2,479,507	2,700,697	3,231,640	3,687,055	3,941,333	3,673,008
Planning & zoning department	660,443	940,664	733,300	763,577	770,265	740,026	851,650	964,477	867,144	791,404
Public works	4,337,079	2,795,827	2,320,683	2,407,942	3,222,023	3,427,931	4,771,966	5,519,159	5,589,507	7,316,477
Parks and recreation	4,043,174	3,498,325	3,043,217	3,348,673	3,473,086	3,028,267	3,631,397	4,643,925	5,445,439	5,259,208
Mitigation/ QNIP	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	1,210,561	1,215,899	1,282,484
Capital outlay *	-	4,926,791	30,253,895	26,259,761	5,453,543	6,813,343	13,550,419	27,666,312	23,176,503	11,871,138
Debt service:										
Principal retirement	1,114,022	1,716,599	2,051,185	1,418,030	1,115,679	1,144,018	1,156,686	1,207,181	1,258,903	1,312,750
Interest and other fiscal charges	897,471	946,820	1,074,478	872,745	886,221	839,730	741,013	694,016	648,616	623,027
Total expenditures	<u>52,597,270</u>	<u>44,131,166</u>	<u>62,235,874</u>	<u>57,317,025</u>	<u>37,108,835</u>	<u>39,319,288</u>	<u>53,791,744</u>	<u>72,884,477</u>	<u>71,833,766</u>	<u>63,421,031</u>
Excess (deficiency) of revenues over expenditures	<u>8,441,719</u>	<u>7,006,213</u>	<u>(11,188,317)</u>	<u>3,298,878</u>	<u>19,099,082</u>	<u>18,395,261</u>	<u>13,758,648</u>	<u>(5,198,017)</u>	<u>(11,170,072)</u>	<u>7,254,838</u>
Other financing sources (uses):										
Proceeds from debt	-	152,000	161,500	-	-	-	-	-	-	-
Proceeds from capital leases	-	-	-	-	-	-	-	-	-	-
Transfers in	6,198,327	1,505,339	18,906,970	4,000,000	2,224,635	-	-	400,000	4,240,000	500,000
Transfers out	(6,198,327)	(1,505,339)	(18,906,970)	(4,000,000)	(2,224,635)	-	-	(400,000)	(4,240,000)	(500,000)
Total other financing sources (uses)	<u>-</u>	<u>152,000</u>	<u>161,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 8,441,719</u>	<u>\$ 7,158,213</u>	<u>\$ (11,026,817)</u>	<u>\$ 3,298,878</u>	<u>\$ 19,099,082</u>	<u>\$ 18,395,261</u>	<u>\$ 13,758,648</u>	<u>\$ (5,198,017)</u>	<u>\$ (11,170,072)</u>	<u>\$ 7,254,838</u>
Debt service as a percentage of non-capital expenditures	3.82%	6.79%	9.77%	7.38%	6.32%	6.10%	4.72%	4.20%	3.92%	3.76%

* Previously reported under department expenditures

CITY OF DORAL, FLORIDA

NET ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year Ended <u>September 30,</u>	<u>Real Property</u>		<u>Personal Property</u>	<u>Total Net Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Value</u>	Net Assessed Value as a Percentage of Estimated Actual <u>Value</u>
	<u>Residential Property</u>	<u>Commercial Property</u>					
2009	\$ 4,997,550,490	\$ 5,411,565,887	\$ 644,981,156	\$ 11,054,097,533	2.447	\$ 12,229,257,290	90.39%
2010	3,851,279,699	5,507,774,735	613,267,534	9,972,321,968	2.447	11,174,284,560	89.24%
2011	3,222,909,584	5,101,021,138	586,225,597	8,910,156,319	2.447	10,117,129,080	88.07%
2012	3,161,978,948	4,748,006,395	579,454,649	8,489,439,992	2.437	9,652,779,732	87.95%
2013	3,312,983,103	4,772,615,450	576,831,880	8,662,430,433	2.222	9,820,741,652	88.21%
2014	3,551,392,971	4,707,004,491	594,060,023	8,852,457,485	1.928	10,031,714,952	88.24%
2015	4,035,545,395	4,783,211,865	687,192,078	9,505,949,338	1.928	10,712,832,422	88.73%
2016	4,497,349,164	4,974,418,342	684,094,294	10,155,861,800	1.900	11,409,937,794	89.01%
2017	5,180,142,638	5,236,460,406	728,647,555	11,145,250,599	1.900	12,509,326,020	89.10%
2018	5,750,584,484	5,607,856,384	893,624,700	12,252,065,568	1.900	13,757,962,873	89.05%

