

**CITY OF MIRAMAR
PROPOSED CITY COMMISSION AGENDA ITEM**

Meeting Date: March 27, 2019

Presenter's Name and Title: Susan Gooding-Liburd, Chief Financial Officer

Prepared By: Ian J. Thomas, Assistant Director of Financial Services and Elaine Connors, Chief Accountant

Temp. Reso. Number: 6901

Item Description: Temp. Reso. No. 6901, accepting and adopting the Comprehensive Annual Financial Report for the Fiscal Year that ended September 30, 2018, relating to the Annual Audit performed by the City's Independent Auditor, CFLG LLP. (Chief Financial Officer, Susan Gooding-Liburd)

Consent Resolution Ordinance Quasi-Judicial Public Hearing

Instructions for the Office of the City Clerk:

Public Notice – As required by the Sec. ____ of the City Code and/or Sec. ____, Florida Statutes, public notice for this item was provided as follows: on _____ in a _____ ad in the _____; by the posting the property on _____ and/or by sending mailed notice to property owners within _____ feet of the property on _____
(fill in all that apply)

Special Voting Requirement – As required by Sec. _____, of the City Code and/or Sec. _____, Florida Statutes, approval of this item requires a _____ (unanimous, 4/5ths etc.) vote by the City Commission.

Fiscal Impact: Yes No

REMARKS: N/A

Content:

- **Agenda Item Memo from the City Manager to City Commission**
- **Resolution TR 6901**
 - **Exhibit A: 2018 Comprehensive Annual Financial Report**



**CITY OF MIRAMAR
INTEROFFICE MEMORANDUM**

WAB
TO: Mayor, Vice Mayor, & City Commissioners
FROM: Vernon E. Hargray, City Manager *WAB*
BY: Susan Gooding-Liburd, Chief Financial Officer
DATE: March 14, 2019
RE: Temp. Reso. No. 6901, approval of the Comprehensive Annual Financial Report for Fiscal Year 2018

RECOMMENDATION: The City Manager recommends approval of Temp. Reso. No. 6901, accepting and adopting the Comprehensive Annual Financial Report ("CAFR") for the Fiscal Year that ended September 30, 2018.

ISSUE: The City Code requires that a copy of the results of the annual audit be provided to the City Commission.

BACKGROUND: Section 2-205 of the City Code requires the books and records of the City to be audited at the end of each fiscal year. CFLG LLP, the City's independent auditor, performed the annual audit of the City's financial records for the fiscal year that ended September 30, 2018. The attached CAFR was prepared at the conclusion of the audit, and includes the basic financial statements, management discussion and analysis, and other financial reports compiled by City staff. The CAFR also includes reports of the City's independent certified public accountants and other compliance reports prepared by the City's auditors.

For the past 30 years, the City has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. Staff anticipates that this year's CAFR will receive the award as well.

Temp. Reso. No. 6901
1/17/19
3/7/19

**CITY OF MIRAMAR
MIRAMAR, FLORIDA**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF MIRAMAR, FLORIDA, ACCEPTING AND ADOPTING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR THAT ENDED SEPTEMBER 30, 2018, RELATING TO THE ANNUAL AUDIT PERFORMED BY THE CITY'S INDEPENDENT AUDITOR, CFLG LLP; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 2-205 of the City Code requires an annual audit of the City's books and records; and

WHEREAS, CFLG LLP, the City's independent auditor, performed the annual audit of the City's financial records for the fiscal year that ended September 30, 2018; and

WHEREAS, the City Commission has received and reviewed the City's Comprehensive Annual Financial Report (the "CAFR") for the Fiscal Year that ended September 30, 2018, which includes the reports of independent certified public accountants and other reports on compliance prepared by CFLG LLP, as well as reports compiled by City staff; and

WHEREAS, the City Manager recommends acceptance and adoption of the CAFR for Fiscal Year 2018; and

WHEREAS, the City Commission deems it to be in the best interest of the citizens and residents of the City of Miramar to accept and adopt the CAFR for Fiscal Year 2018, attached as "Exhibit A."

Reso. No. _____

Temp. Reso. No. 6901
1/17/19
3/7/19

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF
MIRAMAR, FLORIDA AS FOLLOWS:**

Section 1: That the foregoing “**WHEREAS**” clauses are ratified and confirmed as being true and correct and are made a specific part of this Resolution.

Section 2: That the City Commission accepts and adopts the CAFR for Fiscal Year 2018, attached as Exhibit “A”, including the report of the independent certified public accountants and other compliance reports submitted by the City’s independent auditor, CFLG LLP.

Section 3: That the appropriate City officials are authorized to do all things necessary and expedient to carry out the aims of this Resolution.

Temp. Reso. No. 6901
1/17/19
3/7/19

Section 4: That this Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this _____ day of _____, _____.

Mayor, Wayne M. Messam

Vice Mayor, Yvette Colbourne

ATTEST:

City Clerk, Denise A. Gibbs

I HEREBY CERTIFY that I have approved
this RESOLUTION as to form:

City Attorney
Weiss Serota Helfman
Cole & Bierman, P. L.

<u>Requested by Administration</u>	<u>Voted</u>
Commissioner Winston F. Barnes	_____
Commissioner Maxwell B. Chambers	_____
Vice Mayor Yvette Colbourne	_____
Commissioner Alexandra P. Davis	_____
Mayor Wayne M. Messam	_____

Reso. No. _____

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

Prepared by the Finance Department

**Susan Gooding-Liburd, Chief Financial Officer
Ian Thomas, Assistant Finance Director
Winsome Freeman, Assistant Finance Director
Andrea Pedlar, Assistant Finance Director
Elaine Connors, Chief Accountant
Ian Evans-Smith, Assistant Treasurer
Yenevin Capote, Grants Manager
Mayra Soto, Senior Accountant
Zendra Williams, Utility Billing Manager
Sylwia Abdine, Accounts Payable Supervisor
Donna Cousins, Accountant
Patricia McCarthy, Accountant
Michael Dunn, Accountant
Mark James, Accountant
Fiona Morrell, Accountant
Samantha Mighty, Accounting Systems Analyst**

ABOUT THE COVER

The City of Miramar Fire Rescue Station 107 is a 15,000 square foot LEED silver building that contains administrative space, bunk rooms, utility rooms, a laundry room, exercise room, a full-size commercial kitchen with dining areas and a 6,500 square foot Apparatus Bay which can harbor 6 full size fire engines. The exterior of the building has aesthetically pleasing architectural features that includes the bright red hurricane impact (180 mph) 4-fold Apparatus Bay doors, hurricane impact resistant windows and storefront doors, bright contrasting paint on a stucco finish with site amenities such as an electric car charging station, red bike racks, backlit pop up signage and the Miramar Fire Rescue Team Seal.

At the new Fire Rescue Station, there are also plenty of parking spaces at both the front and the rear of the building along with a dumpster enclosure and a remote operable sliding gate in the rear. Additional features at this new fire station are the fire alerting system which notifies the firemen via electronic LED signs and speakers throughout the fire station as well as the safe air system units which are suspended in the ceiling of the apparatus bays that filter and exhaust the carbon monoxide while the fire trucks are inside the Apparatus Bays. The new fire station also has an LED marquee located on Miramar Parkway which will be used for messages and announcements.

Cover Design Credit: Mark James, Finance Department

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CITY OF MIRAMAR, FLORIDA
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INTRODUCTORY SECTION



CITY OF MIRAMAR

An Equal Opportunity Employer

Mayor

Wayne M. Messam

Vice Mayor

Yvette Colbourne

City Commission

Winston F. Barnes

Maxwell B. Chambers

Alexandra P. Davis

City Manager

Vernon E. Hargray

"We're at the
Center of Everything"

Financial Services
2300 Civic Center Place
Miramar, FL 33025

Phone (954) 602-3116

March 31, 2019

The Honorable Mayor and
Members of the City Commission
City of Miramar
2300 Civic Center Place
Miramar, FL 33025

To the Mayor and City Commissioners:

We are pleased to present the City of Miramar, Florida (the "City") Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2018. The CAFR has been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and activities of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

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

The City's financial statements have been audited by Caballero Fierman Llerena + Garcia, LLP, a firm of licensed certified public accountants. The pension trust funds were audited by other auditors. The goal of the independent audits was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2018, are free of material misstatement. The audits involve 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 auditors have issued an unmodified opinion on the City's financial statements for the fiscal year ended September 30, 2018. The independent auditors' report is located at the front of the financial section of this report.

The management's discussion and analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY

The Legislature of the State of Florida created the City of Miramar in 1955. Miramar resides within Broward County, the second most populated county in the State, occupying approximately 31 square miles in the southwestern portion of the County. The population in Miramar has grown to 137,000 residents, which is an increase of 12.35% from the 2010 census count of 122,000, making Miramar the 4th largest city in Broward County after Fort Lauderdale, Pembroke Pines, and Hollywood.

The City is located on the semi-tropical coastal ridge between the Everglades and the Atlantic Ocean. The terrain is generally flat, with developed land elevations varying from approximately 4 to 22 feet above mean sea level. The sub-tropical climate provides comfortable living year round.

The City operates under a Commission/ Manager form of government. Policymaking and legislative authority are vested in the governing commission, which consists of a Mayor, Vice-Mayor and three Commissioners. The City Commission is vested with policy-setting authority, adopting the annual budget, appointing committees and hiring the City Manager and the City Attorney. The City Manager is responsible for recommending and carrying out the policies and ordinances of the City Commission, appointing the directors of the City's departments with the concurrence of the City Commission, submitting the proposed annual budget, advising the Commission as to the financial condition of the City, and overseeing the day-to-day operations of the City.

Miramar provides a full range of services including police and fire rescue protection; general government; the construction and maintenance of streets and other infrastructure; recreational activities; social services and cultural events. Water services are provided by two water treatment plants located in the east and west portions of the City. Wastewater services are provided by our state of the art Waste Water Reclamation Facility, which treats sewage and then recycles the used water for irrigation purposes. A franchise contractor provides the City's sanitation services.

ECONOMIC CONDITION AND OUTLOOK

The continuous growth over the past few years, in both residential and commercial development, is still continuing in the City though at a much slower pace. The City is currently the 13th largest city in Florida, having moved from the 25th largest city in 2000 and the 41st largest in 1990. With an 12.35% increase in population from 2010, the City continues to be one of the country's fastest growing municipalities.

The availability of large vacant tracts of land has been the catalyst for much of the City's current and projected development potential. The City is centrally located equidistant from the Miami and Fort Lauderdale metropolitan areas. Thus, the City is strategically positioned to benefit from the robust economic activity attracted to these major business centers. Miramar is connected to these metropolitan areas with access to major regional transportation routes, particularly Interstate 75 and the Florida Turnpike. These major transportation arteries provide the most central location in South Florida for industry to have access to the two major airports, the two seaports, as well as the major business centers in Miami-Dade, Broward, and Palm Beach Counties.

The City has long been a preferred locale for major corporations and Fortune 500 companies to call home. The City has achieved the status of being among the most desirable corporate and business centers in South Florida, in part due to its prime location and because of the highly skilled and professional workforce that resides here. Close to a third of the City's residents have a bachelor's degree or higher, and their average household income ranks among the highest locally and statewide. Companies that are a prominent part of the City include Ecolab, Sealand, Kellstrom, iHeart Communications, Comcast, NBC6/Telemundo, Humana, Fanatics, JL Audio and Carnival Cruise Line. Miramar businesses employ over 39,000 employees.

MAJOR INITIATIVES

The City continues to take a fiscally conservative approach to the management of the City's growth and resources. With the adherence to the Business Plan, creation of a Financial Stabilization Account and from the City's prudent and measured response to the recently projected budget shortfalls, the City has been able to continue to provide vital services to our residents and business community while keeping the growth of the budget in check. The City's rapid growth has required us to "catch-up" with our public facilities and services. This year's Capital Improvement Program included both new facilities and the renovation of existing facilities, park expansion, and equipment replacement. The Business Plan and the Capital Improvement Plan (CIP) are integral parts of the City's long-term financial planning.

CIP Accomplishments and Initiatives for Fiscal Year 2018 are outlined below indicating both the challenges and opportunities related to the growth and development currently taking place within the City.

- **Historic Miramar Infrastructure Phase III Project** – Following the tremendous success of the first two phases of the Historic Miramar Infrastructure project, the City undertook the challenge of constructing the third and final phase of the Historic Miramar Infrastructure Phase III project. The objective of the project was to construct a gravity sewer collection system and lift station to eliminate septic tanks within the area bounded by Pembroke Road to the north, SW 25th Street to the south, SW 64th Avenue to the east, and SW 68th Way/Sunshine Blvd. to the west. The project began construction in the summer of 2017. Upon completion, business and property owners in the area will be served by a gravity collection system that reduces the potential of health and environmental risks associated with antiquated septic tank systems, as well as repositioning the Historic Miramar business area for future development opportunities. The project will also improve the area's stormwater management system and will replace the existing water distribution system. The project is programmed to be completed in September 2019.
- **Historic Miramar Fire Hydrants and Line Improvements** – This project will replace inadequate and undersized water pipes located within certain streets of Historic Miramar with larger diameter piping to provide potable water at sufficient pressure and install fire hydrants to provide firefighting capabilities within Historic Miramar service area between SW 64 Avenue and University Drive. This project was completed in June 2018.
- **East Water Treatment Plant Renovation Project** – This project will renovate the existing 6 million gallons per day lime softening facility which was originally built in the 1950s with expansion modifications made during the 1960s. The renovations include the addition of a membrane softening treatment system, which will improve finished water quality and overall treatment reliability, maximize treatment capacity of the existing site and allow ultimate decommissioning of the facility's aging lime softening infrastructure. The project also includes 5 new raw water production wells, a new deep injection well, new water storage tank and required piping. The project began construction in the summer of 2017. The project is programmed to be completed in September 2019.
- **Shirley Branca Park Community Band Shell and Renovations** – This project includes renovations of the two-acre park site, a new band shell, new restroom building and a new splash pad for the enjoyment of the community. This project was completed in November 2017.
- **Monarch Lakes Park** – A passive park with restrooms, pavilion, walkways, lighting, butterfly garden and parking area. This project was completed in August 2018.
- **Ansin Sports Complex Phase III** – The new work comprises existing sport field drainage improvements and lighting improvements to the existing walking trail. This project was completed in May 2018.
- **Fire Rescue Station 107** – Approximately 13,500 sq. ft., this new three apparatus bay fire station also contains office space and support areas and provides additional support to central Miramar

for faster response times. The facility also includes a conference room for use by the community. A Marquee sign was also installed for notifications of community events. This project was completed in February 2018.

- **Historic Miramar Public Safety Complex** – This new 24,000 sq. ft. building complex includes a variety of key public safety functions at a central city location. The proposed site will accommodate the Historic District Police Substation, Crime Lab/Evidence Storage, Logistics, Utility Storage and other related functions. The overall building area will also include administrative offices, a community room for use by residents and civic groups, and a surface lot for various safety vehicles. Project completion is anticipated to be completed in early 2020.
- **Historic Downtown Revitalization** – This project includes construction of Streetscape improvements such as bicycle lanes, lighting, crosswalks, landscaping, pavers and drainage along Miramar Parkway between SW 69 Way and SW 68 Avenue. In addition, this project involves drainage improvements as well as roadway re-surfacing along SW 69 way, in front of Shirley Branca Park. The project has achieved substantial completion and expected to be fully completed and closed out in January 2019.
- **Miramar Parkway Streetscape from SW 64 Avenue to SW 68 Avenue** – The proposed Improvements would utilize complete streets concepts such as adding bike lanes on both sides of street, landscaping, lighting, median improvements, and re-construction of entire curved section of existing roadway at SW 67 Terrace. The construction is expected to start in February 2019 and be completed by the end of 2020.
- **Historic Miramar Complete Streets Phase 2** – Complete street improvements within eight streets located between SW 62 Avenue and SR 7 and between Pembroke Road and County Line Road within Historic Miramar, including sidewalks, ADA ramps, landscaping and pedestrian lighting improvements. The project is expected to be completed by April 2019.
- **Pembroke Road widening from Dykes Road to Silver Shores Blvd** – Widening of Pembroke Road from a two lane roadway to a four lane roadway with landscaped median and lighting improvements between Silver Shores Blvd. and Dykes Road. The project also includes the construction of a ten-foot-high noise wall along the south side of Pembroke Road from Silver Shores Blvd. to Silver Shores Park. Completion is anticipated in fall of 2019.
- **Landscaping & Beautification along Miramar Boulevard and Miramar Parkway** – Landscape improvements along Miramar Blvd from University Drive to Palm Avenue and along Miramar Parkway from SW 69th Way to Palm Avenue. Design and permitting was completed in FY 17. Construction is pending funding availability.
- **Historic Miramar Canal Improvements** - This project provides for repair of the eroded canal/lake banks east of University Drive deemed in "Poor" condition derived from the Engineering Feasibility and Needs Assessment Study completed in 2012. The repairs are completed utilizing sediment-filled geotextile tubes commonly called Geotubes. Construction activities commenced in June 2016 with a total of 142 properties restored to date. Construction activities for Phase IV of the project are scheduled to commence in March 2019 and anticipated to be completed by September 2019
- **Landscaping & Beautification Project on University Drive** – This project involves the replacement and installation of trees and shrubs within the medians on University Drive, from Pembroke Road to Florida Turnpike. Construction activities for the project commenced in January 2019 and are expected to be completed by June 2019.
- **Citywide Embankment Stabilization and Stormwater Management** – This project provides for stormwater management including, Best Management Practices (BMPs) implementation, flood mitigation, and construction of retention ponds in areas where presently there are no

drains. Approximately 300 ft. of corrugated metal pipes have been replaced with reinforced concrete pipes in the Historic area of the City as part of the project. In addition, approximately 2,000 linear feet of curbs were replaced. The project was completed in March 2018.

- **Repair/Replacement of Sidewalks** – Repair and or replacement of existing sidewalks to increase pedestrian mobility, reduce tripping hazards, and enhance the City's efforts at satisfying the Americans with Disability Act (ADA) requirements. Phase I was completed in January 2018 with approximately 2 linear miles of sidewalks replaced. Replacements were prioritized by areas adjacent to and within the proximity of schools, parks and other public facilities, with some repairs along local neighborhood streets. Phase II of the project was completed in September 2018 with an additional 2 linear miles of sidewalks replaced. Phase III of the project is scheduled to begin in March 2019 and anticipated to be completed by September 2019.
- **Air Conditioning Systems Replacement Program** - This project included the replacement of a total of 11 aged air conditioning units at the three city facilities (West Police Sub-station (4), Sunset Lakes Community Center (6) and Vicki Coceano Childcare Facility (1)) with new and more energy-efficient units. The project also funded refurbishment of the main chiller at the Town Center Complex and three HVAC units at the Vernon E. Hargray Youth Enrichment Center to extend their useful life expectancy and improve operational efficiency. The project was completed in April 2018.
- **Area Wide Drainage Improvements - Phases IV, V and VI** - This project is aimed at upgrading and improving the existing drainage infrastructure in the area to alleviate flooding and supporting the City's goal of enhancing the level of service for residents within the service area. The Historic Miramar Drainage Infrastructure Improvements Project area is located in the general area of the City, east of University Drive, south of Pembroke Road, west of State Road 7/US441, and north of County Line Road. The project is being programmed in phases with Phase I and Phase II completed, and Phase III currently under construction. Phases IV, V and VI are programmed for implementation over a period of the next 10 years and were initiated with preparation of the required project planning documents, which was completed in December 2017. Design services for Phase IV of the project are scheduled to commence in March 2019 and anticipated to be completed by December 2019.
- **Street Construction & Resurfacing – Various Locations** – This project is aimed at extending the life of the existing roadways, ensuring that the City's streets are safe and comfortable for motorists, and are free of hazards such as pot holes, depressions, and other roadway deformities. Milling and resurfacing of a total of approximately 7 centerline miles of roadways was completed in January 2019.

Economic Development

Corporate Community

The City has 15 million square feet of non-residential space consisting of office, warehouse, industrial-flex, and community-level retail. Industry sectors represented include finance, insurance, manufacturing & distribution, medical, aviation, and travel/tourism. In 2018 approvals for new development projects totaled 371,000 square feet of non-residential space (retail, medical office) and 1,343 residences (apartments, townhomes, single-family).

Redevelopment

This area of economic development was active in the historic area of the city. The renovation and expansion of County Line Plaza was started; the streetscape project on Miramar Parkway between SW 68th Avenue and SW 69th Way was completed; residential streetscape improvements between SW 64th Avenue and State Road 7 were commenced; design work began for the façade renovation of an existing

34,000 square foot warehouse/retail building on State Road 7; and an affordable housing project in partnership with Habitat for Humanity received approval.

Purchase Assistance – this program provides down payment assistance for income eligible households to purchase property to occupy as their primary residence. Four first-time homebuyers received purchase assistance for the fiscal year ending September 30, 2018.

Residential Utility Connection – this program is provided in conjunction with the infrastructure improvements in Historic Miramar to assist residents with the cost of connecting to the public sanitary sewer system using Community Development Block Grant funds. One household was assisted for the fiscal year ending September 30, 2018. Additional assistance will be provided once the next phase of the infrastructure project is implemented.

FOR THE FUTURE

The City of Miramar's 5-year outlook contains challenges that include rising healthcare and pension costs, a large debt service as compared to neighboring cities, rising labor costs, increased operating expenses on capital projects coming online, and increased maintenance on aging buildings. Although the ad valorem revenue has risen for the past six years in a row because of a growing tax base, there may be a flattening of this revenue stream starting in Fiscal Year 2020 with the slowing of the housing market as interest rates rise. To combat these challenges, the City has voted to increase the ad valorem tax rate starting Fiscal year 2019 to 7.1172 mils. The City will continue maintaining the high level of service through the offering of numerous programs that the residents have come to expect.

In September 2013, the City issued \$59 million in Special Obligation Refunding and Improvement Revenue Bonds to fund numerous capital improvement projects. As of the end of Fiscal Year 2018 the completed projects include the new Fire Station Facility, Police Headquarters Facility, Adult Day Care Center, Amphitheater, several park improvement projects at various parks, and renovation and improvements to City Hall. Projects to be completed relate to Parks, Infrastructure, Public Safety and Facilities Improvements.

In February 2017, the City issued a \$10 million Special Obligation Revenue Note. This Note will fund the acquisition, construction, equipping, renovating, improving and upgrading of certain buildings, facilities, parks, public safety vehicles, equipment, streets, streetscapes and sidewalks, all as described in the City's adopted Capital Improvement Program for Fiscal Years 2017-2021, Fiscal Years 2018-2022 and Fiscal Years 2019-2023.

In November 2017, the City issued \$32 million in Utility System Refunding Revenue Bonds, Series 2017 to refund the City's outstanding Utility System Revenue Bonds, Series 2007 and to pay certain costs and expenses relating to the issuance of the Series 2017 Bonds. The refunding resulted in (Net Present Value) savings of \$6,565,590 in future debt service cost.

Starting Fiscal Year 2019, the City of Miramar commission has adopted two policy items as part of the FY19 budget, a Pension Trust Fund, and an Other Post-Employment Benefits (OPEB) Trust Fund. The Pension Trust Fund is a reserve of funds set aside to be used exclusively to fund future payments against the City Pensions' Unfunded Accrued Liability (UAAL). The funds in the irrevocable trust fund can only be used to fund the City's pension obligations and only by Commission action. Much like the Pension Trust Fund, the OPEB Trust Fund is to be used to fund future retiree benefit payments in order to lower the City's current unfunded liability in this area.

In September, 2018, the City released an RFP to solicit a qualified Developer/Investor/Operator for the sale or long-term ground lease of the 3.742-acre Block 2. In January 2019, the City Commission authorized staff to commence negotiations with Related Development, LLC ("Related") with the intent to enter into a purchase agreement by mid-2019. Related proposes to develop and construct +/- 350 rental apartment units in an eight-story building and approximately 41,000 square feet of ground floor retail

space. Development costs for Block 2 are estimated to approach \$100 million. In addition to the direct financial benefits, a preliminary economic benefit and fiscal impact assessment was conducted for the proposed project based upon a \$100 million estimated development cost. The analysis indicates that the short-term economic impact from the project's construction would generate 602 jobs over the two year build period (301 avg. per year), \$31.2 million in wages and \$2.5 million in permitting fees. In the long-term, the project would generate approximately 215 direct jobs and 183 indirect/induced jobs, or 398 in total for the local economy on a recurring basis. Additionally, \$1.7 million would be generated in ad valorem taxes and \$1.5 million in sales taxes. As the last remaining vacant block at Town Center, Block 2 will culminate the Town Center vision and will serve as the final piece that will help connect and activate all of the uses at MTC.

BUSINESS PLAN

The City's Business Plan, initiated in Fiscal Year 2003, includes revenue and expenditure projections as well as intended outcomes and the initiatives engaged to meet those outcomes in order to accomplish long-term financial stability for Miramar. The Plan serves as a guide to the financial and growth management strategies that will lead Miramar to maturity. Starting in FY 2019, the City has implemented the CARE program in order to involve every employee in the formulation of ideas to improve revenues, reduce expenses, leverage volunteers from the community, improve the environment, maximize grants, and increase workplace efficiencies. The program is a multi-disciplinary approach to idea generation and implementation.

The Business Plan is continuously reviewed for improvement, including updated financial projections and examination of the Plan's intended outcomes and initiatives. Current intended outcomes include:

- Encourage annual commercial, industrial and office development.
- Maintain control of labor and other operating costs.
- Maintain control of pension costs – limit benefits/ limit City contributions.

Each of these intended outcomes is in progress. As an economic development strategy, the attraction of additional commercial, industrial and office space will further the balance of Miramar's anticipated 140,000 total residents with a vibrant business community, providing jobs and services to those residents and to the local, statewide and national markets as well. Additionally, in order to encourage the re-development of Historic Miramar, the City has set aside \$2.8 million for purchase of individual lots that can be combined in the future and sold to prospective developers as larger more viable commercial lots.