Source: Miami-Dade County Property Appraiser's Tax Roll

Note: Schedule has been updated to properly align assessed tax roll values and estimated values to equivalent fiscal year
Property in the City is reassessed each year. Taxable property is assessed at 100% of estimated actual value and reduced by various statutory
exemptions.
Tax rates are per \$1,000 of assessed value.

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

		City of Doral		Overlapping Rates (1)													Total Direct and Overlapping Rates	
					Miami-Dade County			Miami-Dade Fire & Rescue			Miami-Dade Schools							
Fiscal Year	Tax Roll Year	General Operations	Total City	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total Fire Millage	Operating Millage	Debt Service Millage	Total School Millage	Other	SFWMD Millage	FIND Millage	Total State Millage		
2009	2008	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	
2010	2009	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	
2011	2010	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	
2012	2011	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	
2013	2012	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	
2014	2013	1.928	1.928	4.704	0.422	5.126	2.449	0.013	2.462	7.644	0.333	7.977	0.731	0.352	0.035	0.387	18.611	
2015	2014	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	0.192	18.653	
2016	2015	1.900	1.900	4.667	0.450	5.117	2.421	0.009	2.429	7.413	0.199	7.612	0.993	0.146	0.032	0.178	18.229	
2017	2016	1.900	1.900	4.667	0.400	5.067	2.421	0.008	2.428	7.138	0.184	7.322	0.979	0.136	0.032	0.168	17.864	
2018	2017	1.900	1.900	4.667	0.400	5.067	2.421	0.008	2.428	6.774	0.220	6.994	0.934	0.128	0.032	0.160	17.482	

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

2018				2009			
<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	\$ 218,200,204	1	1.78%	CENTURY GRAND ONE LLP	\$ 227,718,080	1	2.06%
WEST DADE COUNTY ASSOCIATES	146,500,000	2	1.20%	PSBP INDUSTRIAL LLC	189,411,191	2	1.71%
TRUMP ENDEAVOR 12 LLC	85,718,240	3	0.70%	KOALA MIAMI REALTY HOLDINGS	135,288,568	3	1.22%
PARK SQUARE MASTER LLC	83,000,000	4	0.68%	WEST DADE COUNTY ASSOCIATES	124,700,000	4	1.13%
SUMMIT PROPERTIES PARTNERSHIP	75,920,915	5	0.62%	BLUEVIEW GOLF VILLAS LLC	83,707,164	5	0.76%
RREF III DORAL OFFICE LLC	71,282,740	6	0.58%	KSL HOTEL CORPORATION	72,655,930	6	0.66%
PPF AMLI 11481 NW 41ST LLC	62,800,000	7	0.51%	SUMMIT PROPERTIES LP	69,501,246	7	0.63%
AERC DORAL WEST LLC	62,710,000	8	0.51%	AMB PROPERTY LP	64,401,411	8	0.58%
LIT INDUSTRIAL LP	62,695,000	9	0.51%	FDG BEACON COMMONS LLC	62,969,800	9	0.57%
MCP THE PALMS AT DORAL LLC	61,400,000	10	0.50%	CV MIAMI LLC	58,328,591	10	0.53%
	<u>\$ 930,227,099</u>		<u>7.59%</u>		<u>\$1,088,681,981</u>		<u>9.85%</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>	(1) 4% Property Tax <u>Discount</u>	Net Tax <u>Levy</u>	Collected within the Fiscal Year of the Levy		(2) Delinquent Tax <u>Collections</u>	Total Collections to Date	
				<u>Amount</u>	<u>Percent of Levy</u>		<u>Amount</u>	<u>Percent of Levy</u>
2009	\$ 27,027,910	\$ 1,081,116	\$ 25,946,794	\$25,389,666	97.85%	\$ - (3)	\$25,389,666	97.85%
2010	24,452,449	978,098	23,474,351	20,938,455	89.20%	1,509,546	22,448,001	95.63%
2011	21,835,721	873,429	20,962,292	19,658,043	93.78%	337,575	19,995,618	95.39%
2012	20,702,813	828,113	19,874,700	19,343,191	97.33%	296,282	19,639,473	98.82%
2013	19,239,897	769,596	18,470,301	17,031,372	92.21%	29,824	17,061,195	92.37%
2014	17,125,527	685,021	16,440,506	15,383,682	93.57%	8,744	15,392,426	93.63%
2015	18,327,478	733,099	17,594,379	17,101,157	97.20%	8,205	17,109,362	97.24%
2016	19,296,304	771,852	18,524,452	17,594,091	94.98%	2,636	17,596,727	94.99%
2017	21,156,410	846,256	20,310,154	19,367,300	95.36%	504,086	19,871,386	97.84%
2018	22,953,053	918,122	22,034,931	21,354,285	96.91%	545,526	21,899,811	99.39%