FINANCIAL MANAGEMENT

Accounting and Internal Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of the financial statements in conformity with GAAP. In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding: (1) safeguarding of assets against loss from unauthorized use or disposition and (2) reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes: (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

Single Audit

As a recipient of federal, state, county and local financial assistance, the City is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. The internal control structure is subject to periodic evaluation by management.

The City is required to undergo an annual single audit performed under the provisions of the Single Audit Act and U.S. Office of Management and Budget Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.550, *Rules of the Auditor General of the State of Florida*. As a part of the City's Single Audit, tests were made to determine the adequacy of the City's internal controls and its compliance with applicable laws and regulations, including those related to federal and state assistance programs. Reported within the Compliance section of the CAFR are the schedule of expenditures of federal awards and state financial assistance, schedule of findings and questioned costs, and auditor's reports on the schedule, internal control and compliance with applicable laws and regulations.

Budgetary Controls

The foundation of the City's financial planning and control is the Annual Operating and Capital Improvement Budget. In early July of each year, the City Manager presents the proposed budget to the City Commission. The Commissioners are required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, department (e.g., Human Resources, Police, Fire Rescue, etc.) and program. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Budgetary controls are maintained by the City to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Commission. Activities of the General Fund, Special Revenue Funds, the Debt Service Fund, and Capital Project Funds are included in the annual appropriated budget. A non-appropriated operating budget is adopted for the Enterprise Fund. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriations lapse at year-end. However, encumbrances relating to Capital Projects and Grants are generally re-appropriated as part of the following year's budget. Budget-to-actual comparisons demonstrate how the actual expenditures compare to both the original and final revised budgets.

Administrative budget transfers may occur upon approval of the City Manager as long as the final fund budget is not increased. Budget amendments are submitted, on an as needed basis, to the Commission for their consideration.

FINANCIAL POLICIES

Fund Balance Policy

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definition*, establishes various classifications of fund balance based on a hierarchy which details constraints placed on the use of resources by creditors, grantors, contributors or laws or regulations of other governments. Fund balances classified as Committed can only be used for specific purposes determined by formal action of the City Commission through an ordinance or a resolution. Commitments may be changed or lifted only by the City Commission through formal action. Assigned fund balances are amounts that the City intends to use for a

specific purpose but are neither restricted nor committed. The intent to utilize these funds shall be expressed by the City Commission or may be delegated to the City Manager. Unassigned fund balance can be viewed as the net resources available at the end of the fiscal year.

On February 5, 2014, the City Commission adopted Resolution No. 14-74 creating a committed fund balance designated as a Financial Stabilization Account equal to 12% of the General Fund's final amended budgeted expenditures.

The following reservations are established for the General Fund:

- Committed Fund Balance:
 - Financial Stabilization Account – a reserve equal to 12% of the City's General Fund final amended budgeted expenditures was established in order to ensure that the City has sufficient cash flow and available financial resources to meet future economic demands and unanticipated situations.
- Assigned Fund Balance:
 - Emergency Preparedness – to provide the resources necessary to ensure continued operations and maintenance of services to the public during an emergency situation.
 - Subsequent years budget – to appropriate current year budgeted savings to cover next year budget.

REPORTING ACHIEVEMENT

The City of Miramar continues to receive many awards and accolades; some of these are listed below:

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City, for its CAFR for the fiscal year ended September 30, 2017. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. The attainment of this award represents a significant accomplishment by a government and its financial management team. This was the thirtieth year that the City has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles 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 we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA Award for Distinguished Budget Presentation for its annual budget for the twenty-eighth consecutive year. In order to qualify for this award, the City's budget document was judged to be proficient in several categories including meeting program criteria as a policy document, as a financial plan, as an operational guide, and as a communications device. We expect to receive confirmation that our budget continues to conform and that we will receive the certificate for the current budget year.

ACKNOWLEDGMENTS

The preparation of the report would not have been possible without the skill, effort and dedication of the entire staff of the Finance Department. The year-end closing, the audits, and compiling and publishing the CAFR could not have been accomplished without hard work, commitment and personal sacrifice. Sincere appreciation goes to the staff for their dedication in the development and preparation of this document.

We wish to thank all the City departments for their assistance in providing the data necessary to prepare this report. The guidance and cooperation of the Mayor and City Commission in planning and conducting the financial affairs of the City is greatly appreciated.

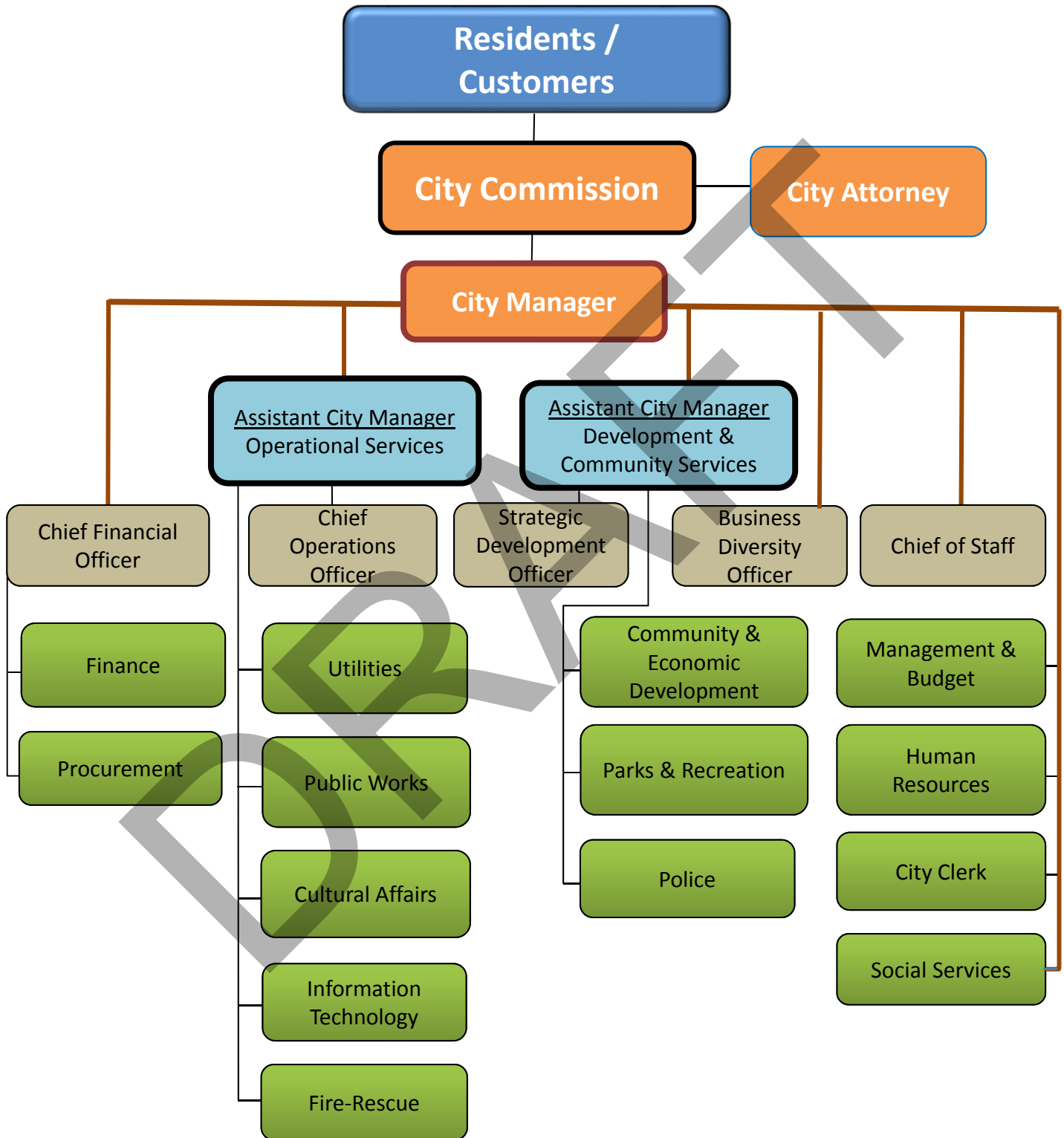
Respectfully submitted,

Susan A. Gooding-Liburd, MBA, CPA, CGFO
Chief Financial Officer

Vernon E. Hargray
City Manager

DRAFT

City of Miramar Organization Structure



CITY OF MIRAMAR, FLORIDA
LIST OF ELECTED AND APPOINTED OFFICIALS
SEPTEMBER 30, 2018

<u>Title</u>	<u>Name</u>
Mayor	Wayne M. Messam
Vice Mayor	Yvette Colbourne
Commissioner	Maxwell B. Chambers
Commissioner	Winston Barnes
Commissioner	Darline B. Riggs
City Manager	Vernon Hargray
Assistant City Manager	Whittingham Gordon
Assistant City Manager	Michael Moore
Chief Financial Officer	Susan Gooding-Liburd
Director of Procurement	Alicia Ayum
Director of Management & Budget	Norman Mason
Director of Social Services	Katrina Davenport
Director of Public Works	Bernard Buxton-Tetteh
Director of Utilities	Roy Virgin
Director of Parks & Recreation	Elizabeth Valera
City Clerk	Denise A. Gibbs
Director of Human Resources	Randy Cross
Director of Information Technology	Clayton D. Jenkins
Chief of Police	Dexter Williams
Fire-Rescue Chief	Robert Palmer
Director of Community & Economic Development	Eric B. Silva
Director of Cultural Affairs	Camasha Cevieux
Chief Operations Officer	Kelvin Baker

Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Miramar
Florida

For its Comprehensive Annual
Financial Report for the
Fiscal Year Ended

September 30, 2017

Christopher P.

Executive Director/CEO

DRAFT



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

DRAFT

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Commission
City of Miramar, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Miramar, Florida (the "City") as of and for the fiscal 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 did not audit the financial statements of the Pension Trust Funds for the General Employees', Police Officers', Firefighters' and Management Retirement Plans (the "Pension Trust Funds"), which represents 87%, 90% and 58%, respectively, of the total assets/deferred outflow of resources, net position/fund balance, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Funds, are based solely on the reports of the other auditors. 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 from 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 auditor's 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 City'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 City'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 based on our audit and the report of the other auditors, 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, as of September 30, 2018, and the respective changes in financial position, and where applicable, cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America

Emphasis of a Matter

As discussed in Note 1 to the basic financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, as of October 1, 2017. As further discussed in Note 14, the opening net position has been restated due to the implementation of this new standard. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of revenues expenditures and changes in fund balance – budget to actual – General Fund, State Grant Fund and Pension and Other Post-Employment Benefits schedules as listed in the table of contents on pages 4 to 22 and 108 to 120, respectively, 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, budgetary comparison schedules, statistical section, schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and Chapter 10.550 Rules of the Auditor General of the State of Florida 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, budgetary comparison schedules and the schedule of expenditures of federal awards and state financial assistance 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, budgetary comparison schedules and the schedule of expenditures of federal awards and state financial assistance 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 (DATE), 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.

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
(DATE)

DRAFT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

DRAFT

**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

The purpose of financial reporting, in general, is to provide the readers of the financial statements with information that will help them make decisions or draw conclusions about an entity. As management of the City of Miramar, Florida (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. We encourage readers to consider the information presented herein in conjunction with the additional information that we have furnished in our letter of transmittal, as well as the financial statements and notes to financial statements that follow. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

1. The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at September 30, 2018, by \$288.08 million (net position).
2. During fiscal year 2018, the City's net position decreased by approximately \$11.33 million. This is the net result of an \$11.32 million increase resulting from current year operations and a \$22.65 million decrease due to the City adopting the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75. Additional information concerning the impact of this new accounting standard can be found below and in the financial statements Note 14-Restatement of Prior Year Balances.
3. The City's governmental-type activities reported net position of \$4.6 million, which is a \$6.84 million increase, in comparison to the prior year net position, as restated, of (\$2.23) million.
4. The City's business-type activities reported total net position of \$283.47 million, which is a \$4.48 million increase, or 1.61%, in comparison to the prior year net position, as restated, of \$278.99 million. Approximately 15.2% of the total or \$43.08 million is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
5. At the end of the fiscal year, the General Fund reported a fund balance of \$35.35 million, or 23.83% of the General Fund expenditures. Of this balance, \$7.98 million is unassigned.
6. The City's total debt outstanding for governmental activities decreased \$7.4 million during the current fiscal year. In 2018, \$.195 million in capital lease obligations were incurred for the acquisition of citywide Wi-Fi System equipment. This was offset by debt service payments throughout the year.
7. The total debt outstanding for business-type activities increased by approximately \$11.09 million. In 2018, the City issued \$32.3 million in Utility System Revenue Bonds, Series 2017 to current refund the City's outstanding Utility System Revenue Bonds Series 2007. This transaction generated \$6.6 million of net present value debt service savings or 16.989% of the refunded bonds par amount. Additionally, \$13.59 million in state revolving loans were incurred to fund upgrades to the City's East Water Treatment Facility and to finance wastewater and stormwater upgrades.

In fiscal year 2018, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This new accounting standard requires governments providing other postemployment benefits (OPEB) to recognize their long-term obligation for OPEB benefits as a liability and to more comprehensively compare and measure the annual cost of OPEB benefits. It requires governments to report a liability, deferred outflow of resources, deferred inflow of resources, and expenses on the face of the financial statements for the OPEB provided and requires more extensive note disclosure and supplementary information regarding the City's OPEB liability. The impact of implementing this new accounting standard resulted in the restatement

**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Financial Highlights (Continued)

of the beginning net position for governmental activities and business-type activities to adjust for the OPEB liability that would have been reported in prior years. The implementation of GASB Statement No. 75, resulted in a decrease of the beginning total net position of \$22.65 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which have the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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 that of a private-sector business. The City's government-wide financial statements include the statement of net position and statement of activities.

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

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. 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. Accordingly, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes and earned, but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes, charges for services, 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, public safety, physical environment, transportation, social services, economic environment, parks and recreation, and cultural arts. The business-type activities include water and wastewater, and stormwater, where the fee for service typically covers all or most of the cost of operations and depreciation.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. Except for the General Fund, separate funds are established to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Governmental Funds (Continued)

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 the governmental funds with similar information presented for the 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 the comparison between governmental funds and governmental activities.

The City maintains nineteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the General Fund, which is considered to be a major fund. The City presents data from all other governmental funds in a single column (non-major funds). Individual fund data for each of these non-major governmental funds are included in the combining statements of the comprehensive annual financial report (CAFR).

The City adopts an annual appropriated budget for its governmental funds. Budgetary comparison schedules have been provided for all the governmental funds to demonstrate compliance with the funds' budgets.

Proprietary Funds

Proprietary fund financial statements consist of a statement of net position, a statement of revenues, expenses, and changes in fund net position and a statement of cash flows. These statements are prepared on an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service Funds.

The City uses Enterprise Funds to account for business-type activities that charge fees to customers for the use of specific goods or services. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal Service funds are used to account for services provided and billed on an internal basis. The City uses Internal Service Funds to account for its fleet of vehicles, self-insurance/benefit programs, and management information systems. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City has two Enterprise Funds; the Utility Fund, and Stormwater Fund. The Internal Service Funds are aggregated and presented in a single column. A statement of cash flows is presented at the fund financial statement level for proprietary funds.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Fiduciary financial statements consist of a statement of fiduciary net position and a statement of changes in fiduciary net position.

**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Notes to the 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.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information (RSI)* concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. This section also includes a comparison between the adopted and final budget and actual financial results for the City's General Fund. A Budgetary comparison schedules has been provided for the General Fund to demonstrate compliance with the budget. The City also adopts an annual appropriated budget for each of its other governmental funds which are presented as supplementary information.

Combining statements referred to earlier in connection with non-major governmental funds are presented immediately following RSI.

Government-Wide Financial Analysis

The following schedule is a summary of the fiscal year 2018 Statement of Net Position with comparative information for fiscal year 2017.

	Fiscal Years 2018 and 2017					
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 111,974	\$ 126,135	\$ 73,462	\$ 72,738	\$ 185,436	\$ 198,873
Capital Assets	272,469	273,086	310,710	291,757	583,179	564,843
Total Assets	384,443	399,221	384,172	364,495	768,615	763,716
Deferred outflows of resources	49,036	43,104	4,864	4,969	53,900	48,073
Long-term liabilities outstanding	378,723	396,315	98,061	84,410	476,784	480,725
Other Liabilities	20,808	30,419	5,226	4,279	26,034	34,698
Total Liabilities	399,531	426,734	103,287	88,689	502,818	515,423
Deferred inflows of resources	29,344	17,825	2,272	1,782	31,616	19,607
Net Position						
Net Investment in capital assets	132,717	132,029	234,964	231,706	367,681	363,735
Restricted	12,927	16,145	5,427	4,804	18,354	20,949
Unrestricted	(141,040)	(150,408)	43,086	42,483	(97,954)	(107,925)
Total net position	\$ 4,604	\$ (2,234)	\$ 283,477	\$ 278,993	\$ 288,081	\$ 276,759

The overall net position of the City increased in fiscal year 2018, from the prior fiscal year restated net position, by approximately \$11.32 million or 4.09% from \$276.76 million in 2017 to \$288.08 million in 2018. Changes in net position over time can be one of the best and most useful indicators of financial health. When comparing the change between years there is an increase of \$6.68 million as compared to the prior year increase of \$4.64 million. This change in net position is the result of increased revenues of \$8.74 million less increased expenditures of \$2.06 million.

**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Government-Wide Financial Analysis (Continued)

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, for its business-type activities. However, for the governmental activities, all of the net position is either restricted as to the purposes it can be used for or is invested in capital assets (land, buildings, equipment, etc.). As a result, unrestricted net position for the governmental activities reflects a (\$141.04) million deficit at the end of the current fiscal year. The deficit in unrestricted net position for governmental activities is due to the impact of GASB Statements No. 68 and No. 75 which requires employers to report (not fund) the entire net pension and other postemployment benefit (OPEB) liabilities on their financial statements.

By far, the largest portion of the City's net position, \$367.68 million reflects its investment in capital assets. Net investment in capital assets is that portion of net position that relates to the City's capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets, excluding unexpended debt proceeds. Although the capital assets are shown net of 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 and pay for these liabilities.

An additional portion of the City's net position, 6.4% represents resources that are subject to external restrictions on how they may be used. The balance in restricted net position had a net decrease of \$2.6 million from approximately \$20.95 million in 2017 to \$18.35 million in 2018. This is due to increased spending on capital projects throughout the year.

Unrestricted net position of (\$97.95) million, decreased by \$9.97 million or 9.24% from the prior year restated unrestricted amount. This is due to the results of current year operations.

The following schedule is a summary of the fiscal year 2018 Statement of Activities with comparative information to fiscal year 2017:

	Changes in Net Position (in thousands)					
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues						
Charges for Services	\$ 51,152	\$ 48,804	\$ 46,673	\$ 47,825	\$ 97,825	\$ 96,629
Operating Grants & Contributions	9,886	7,523	-	-	9,886	7,523
Capital Grants & Contributions	982	35	666	1,972	1,648	2,007
General Revenues						
Property Taxes	59,978	56,236	-	-	59,978	56,236
Other Taxes	26,245	26,136	-	-	26,245	26,136
Other	17,474	16,247	1,008	543	18,482	16,790
Total Revenues	165,717	154,981	48,347	50,340	214,064	205,321
Expenses:						
General Government	23,326	24,841	-	-	23,326	24,841
Public Safety	87,302	90,343	-	-	87,302	90,343
Physical Environment	8,240	5,679	-	-	8,240	5,679
Transportation	4,168	4,425	-	-	4,168	4,425
Social Services	6,807	6,390	-	-	6,807	6,390
Economic Development	2,867	2,363	-	-	2,867	2,363
Parks & Recreation	16,477	16,158	-	-	16,477	16,158
Cultural Arts	3,933	3,723	-	-	3,933	3,723
Interest	5,759	5,883	-	-	5,759	5,883
Utility	-	-	41,131	38,513	41,131	38,513
Stormwater	-	-	2,732	2,367	2,732	2,367
Total Expenses	158,879	159,805	43,863	40,880	202,742	200,685
Change in net position	6,838	(4,824)	4,484	9,460	11,322	4,636
Net position, beginning of year, as restated (note 14)	(2,234)	2,590	278,993	269,533	276,759	272,123
Net position, ending	\$ 4,604	\$ (2,234)	\$ 283,477	\$ 278,993	\$ 288,081	\$ 276,759

**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Government-Wide Financial Analysis (Continued)

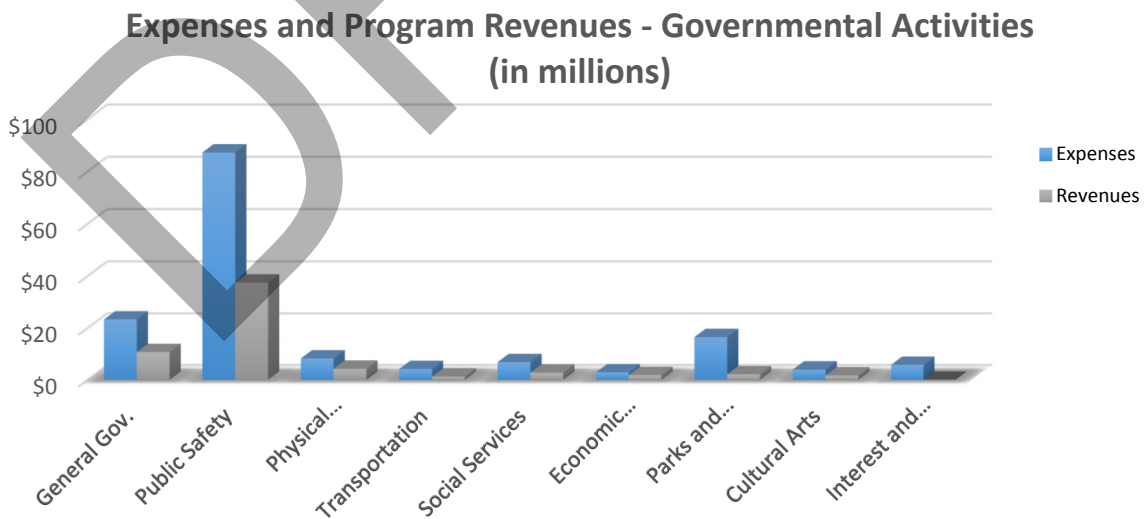
Governmental Activities

Governmental activities' net position increased \$6.84 million. This is a \$11.66 million increase over the \$4.82 million decrease in net position in 2017.

The \$6.84 million increase in net position from the prior year is due to the following:

- Revenues increased \$10.736 million primarily as a result of increased property tax revenues of \$3.74 million, other tax revenues of \$.11 million, charges for services of \$2.35 million and operating and capital grant revenues of \$3.31 million. Charges for services increased as a result of increased revenues for building permit fees of \$1.835 million, fire protection assessments of \$.186 million, fire inspection fees of \$.125 million, and police special details of \$.182 million. The increase in building permit fee revenue was due to increased construction activity during the year. Operating and capital grant revenues increased \$3.31 million due to grant funding from Broward County for the Broward Waterlines project, Complete Streets, and the Pembroke Road Widening projects. Additionally, the City received grant funding from the State of Florida Department of Financial Services in the amount of \$.75 million for the construction of Fire Station No. 107.
- Total expenses decreased \$.93 million. This is the net result of increased costs for salaries, benefits, and operating costs which was offset by a reduction in the net pension liability primarily in public safety. The increase in physical environment expenses of \$2.56 million is pursuant to an agreement between Broward County and the City of Miramar for the design and construction of County waterline improvements located within a portion of Miramar. The \$3.31 million grant funding from Broward County includes \$2.56 million for the Broward Waterlines Project.

The following chart compares expenses and program revenues for the governmental activities during 2018.