Source: City of Doral Finance Department and Miami-Dade County Property Appraiser's Office (DR420).

Notes: Schedule was revised to show total taxes levied from the Florida Department of Revenue, Certification of Taxable Value Form DR420, adjusted by the 4% discount allowed for timely payments.

(1) Florida law allows up to a 4% discount for timely payment of property taxes.

(2) Includes penalties and interest.

(3) Delinquent tax collection information is not available.

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</u>	<u>Total</u>	Percentage of Personal <u>Income (1)</u>	Debt <u>Per Capita</u>
	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Revenue</u> <u>Bonds</u>	<u>QNIP</u> <u>Bonds</u>	<u>Activities</u> <u>Revenue</u> <u>Bonds</u>			
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
2016	-	13,647,621	2,622,565	6,867,876	23,138,062	1.42%	390
2017	-	12,628,773	2,382,510	6,440,554	21,451,837	1.20%	334
2018	-	11,564,894	2,133,640	5,998,248	19,696,782	1.01%	289

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, 2018

<u>Government Unit</u>	2018		
	<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	\$ 13,698,534	100.00%	\$ 13,698,534
Overlapping Debt:			
Miami-Dade County (1)	1,837,515,000	4.5460%	83,533,432
Miami-Dade County School Board (1)	980,501,000	4.5460%	<u>44,573,575</u>
Subtotal, Overlapping Debt			128,107,007
Total Direct and Overlapping Debt			<u>\$ 141,805,541</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>
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
2016	59,304	72,933	4.3%	1,627,242
2017	64,167	74,174	4.3%	1,790,515
2018	68,244	76,184	3.7%	1,959,353

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) Total Personal Income = Population x per capita income

CITY OF DORAL, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2018				2009			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	Percentage of Total City <u>Employment</u>	<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	Percentage of Total City <u>Employment</u>
CARNIVAL CRUISE LINES	2,380	1	2.78%	CARNIVAL CORPORATION	2,380	1	4.79%
UNIVISION NETWORK LTD PARTNERSHIP	900	2	1.05%	SUPERB AUTO SALES	2,100	2	4.23%
TRUMP ENDEAVOR 12 LLC	800	3	0.94%	BOSTON SCIENTIFIC	1,200	3	2.42%
LEON MEDICAL CENTER INC	760	4	0.89%	MARRIOTT INTERNATIONAL	1,031	4	2.07%
MIAMI HERALD MEDIA COMPANY	635	5	0.74%	UNIVISION NETWORK LTD	800	5	1.61%
SUPREME INTERNATIONAL CORPORATION	525	6	0.61%	AMADEUS NORTH AMERICA, LLC	462	6	0.93%
AMADEUS NORTH AMERICA LLC	450	7	0.53%	SUPREME INTERNATIONAL CORPORATION	420	7	0.85%
PERRY ELLIS INTERNATIONAL, INC	420	8	0.49%	PERRY ELLIS INTERNATIONAL	420	7	0.85%
BLUE CROSS AND BLUE SHIELD OF FLORIDA	412	9	0.48%	BLUE CROSS AND BLUE SHIELD OF FLORIDA	412	8	0.83%
BRINKS INCORPORATED	366	10	0.43%	BRINKS INCORPORATED	366	9	0.74%
Total	7,648			GOLD COAST BEVERAGE DISTRIBUTORS	286	10	0.58%
					9,877		