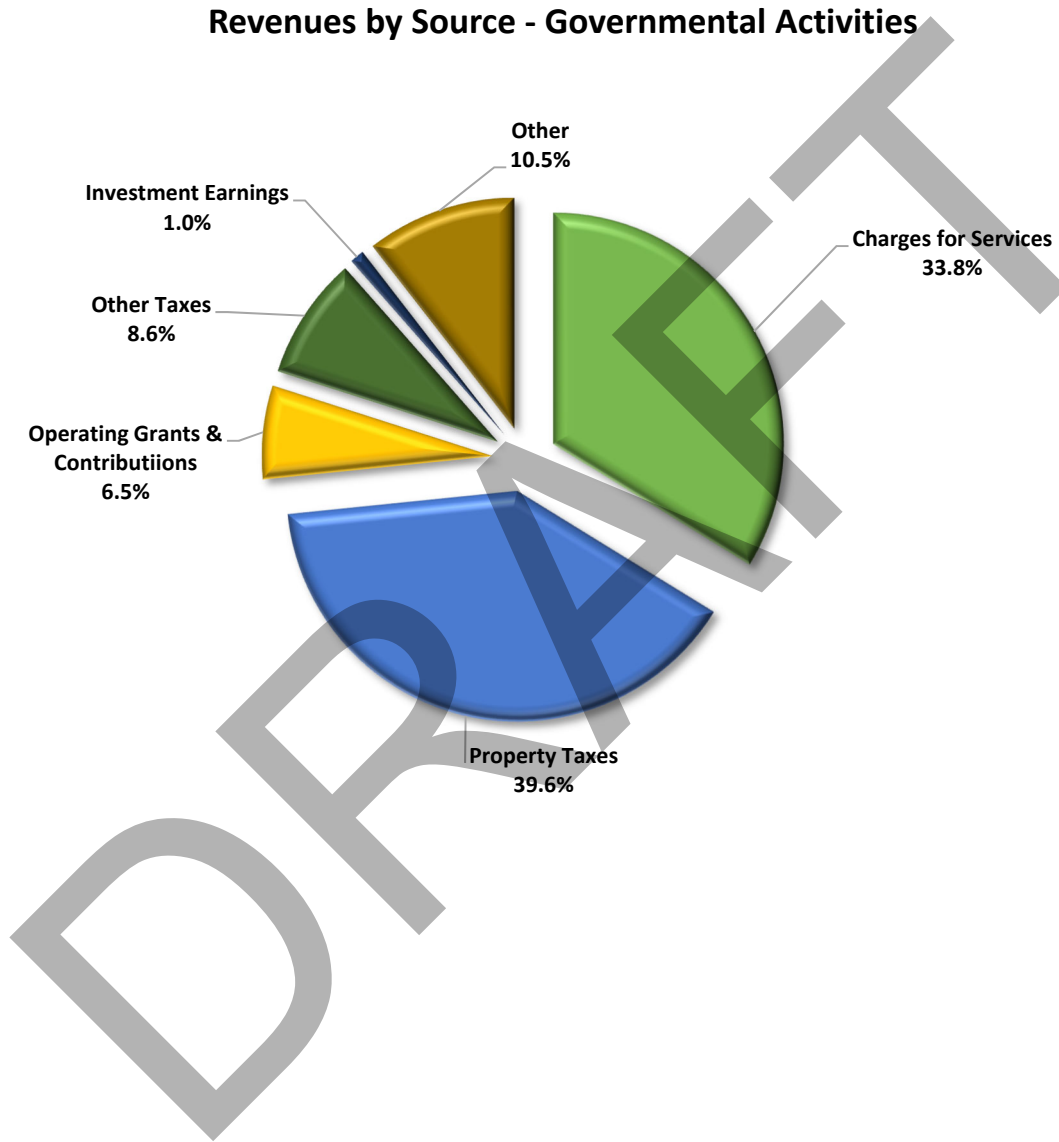


**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Government-Wide Financial Analysis (Continued)

Governmental Activities (Continued)

The following is a chart of revenues by source of governmental activities by percent of total revenues for fiscal year 2018:

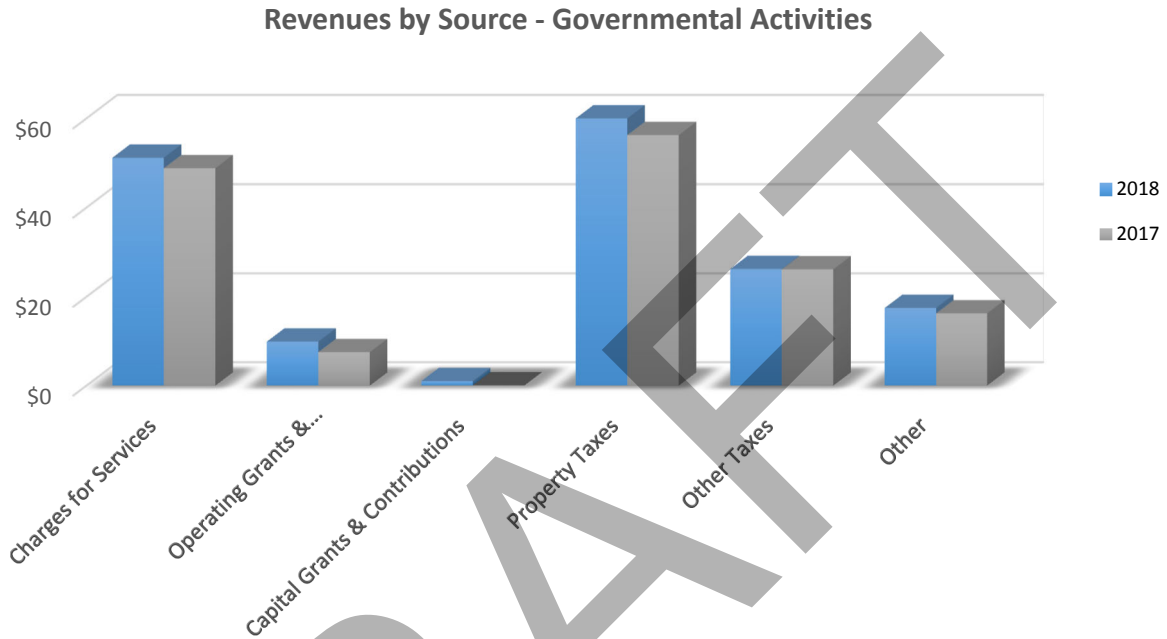


**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Government-Wide Financial Analysis (Continued)

Governmental activities (Continued)

The following is a comparative chart of revenues by source for governmental activities for fiscal year 2018 and 2017:



Business-type Activities

The Business-type Activities are comprised of the Utility Fund and Stormwater Fund.

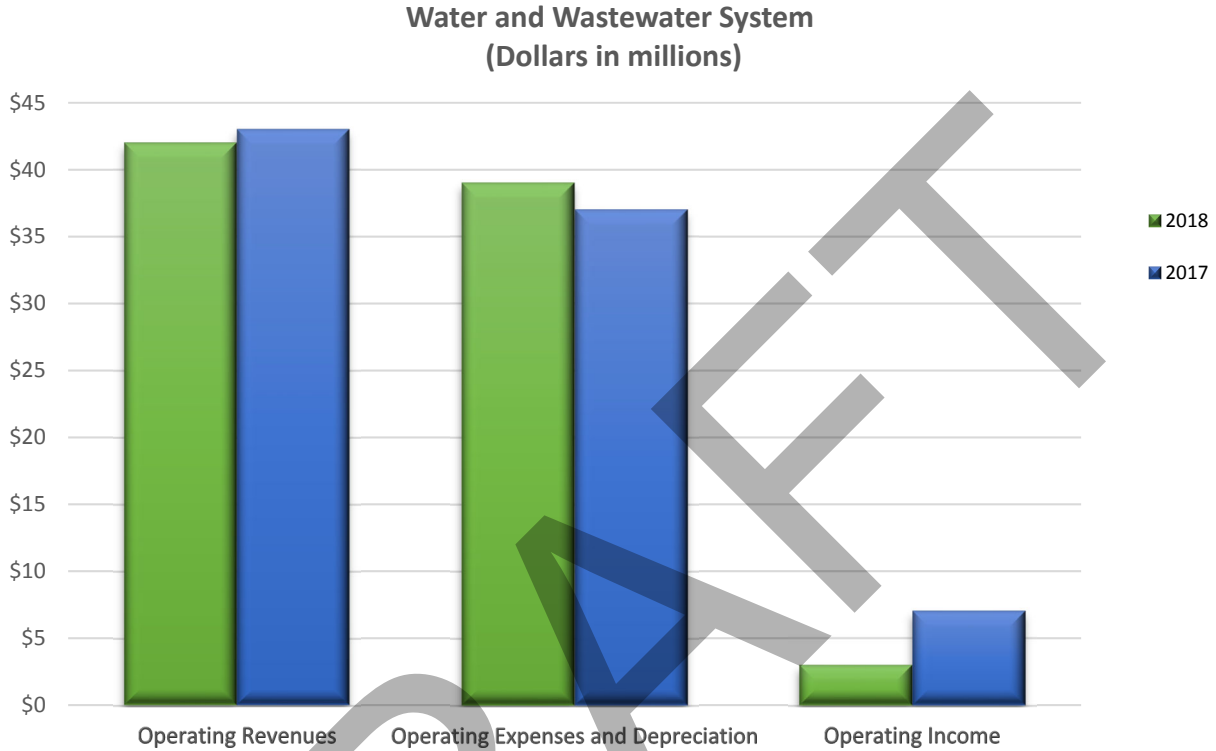
- The operating income for the Utility Fund decreased \$3.19 million from the prior year. The decrease was primarily the result of decreased revenues for water, and wastewater impact fees in combination with increased costs for salaries and benefits. Increased charges to the Utility Fund for the payment in lieu of taxes and administrative charges contributed to the decreased operating income from the prior year.
- The Stormwater Fund had operating income of \$1.98 million which is a \$.32 million decrease from the prior year. Revenue increased \$0.07 million and expenses increased \$.39 million primarily due to the increased costs for salaries and benefits.

**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Government-Wide Financial Analysis (Continued)

Business-type Activities (Continued)

The following chart compares various operating results for 2018 and 2017, for the Utility Fund.



Financial Analysis of the City of Miramar's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal 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 net position may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The City's governmental funds reported combined net fund balance of approximately \$65.96 million at September 30, 2018, which consisted of \$5.14 million in nonspendable, \$28.97 million in restricted, \$19.07 million in committed, \$6.48 million in assigned and \$6.3 million in unassigned fund balance. The current fund balance is a net decrease of \$10.16 million from the reported fund balance of \$76.12 million in the prior year.

**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Governmental Funds (Continued)

Major Fund Information

General Fund:

Fiscal Year 2018	
Revenues	\$ 151,140
Expenditures	(148,331)
Other financing sources	(3,529)
Increase (decrease) in fund balance	<u>(720)</u>

General Fund, State Grant Fund:

Fiscal Year 2017	
Revenues	\$ 144,944
Expenditures	(144,917)
Other financing sources	(1,973)
Increase (decrease) in fund balance	<u>(1,946)</u>

The General Fund is the chief operating fund of the City. For fiscal year 2018 the General Fund is the only fund reported as a major fund. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$7.98 million, or 22.6% of the total fund balance of \$35.35 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the total General Fund expenditures. In 2018, unassigned fund balance represents approximately 5.4% and the total fund balance represents approximately 23.8% of the total General Fund expenditures. In comparison, in 2017, the unassigned fund balance was 7.5% and the total fund balance was 25.3% of the total General Fund expenditures.

The fund balance of the General Fund decreased by \$.72 million during the current fiscal year. This represents an overall decrease of \$2.67 million as compared with the prior year's decrease to fund balance. Revenues increased approximately \$8.77 million from the prior year. This increase is primarily due to an increase in tax revenues of \$3.85 million, licenses and permits of \$1.69 million, charges for services of \$1.54 million, intergovernmental revenues of \$1.09 million, and interest of \$.43 million. Ad-valorem taxes represent \$3.74 million of the \$3.85 million increase in tax revenues. Licenses and permit revenues increased primarily due to an increase in building permit revenues of \$1.835 million. The increase in charges for services consist of increased charges to the Utility Fund for payment in lieu of taxes and administrative charges, increased revenues generated from the amphitheater and cultural Arts operations, as well fire protection, and development review fees. Intergovernmental revenues increased due to an increase in state revenue sharing proceeds, local government ½ cent sales tax receipts, and FEMA reimbursement for expenditures incurred during Hurricane Matthew.

General Fund expenditures increased \$5.53 million due to an overall increase in salaries and benefits primarily in the area of public safety.

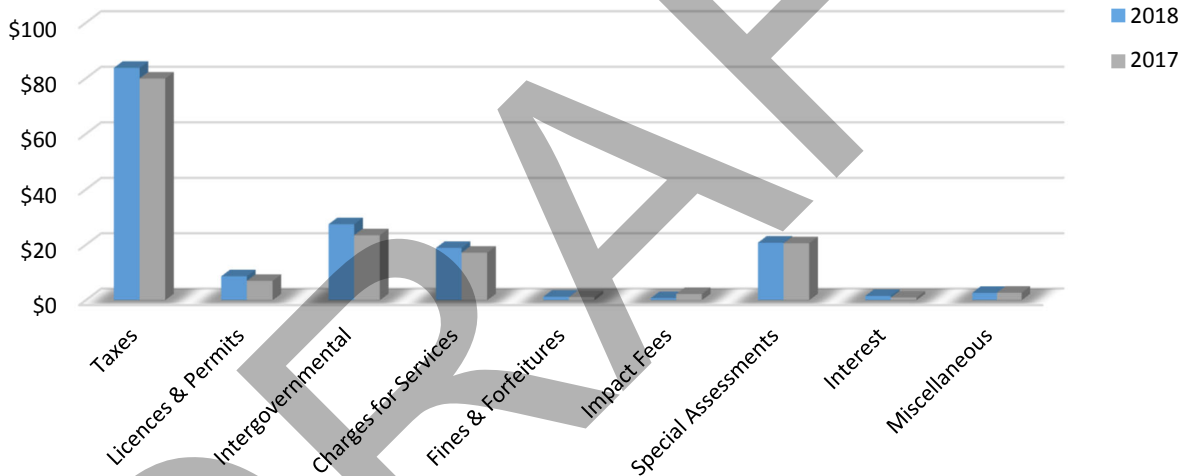
**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Governmental Funds (Continued)

The net transfers out of the General Fund to the other various funds decreased \$.175 million as compared to the prior year. This decrease is the net result of increased transfers in from the various grant funds for eligible expenditures and an increase in transfers out of the General Fund to the Debt Service and Capital Project funds for debt service and capital improvements.