Source: Data provided by the City of Doral's Planning & Zoning Department

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Number of Employees:										
City Council	1	1	1	1	2	11	10	10	10	10
City Manager's Office**	6	7	8	8	8	9	13	14	13	12
City Clerk's Office	3	3	3	3	4	4	3	3	3	3
City Attorney's Office *	1	1	1	1	1	1	1	1	1	1
Finance Department	6	7	7	7	7	10	11	11	11	11
Procurement***	-	-	-	1	2	-	-	-	-	-
Police Department	124	133	135	118	125	138	150	164	168	173
Building and Permitting	30	30	29	29	29	32	37	38	37	35
Planning & Zoning	7	7	7	8	8	7	9	9	8	9
Code Compliance	10	12	12	12	14	14	16	14	15	15
Public Works	15	17	17	19	21	25	27	32	34	35
Parks and Recreation	36	35	35	34	37	45	43	50	61	61
Human Resources	3	3	3	3	4	3	4	4	5	6
IT	7	7	8	8	7	6	10	13	15	16
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Number of Employees	<u>249</u>	<u>263</u>	<u>266</u>	<u>252</u>	<u>267</u>	<u>305</u>	<u>334</u>	<u>363</u>	<u>381</u>	<u>387</u>

Source: City of Doral Finance Department

The City was incorporated on June 24, 2003.

* Includes contractual personnel.

** The City Manager's Office includes the Divisions of Public Affairs and Economic Development

*** The Procurement Division was combined with the Finance Department starting in FY 2014

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

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Public safety:										
Police:										
Police personnel and officers	124	133	135	118	125	138	150	158	168	173
Police calls for service	29,308	46,270	30,291	40,437	36,784	40,877	25,620	29,623	30,459	25,019
Planning and development:										
Building permits issued	3,730	3,755	4,611	5,352	8,743	5,425	9,546	10,093	7,831	5,749

Sources: Various City Departments

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

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

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</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	2	2	2	2
Shifts	3	3	3	3	2	2	2	4	4	4
Fire:										
Fire stations	2	2	2	2	2	3	3	3	3	3
Planning and development										
Building permits issued	3,730	3,755	4,611	5,352	8,743	5,425	9,546	10,093	7,831	5,749
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	13.00	20.00	20.21	20.68	37.70	39.00	41.04	42.67	45.47	46.22
Transportation:										
Miles of streets	175.0	200.0	177.0	177.5	204.0	205.0	206.0	208.0	210.0	210.0
Number of street lights	410	431	453	457	472	5,304 *	5,417 *	5,428 *	5,502 *	5,502 *
Number of traffic signals	61	66	71	75	68	69	70	72	74	78
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	109.0	110.2	111.2	121.0	121.0	123.0	123.0	123.0	140.3	140.3
Community center	1	1	1	1	1	1	1	1	2	2
Tennis courts	5	5	5	5	5	5	5	5	10	10
Baseball/softball fields	2	2	2	2	2	2	2	2	3	3
Utility system:										
Miles of mains	203.00	383.00	383.00	384.00	381.00	388.95	423.58	448.99	492.00	492.00
Fire hydrants - City of Doral	2,166	2,342	2,342	2,355	2,342	2,347	2,359	2,592	2,937	2,937

Sources: Various City Departments

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

COMPLIANCE SECTION

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, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 25, 2019.

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.

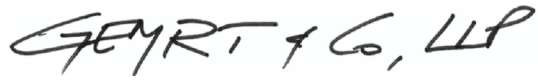
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

A handwritten signature in black ink that reads "GEMRT & Co, LLP". The letters are cursive and somewhat stylized, with the "G" being particularly large and the "&" symbol clearly visible.

Coral Gables, Florida

March 25, 2019

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, 2018, and have issued our report thereon dated March 25, 2019.

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*; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General of the State of Florida. Disclosures in those reports, which are dated March 25, 2019, 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 and Management

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

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

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

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and 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.

A handwritten signature in black ink that reads "GEMRT & Co, LLP". The signature is written in a cursive, stylized font.

Coral Gables, Florida
March 25, 2019

**INDEPENDENT ACCOUNTANTS' 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, 2018. 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, 2018.

GENVRT & CO., LLP

Coral Gables, Florida
March 25, 2019

CITY OF DORAL, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued:	<i>Unmodified</i>
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – OTHER ISSUES

No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to Federal programs or State projects.