The nonmajor governmental funds reported a combined fund balance of \$30.61 million at September 30, 2018. The combined fund balance of the City's nonmajor governmental funds decreased by \$9.44 million during the current fiscal year as a result of approximately \$25.28 million in revenues and other financing sources which was offset by \$34.72 million in expenditures and other financing uses. Expenditures include \$9.02 million in capital outlay and \$12.82 million in debt service costs. The net transfers of \$3.5 million were to cover the cost of debt service and capital improvements.

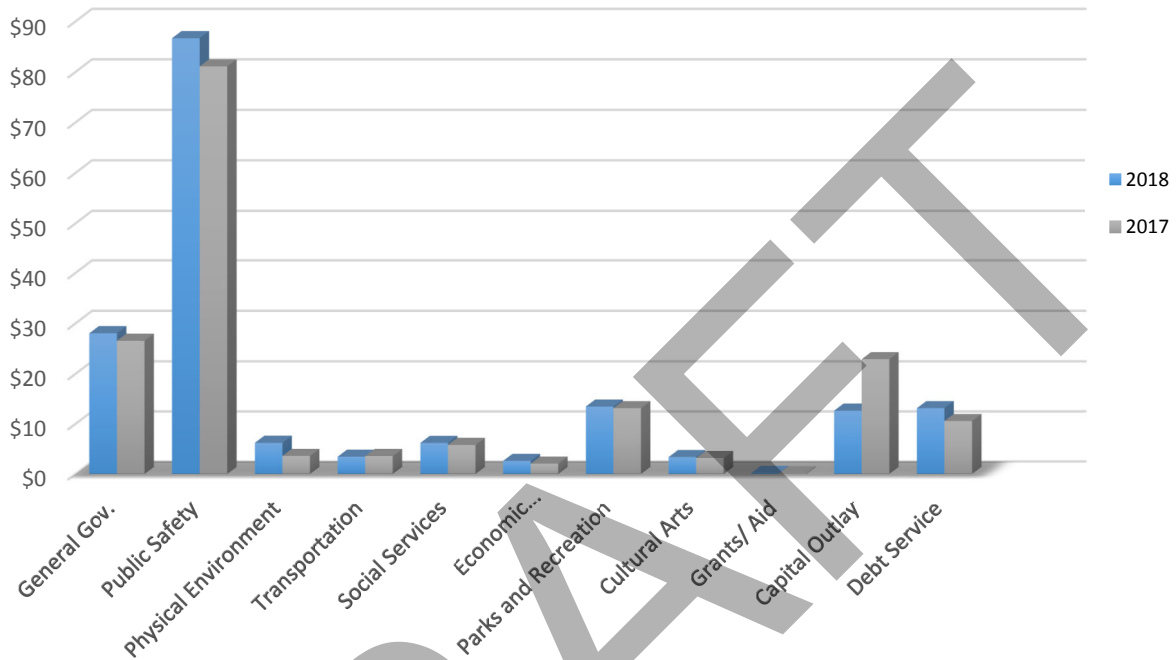
**Comparison of Governmental Funds Revenues
(Dollars in Millions)**



**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Governmental Funds (Continued)

The following table compares governmental expenditures by program for fiscal years 2018 and 2017.



Proprietary Funds

Enterprise funds' net position consisted of \$234.96 million in net investment in capital assets, \$5.43 million in restricted and \$43.09 million in unrestricted net position. Internal Service funds' net position consisted of \$4.48 million in invested in capital assets, and \$11.69 million in unrestricted net position.

The Utility Fund had operating income of \$3.52 million, after depreciation, in 2018. This is a decrease of \$3.19 million from the \$6.71 million operating income experienced in 2017. This decrease is primarily the result of decreased revenues of \$2.04 million in water and wastewater impact fees, increased costs for salaries and benefits, and an increase in administrative charges to the Utility Fund.

The Stormwater Fund had operating income of \$1.98 million. This is a \$.32 million decrease from the prior year operating income.

The Internal Service Funds had operating income of \$5.5 million, after depreciation, in 2018. This is an increase of \$1.53 million from the \$3.97 million operating income experienced in 2017. The increase is primarily the result of increased charges to user departments for insurance premiums and for information resources and related technology services (MIS).

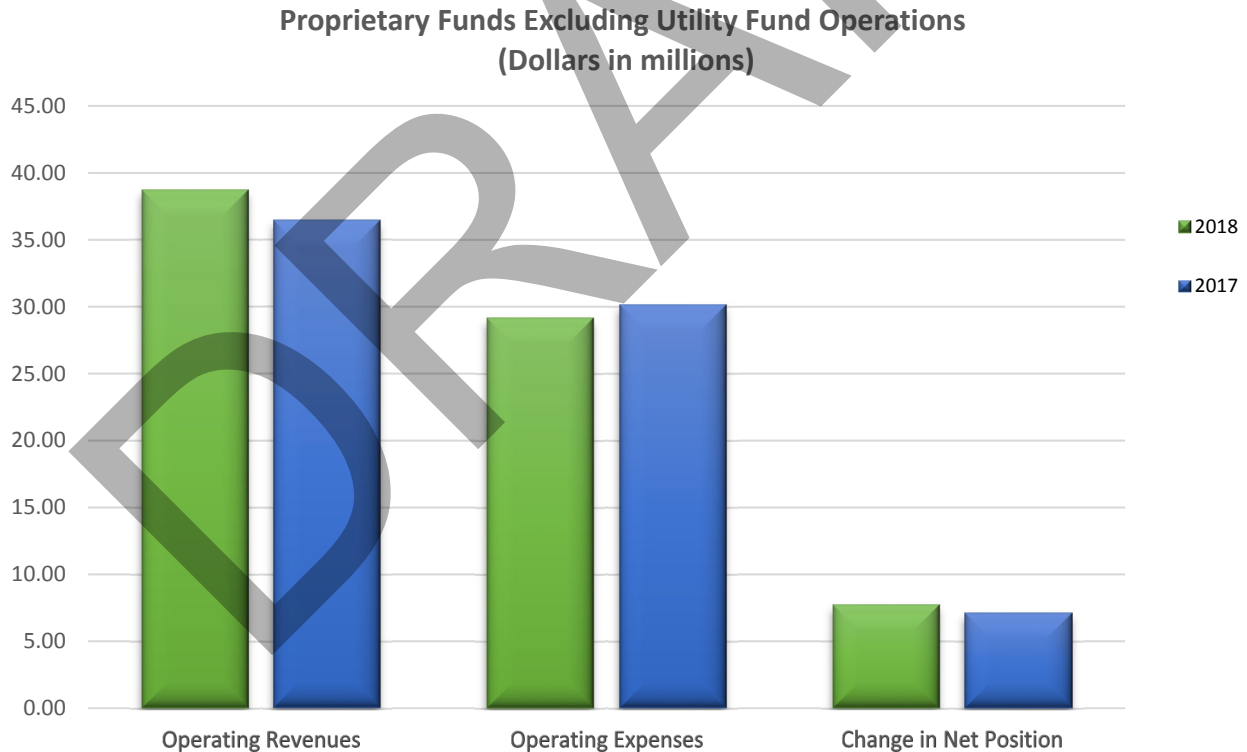
**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Proprietary Funds (Continued)

**PROPRIETARY FUNDS
(in thousands)**

	Operating Income (Loss)		Change in Net Position	
	2018	2017	2018	2017
Utility	\$ 3,516	\$ 6,706	\$ 2,529	\$ 7,113
Stormwater	1,983	2,306	1,954	2,347
Insurance Fund	3,271	1,172	3,520	1,290
Fleet Maintenance	2,024	2,839	2,085	3,563
Management Information Systems	201	(43)	195	(49)
Total	\$ 10,995	\$ 12,980	\$ 10,283	\$ 14,264

The following is a chart of the Proprietary Funds, excluding the Utility Fund operations, for fiscal years 2018 and 2017.



**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

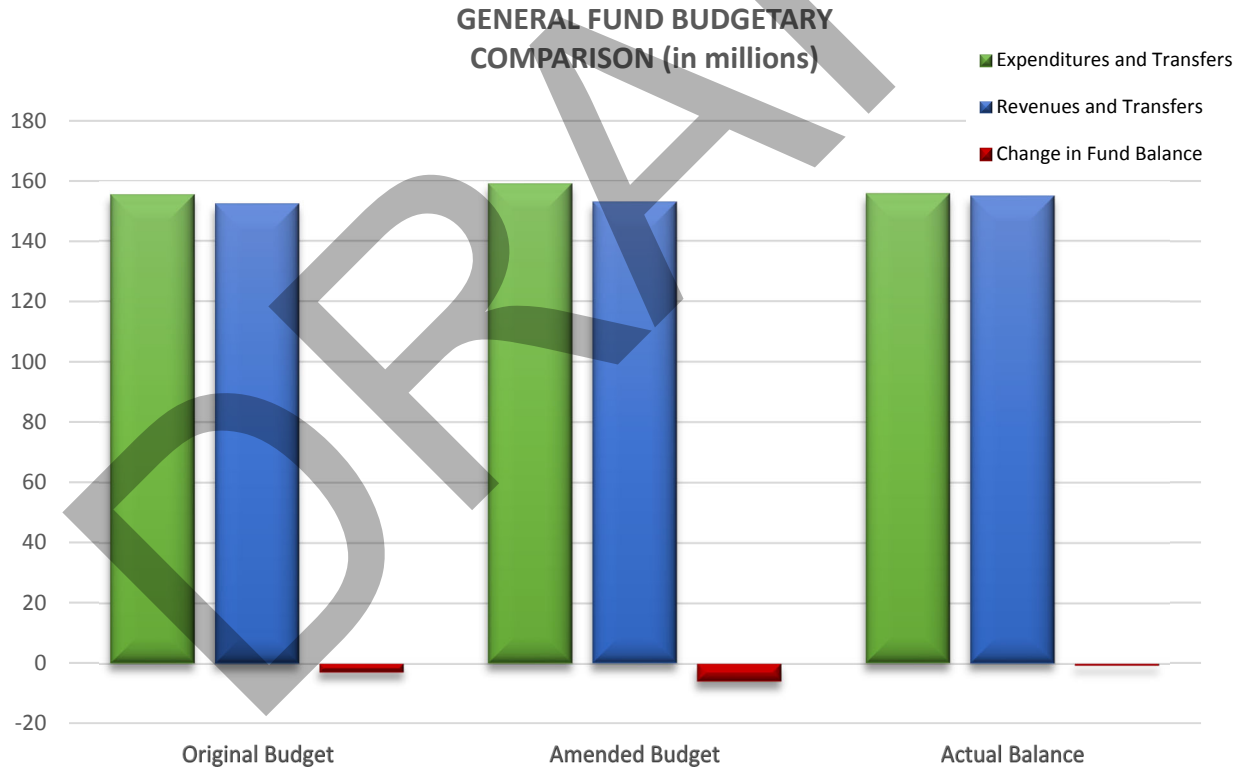
General Fund Budgetary Highlights

The difference between the original and final amended budget for 2018 was approximately \$3.023 million which represents an increase in appropriations in excess of additional revenues. Both the original and the final budget anticipated expending \$3.034 million and \$6.057 million, respectively, from available unassigned fund balance. During the year, however, actual revenues were more than anticipated and expenditures were less than expected producing a positive budget variance of \$5.315 million.

Actual revenues were more than final budgeted revenues by approximately \$2.08 million. Revenues for building and engineering permit fees exceeded budgeted projections by \$2.5 million. Additionally, increased intergovernmental revenues, interest, charges for services and other miscellaneous revenues contributed to the positive variance.

Actual expenditures during the year were less than final budgeted expenditures by approximately \$3.29 million. The City did not incur all anticipated costs related to the increase in appropriations before the end of the fiscal year which resulted in the positive variance. Cost savings were achieved primarily in the areas of public safety, general government, parks and recreation, public works and non-departmental expenditures.

The following chart depicts the 2018 original and amended budgets, as well as actual results for the fiscal year.



**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Capital Assets

As of the 2018 fiscal year-end, the City had \$583.2 million invested in capital assets as reflected in the following schedule. In 2018 there was a net increase (additions less retirements and depreciation) of \$18.34 million.

	Capital Assets (in thousands, net of depreciation)					
	Governmental		Business-Type		Total	
	Activities		Activities			
	2018	2017	2018	2017	2018	2017
Land	\$ 45,529	\$ 45,529	5,754	5,754	\$ 51,283	\$ 51,283
Buildings	157,523	155,872	71,784	73,746	229,307	229,618
Improvements other than Buildings	16,249	15,146	1,123	1,207	17,372	16,353
Equipment	11,641	12,598	851	825	12,492	13,423
Fleet	7,442	7,449	1,077	1,274	8,519	8,723
Intangibles	1,882	2,117	524	602	2,406	2,719
Infrastructure	24,752	26,421	187,870	193,396	212,622	219,817
Construction in Progress	7,451	7,954	41,727	14,953	49,178	22,907
Total	\$ 272,469	\$ 273,086	\$ 310,710	\$ 291,757	\$ 583,179	\$ 564,843

Total capital assets in the governmental activities had a net decrease of approximately \$.62 million. Total capital assets in the business-type activities had a net increase of approximately \$18.95 million.

This overall net increase of \$18.34 million is the result of \$38.33 million in capital improvement projects and outlays for vehicles and equipment less depreciation expense of \$19.99 million.

Additional information can be found in Note 7 Capital Assets.

Debt Administration

As of year-end, the City had \$224.29 million in debt (bonds, notes, etc.) outstanding compared to \$220.59 million in the prior year, a 1.68% increase. The increase in debt was the net result of State Revolving Loan proceeds of \$13.59 million, a capital lease of \$.195 million and \$10 million in debt service payments on the outstanding issues.

The debt outstanding as of the end of fiscal year 2018 was secured by various revenue sources as disclosed in Note 9.

The debt position of the City is summarized below and is more fully explained in Note 9 Long-Term Obligations.

**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Debt Administration (Continued)

Bonded Debt, Notes, Loans and Lease Payable (in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenue Bonds	\$130,950	\$135,595	\$42,225	\$50,235	\$173,175	\$185,830
Notes Payable	11,235	12,864	-	-	11,235	12,864
State Revolving Loans	-	-	22,693	10,028	22,693	10,028
Capital Lease Payable	4,665	5,437	-	-	4,665	5,437
Deferred Amounts - Premium (discounts)	6,131	6,482	6,393	(44)	12,524	6,438
Total	\$152,981	\$160,378	\$71,311	\$60,219	\$224,292	\$220,597

During fiscal year 2018, the City had the following debt activity:

- \$0.195 million in capital lease obligations were incurred for the acquisition of a new Wi-Fi System.
- \$13.59 million in additional state revolving loan proceeds were received to finance the cost of wastewater facility, drinking water, and storm water drainage improvements in the City.
- Total principal payments totaled approximately \$7.24 million for governmental activities.
- Total principal payments were approximately \$41.25 million for the debt of the business-type activities. This includes \$39.8 million in principal payments for the refunding of the Utility Systems Revenue Bond, Series 2007.

Economic Factors and Next Year's Budgets and Rates

The City Commission and City staff are dedicated to providing safety and security for Miramar's citizens and businesses. The City's mission has been to continuously improve the quality of life and economic prosperity of the residents and businesses by assuring all of our citizens a clean, safe, economically viable and progressive city that is responsive to changing needs. Each year the City's business plan is updated to ensure that the budget strategically links the goals, objectives, core businesses, and existing obligations of the City.

- Property values in the City increased this year again. The tax base for fiscal 2019 of approximately \$9.77 billion increased by \$571.3 million, or 6.21%, from the fiscal year 2018 tax base of \$9.2 billion. This increase was the result of a strengthening economy and new construction activity in the City. Economic indicators point to a positive trend in market activity and housing prices as the number of foreclosures continue to decline.
- In fiscal year 2019, the millage rate increased to 7.1172 mils from 6.7654 mils in fiscal 2018, which is 11.7% greater than the rolled-back rate. The amount of Ad Valorem taxes proposed to be collected in 2019 is approximately \$7.12 million more than in fiscal year 2018.
- The City's unemployment rate continues to decline. As of 2018, the unemployment rate was 2.7% and continues to be better than the national average.

**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Economic Factors and Next Year's Budgets and Rates (Continued)

- The City was incorporated on May 26, 1955, with a population of less than 200. The latest population estimates from the University of Florida, Bureau of Economic and Business Research, indicates that the number of residents in Miramar has increased to approximately 137,000. Residents over the years have enjoyed a high level of service and expect this to continue. The City has increased the number of facilities and programs offered to its residents and increased services to accommodate the growth in population, all of which have resulted in increased operating costs. As the population continues to grow and new businesses invest in the local economy, the City of Miramar continues to explore new strategies to meet the City's needs.

New Initiatives

- The City's goal is to develop initiatives that will assist in achieving strategic objectives and Key Intended Outcomes. Included in the 2019 budget initiatives are:
 - The addition of the Business Inclusion Diversity Program that will implement initiatives that are designed to place businesses in the best position to grow and develop. This program will enhance inclusion and diversity on City projects using the latest technology.
 - The addition of one FTE to research and coordinate the application of new grant opportunities for the City. This new position will work closely with the applicant departments to increase the City's grant funding.
 - Funding for two additional School Resource Officers and six police officer positions. These positions are necessary to keep up with a growing population that requires increased services, as well as to keep crime levels in the City at historic lows.
 - Replacing aging bunker gear, all Automated External Defibrillators (AED) citywide, buy new fire helmets, replace the Diesel Exhaust Systems in two fire stations and fund the Self-Contained Breathing Apparatus (SCBA) lease.
 - Replace three different mission critical security devices that keep the City's network safe and secure from malicious hackers, revamps the City's intranet using Microsoft's SharePoint, upgrade the current internet connection, install redundant fiber cables to support data and VOIP technology, add a redundant secondary internet connection and provide City residents with the ability to reach customer service via a chat portal through the City's website. Additionally, the IT department has created the Public Safety IT program to provide technical support for all the City's public safety operations.
 - Mitigate the future impact of the City's Unfunded Actuarial Accrued Liabilities (UAAL) for the City's three pension plans by setting up an irrevocable trust whereby funds can only be used toward the payment of the UAAL. As a policy going forward, the City will contribute a modest amount to this trust every fiscal year.

**CITY OF MIRAMAR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

New Initiatives (Continued)

The City continues to provide additional facilities and programs for its residents as well as address infrastructure needs related to the unparalleled growth and development currently taking place within the City. The following CIP initiatives are underway:

- The East Water Treatment Plant Renovation Project will renovate the existing 6 million gallons per day lime softening facility which was originally built in the 1950's with expansion modifications made during the 1960's. Renovations include the addition of a membrane softening treatment system, which will improve finished water quality and overall treatment reliability, maximize treatment capacity of the existing site and allow ultimate decommissioning of the facility's aging lime softening infrastructure. The project includes 5 new raw water production wells, a new deep injection well, new water storage tank and required piping. The project is programmed to be completed in September 2019.
- The Historic Miramar Infrastructure Phase III Project constructs a gravity sewer collection system and lift station to eliminate septic tanks within the area bounded by Pembroke Road to the north, SW 25th Street to the South, SW 64th Avenue to the east, and SW 68th Way/Sunshine Blvd. to the west. Upon completion, business and property owners in the area will be served by a gravity collection system that reduces the potential of health and environmental risks associated with antiquated septic tank systems, as well as repositioning the Historic Miramar business area for future development opportunities. This project is anticipated to be completed in September 2019.
- The Historic Miramar Public Safety Complex, is a new 24,000 sq. ft building complex that includes a variety of key public safety functions at a central city location. The proposed site will accommodate the Historic District Police Substation, Crime Lab/Evidence Storage, Logistics, Utility Storage and other related functions. The overall building area will also include administrative offices, a community room for use by residents and civic groups, and a surface lot for various safety vehicles. Project completion is anticipated in early 2020.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about this report or need additional information, contact the Office of the Finance Director at the address listed below. A copy of this report will also be available on the City's website, www.miramarfl.gov

City of Miramar Finance Department
2300 Civic Center Place
City Hall, 2nd Floor
Miramar, Florida 33025

BASIC FINANCIAL STATEMENTS

DRAFT

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

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 14,764,241	\$ 5,744,607	\$ 20,508,848
Investments	77,956,969	50,858,017	128,814,986
Receivables, net	4,736,176	6,371,248	11,107,424
Due from other governments	7,093,535	-	7,093,535
Inventories	330,304	-	330,304
Prepaid items	4,925,696	4,445	4,930,141
Assets held for resale	1,715,843	-	1,715,843
Restricted assets:			
Cash and cash equivalents	-	10,369,014	10,369,014
Cash with fiscal agent	451,508	-	451,508
Investments	-	114,762	114,762
Capital assets, not being depreciated	52,980,246	47,480,781	100,461,027
Capital assets, being depreciated, net	219,488,431	263,228,879	482,717,310
TOTAL ASSETS	384,442,949	384,171,753	768,614,702
DEFERRED OUTFLOW OF RESOURCES			
Deferred loss on debt refunding	84,848	122,328	207,176
Pensions (Note 10)	47,674,620	4,512,747	52,187,367
OPEB (Note 11)	1,276,408	228,427	1,504,835
TOTAL DEFERRED OUTFLOW OF RESOURCES	49,035,876	4,863,502	53,899,378
LIABILITIES			
Accounts and retainage payable	4,988,363	4,907,727	9,896,090
Accrued liabilities	7,641,693	315,330	7,957,023
Due to other governments	64,589	3,192	67,781
Unearned revenue	5,455,711	3,500,000	8,955,711
Other liabilities	2,657,950	-	2,657,950
Noncurrent liabilities:			
Amounts due or payable within one year:			
Bonds, notes, and leases	7,558,887	2,376,552	9,935,439
Self-insurance claims	1,936,740	-	1,936,740
Compensated absences	3,635,493	333,722	3,969,215
Other liabilities	-	1,306,003	1,306,003
Amount due or payable in more than one year			
Bonds, notes, and leases	145,422,489	68,934,341	214,356,830
Self-insurance claims	7,569,000	-	7,569,000
Compensated absences	9,825,363	965,618	10,790,981
Other post-employment benefits	38,838,812	6,950,599	45,789,411
Total pension liability-excess benefit	1,283,418	-	1,283,418
Net pension liability	162,651,555	9,930,999	172,582,554
Other liabilities	-	3,762,799	3,762,799
TOTAL LIABILITIES	399,530,063	103,286,882	502,816,945
DEFERRED INFLOW OF RESOURCES			
Deferred gain on debt refunding	610,318	-	610,318
Revenues received in advance	2,660,742	-	2,660,742
Pensions (Note 10)	26,073,244	2,271,564	28,344,808
TOTAL DEFERRED INFLOWS OF RESOURCES	29,344,304	2,271,564	31,615,868
NET POSITION			
Net investment in capital assets	132,717,623	234,963,545	367,681,168
Restricted for:			
Public safety	2,208,001	-	2,208,001
Debt service	1,112,998	2,447,248	3,560,246
Capital projects	9,597,836	-	9,597,836
Renewal and replacement	-	2,980,000	2,980,000
Other purposes	8,350	-	8,350
Unrestricted	(141,040,350)	43,086,016	(97,954,334)
TOTAL NET POSITION	\$ 4,604,458	\$ 283,476,809	\$ 288,081,267

See notes to basic financial statements.

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

Functions/Programs	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
Primary Government:							
General government	\$ 23,325,841	\$ 10,608,680	\$ 95,421	\$ -	\$ (12,621,740)	\$ -	\$ (12,621,740)
Public safety	87,302,441	34,298,433	2,448,832	750,000	(49,805,176)	-	(49,805,176)
Physical environment	8,240,206	1,041,348	2,969,567	232,229	(3,997,062)	-	(3,997,062)
Transportation	4,167,971	-	1,203,274	-	(2,964,697)	-	(2,964,697)
Social services	6,807,049	1,756,776	1,017,062	-	(4,033,211)	-	(4,033,211)
Economic environment	2,867,402	-	1,796,130	-	(1,071,272)	-	(1,071,272)
Parks and recreation	16,476,473	1,898,276	219,044	-	(14,359,153)	-	(14,359,153)
Cultural arts	3,932,786	1,548,647	136,852	-	(2,247,287)	-	(2,247,287)
Interest on long-term debt	5,758,613	-	-	-	(5,758,613)	-	(5,758,613)
Total governmental activities	158,878,782	51,152,160	9,886,182	982,229	(96,858,211)	-	(96,858,211)
Business-Type Activities:							
Utility	41,130,821	42,080,122	-	666,007	-	1,615,308	1,615,308
Stormwater	2,732,270	4,592,869	-	-	-	1,860,599	1,860,599
Total Business-Type Activities	43,863,091	46,672,991	-	666,007	-	3,475,907	3,475,907
Total Primary Government	\$ 202,741,873	\$ 97,825,151	\$ 9,886,182	\$ 1,648,236	\$ (96,858,211)	\$ 3,475,907	\$ (93,382,304)
General revenues:							
Property taxes					59,977,703	-	59,977,703
Utility taxes					10,793,670	-	10,793,670
Local option gas tax					2,443,554	-	2,443,554
Communication service tax					4,352,859	-	4,352,859
Franchise fees based on gross receipts					8,654,462	-	8,654,462
Unrestricted intergovernmental revenues					14,046,272	-	14,046,272
Unrestricted investment earnings					1,499,513	1,007,687	2,507,200
Miscellaneous					1,928,393	-	1,928,393
Transfers					-	-	-
Total general revenues					103,696,426	1,007,687	104,704,113
Change in net position					6,838,215	4,483,594	11,321,809
Net position – beginning of year, as restated (see note 14)					(2,233,757)	278,993,215	276,759,458
Net position – end of year					\$ 4,604,458	\$ 283,476,809	\$ 288,081,267

See notes to basic financial statements.

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

	Major Fund	Nonmajor	Total
	General Fund	Governmental Funds	Governmental Funds
ASSETS			
Pooled cash and cash equivalents	\$ 4,304,450	\$ 7,440,671	\$ 11,745,121
Pooled investments	33,318,503	24,153,732	57,472,235
Receivables, net	4,527,379	205,838	4,733,217
Due from other funds	702,973	-	702,973
Due from other governments	4,353,833	2,739,702	7,093,535
Inventory	15,775	-	15,775
Asset held for resale	1,517,834	198,009	1,715,843
Prepays	289,924	3,114,206	3,404,130
Cash with fiscal agent	-	451,412	451,412
TOTAL ASSETS	49,030,671	38,303,570	87,334,241
LIABILITIES			
Accounts payable	1,748,499	886,603	2,635,102
Retainage payable	657,668	941,120	1,598,788
Accrued liabilities	5,563,833	39,417	5,603,250
Due to other funds	-	702,973	702,973
Due to other governments	64,589	-	64,589
Unearned revenue	328,888	5,126,823	5,455,711
Other liabilities and deposits	2,657,950	-	2,657,950
TOTAL LIABILITIES	11,021,427	7,696,936	18,718,363
DEFERRED INFLOWS OF RESOURCES			
Revenue received in advance	2,660,742	-	2,660,742
TOTAL DEFERRED INFLOWS OF RESOURCES	2,660,742	-	2,660,742
FUND BALANCES			
Non-spendable:			
Inventory	15,775	-	15,775
Asset held for resale	1,517,834	198,009	1,715,843
Prepays	289,924	3,114,206	3,404,130
Restricted for:			
Housing	-	8,350	8,350
Law enforcement	-	2,208,001	2,208,001
Street construction and maintenance	-	2,163,183	2,163,183
Park development	-	2,854,556	2,854,556
Capital improvement	-	17,618,122	17,618,122
Debt service	-	4,115,220	4,115,220
Committed to:			
Stabilization fund	19,069,814	-	19,069,814
Assigned to:			
Emergency preparedness	6,112,120	-	6,112,120
Construction commitments	168,621	-	168,621
Donations and scholarships	198,100	-	198,100
Unassigned:			
General fund	7,976,314	-	7,976,314
Special revenue fund	-	(1,673,013)	(1,673,013)
TOTAL FUND BALANCES	35,348,502	30,606,634	65,955,136
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 49,030,671	\$ 38,303,570	\$ 87,334,241

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

Fund balances – total governmental funds \$ 65,955,136

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

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

Governmental capital assets	384,801,251	
Less accumulated depreciation	<u>(118,278,721)</u>	266,522,530

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Revenue bonds payable	(130,950,000)	
Notes payable	(11,235,700)	
Capital leases	(3,194,652)	
Accrued interest on long-term debt	(2,968,346)	
Compensated absences	(12,104,046)	
Other post-employment benefit (OPEB)	(37,195,092)	
Net pension liability	(160,613,128)	
Total pension liability-excess benefit plan	<u>(1,283,418)</u>	(359,544,382)

Certain items are recognized when debt is issued in the governmental funds.

These items, however, must be capitalized and amortized in the government-wide statements.

Premium on debt		(6,130,910)
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Deferred inflows/outflows of resources reported in the statement of net position:

Net deferred gain (loss) on refundings	(525,470)	
Net deferred outflows (inflows) on pensions	20,937,317	
Net deferred outflows (inflows) on OPEB	<u>1,222,389</u>	21,634,236

Internal service funds are used by management to charge the costs of certain activities to individual funds.

16,167,847

Net position of governmental activities

\$ 4,604,457

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

	<u>Major Fund</u>	Nonmajor	Total
	General Fund	Governmental Funds	Governmental Funds
REVENUES			
Taxes	\$ 83,778,694	\$ -	\$ 83,778,694
Special assessments	20,763,863	-	20,763,863
Licenses and permits	8,622,878	-	8,622,878
Intergovernmental	16,390,850	11,069,465	27,460,315
Charges for services	17,215,403	1,650,140	18,865,543
Fines and forfeitures	753,041	446,207	1,199,248
Impact fees	-	689,185	689,185
Interest	1,013,162	486,350	1,499,512
Contributions	-	232,229	232,229
Miscellaneous	2,602,171	3,359	2,605,530
TOTAL REVENUES	151,140,062	14,576,935	165,716,997
EXPENDITURES			
Current:			
General government	28,033,760	8,622	28,042,382
Public safety	85,122,475	1,554,218	86,676,693
Physical environment	3,659,005	2,546,965	6,205,970
Transportation	3,425,882	-	3,425,882
Social Services	6,060,318	126,938	6,187,256
Economic environment	1,186,398	1,407,706	2,594,104
Parks and recreation	13,460,854	-	13,460,854
Cultural arts	3,356,289	-	3,356,289
Grants/aid	103,350	65,300	168,650
Capital outlay	3,614,534	9,020,887	12,635,421
Debt service:			
Principal	267,992	6,584,052	6,852,044
Interest	40,594	6,234,227	6,274,821
Fiscal charges	-	1,794	1,794
TOTAL EXPENDITURES	148,331,451	27,550,709	175,882,160
Excess (deficiency) of revenues over (under) expenditures	2,808,611	(12,973,774)	(10,165,163)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,917,935	10,706,900	14,624,835
Transfers out	(7,446,900)	(7,177,935)	(14,624,835)
TOTAL OTHER FINANCING SOURCES (USES)	(3,528,965)	3,528,965	-
Net changes in fund balances	(720,354)	(9,444,809)	(10,165,163)
Fund balances, beginning	36,068,857	40,051,443	76,120,300
Fund balances, ending	\$ 35,348,503	\$ 30,606,634	\$ 65,955,137

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2018

Change in fund balance – total governmental funds \$ (10,165,163)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital outlay	8,670,703	
Less current year depreciation	<u>(9,238,393)</u>	(567,690)

The net effect of various miscellaneous transactions involving capital assets decreased net position:

Loss on disposal of capital assets		(29,254)
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Issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal is an expenditure in the governmental funds. The issuance increases long-term liabilities in the Statement of Net Position, while the repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums and discounts and similar items when debt is first issued whereas those amounts are deferred and amortized in the Statement of Activities.

Bonds and notes principal payments	6,272,900	
Capital lease principal payments	579,145	
Deferred amount on refunding	73,437	
Amortization of debt premium	<u>350,884</u>	7,276,366

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 the governmental funds.

Accrued interest payable	93,680	
Compensated absences	8,617	
Other post-employment benefit (OPEB)	(1,943,487)	
Pension expense	<u>6,365,252</u>	4,524,062

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.

		<u>5,799,894</u>
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Change in net position of governmental activities

		<u>\$ 6,838,215</u>
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CITY OF MIRAMAR, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds	Nonmajor Enterprise Funds	Total	Internal Service Funds
	Utility Fund			
ASSETS				
Current assets:				
Pooled cash and cash equivalents	\$ 4,662,234	\$ 1,082,373	\$ 5,744,607	\$ 3,019,120
Pooled investments	46,606,445	4,251,572	50,858,017	20,484,734
Receivables, net	6,335,708	35,540	6,371,248	2,959
Inventories	-	-	-	314,529
Prepaid items	4,445	-	4,445	1,521,566
Restricted assets:				
Pooled cash and cash equivalents	6,344,526	261,689	6,606,215	-
Cash with fiscal agent	-	-	-	96
Pooled investments	114,762	-	114,762	-
Total current assets	<u>64,068,120</u>	<u>5,631,174</u>	<u>69,699,294</u>	<u>25,343,004</u>
Non-current assets:				
Restricted pooled cash and cash equivalents	3,762,799	-	3,762,799	-
Capital assets, not being depreciated	44,281,709	3,199,072	47,480,781	-
Capital assets, being depreciated, net	255,599,231	7,629,648	263,228,879	5,946,147
Total non-current assets	<u>303,643,739</u>	<u>10,828,720</u>	<u>314,472,459</u>	<u>5,946,147</u>
TOTAL ASSETS	<u>367,711,859</u>	<u>16,459,894</u>	<u>384,171,753</u>	<u>31,289,151</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on debt refunding	122,328	-	122,328	-
Pensions (Note 10)	4,183,531	329,216	4,512,747	1,074,790
OPEB (Note 11)	206,819	21,608	228,427	54,019
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>4,512,678</u>	<u>350,824</u>	<u>4,863,502</u>	<u>1,128,809</u>
LIABILITIES				
Current liabilities:				
Accounts payable	2,903,487	551,300	3,454,787	754,473
Retainage payable	1,198,699	254,241	1,452,940	-
Accrued liabilities	258,446	56,884	315,330	70,096
Due to other governments	3,192	-	3,192	-
Current portion of long-term obligations	2,157,290	552,985	2,710,275	2,502,901
Liabilities payable from restricted assets	1,306,003	-	1,306,003	-
Total current liabilities	<u>7,827,117</u>	<u>1,415,410</u>	<u>9,242,527</u>	<u>3,327,470</u>
Non-current liabilities:				
Bonds payable, net of discount	46,717,546	470,475	47,188,021	-
State revolving loans	16,358,815	5,387,504	21,746,319	-
Capital leases	-	-	-	1,060,424
Compensated absences	950,005	15,613	965,618	200,339
Other post-employment benefits (OPEB)	6,293,109	657,490	6,950,599	1,643,721
Net pension liability	9,150,526	780,473	9,930,999	2,038,427
Estimate for self-insured losses	-	-	-	7,569,000
Unearned revenue	3,500,000	-	3,500,000	-
Liabilities payable from restricted assets	3,762,799	-	3,762,799	-
Total non-current liabilities	<u>86,732,800</u>	<u>7,311,555</u>	<u>94,044,355</u>	<u>12,511,911</u>
TOTAL LIABILITIES	<u>94,559,917</u>	<u>8,726,965</u>	<u>103,286,882</u>	<u>15,839,381</u>
DEFERRED INFLOWS OF RESOURCES				
Pensions (Note 10)	2,102,519	169,045	2,271,564	410,732
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>2,102,519</u>	<u>169,045</u>	<u>2,271,564</u>	<u>410,732</u>
NET POSITION				
Net investment in capital assets	231,315,397	3,648,148	234,963,545	4,476,033
Restricted for debt service	2,185,559	261,689	2,447,248	-
Restricted for renewal and replacement	2,980,000	-	2,980,000	-
Unrestricted	39,081,145	4,004,871	43,086,016	11,691,814
TOTAL NET POSITION	<u>\$ 275,562,101</u>	<u>\$ 7,914,708</u>	<u>\$ 283,476,809</u>	<u>\$ 16,167,847</u>

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds	Nonmajor Enterprise Funds	Total	Internal Service Funds
	Utility Fund			
OPERATING REVENUES				
Water sales	\$ 17,716,820	\$ -	\$ 17,716,820	\$ -
Wastewater service	22,113,071	-	22,113,071	-
Stormwater fees	-	4,592,869	4,592,869	-
Impact fees	-	-	-	-
Service charges	2,216,470	-	2,216,470	-
Charges for services	-	-	-	33,233,304
Other	33,761	-	33,761	894,378
TOTAL OPERATING REVENUES	42,080,122	4,592,869	46,672,991	34,127,682
OPERATING EXPENSES				
General and administrative	5,095,666	-	5,095,666	27,263,124
Water operations	7,552,217	-	7,552,217	-
Wastewater operations	7,217,686	-	7,217,686	-
Field operations	2,433,553	-	2,433,553	-
Flood control/stormwater management	-	2,277,574	2,277,574	-
Non-departmental	7,204,889	-	7,204,889	-
TOTAL OPERATING EXPENSES	29,504,011	2,277,574	31,781,585	27,263,124
Operating income before depreciation	12,576,111	2,315,295	14,891,406	6,864,558
Depreciation and amortization	9,060,156	332,141	9,392,297	1,368,596
Operating income	3,515,955	1,983,154	5,499,109	5,495,962
NONOPERATING REVENUES (EXPENSES)				
Interest income	914,155	93,532	1,007,687	303,655
Interest expense	(2,566,654)	(122,555)	(2,689,209)	(9,132)
Insurance recoveries	-	-	-	9,409
TOTAL NONOPERATING REVENUES (EXPENSES)	(1,652,499)	(29,023)	(1,681,522)	303,932
Income before capital contributions	1,863,456	1,954,131	3,817,587	5,799,894
Capital contributions	666,007	-	666,007	-
TOTAL CAPITAL CONTRIBUTIONS	666,007	-	666,007	-
Change in net position	2,529,463	1,954,131	4,483,594	5,799,894
Net position, beginning as restated	273,032,638	5,960,577	278,993,215	10,367,953
Net position, ending	\$ 275,562,101	\$ 7,914,708	\$ 283,476,809	\$ 16,167,847

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds	Nonmajor Enterprise Funds	Total	Internal Service Funds
	Utility Fund			
Cash flows from operating activities:				
Cash received from customers	\$ 42,936,419	\$ 4,599,411	\$ 47,535,830	\$ 34,135,373
Cash paid to suppliers	(12,026,361)	(593,344)	(12,619,705)	(26,944,598)
Cash paid to employees	(13,578,389)	(1,119,662)	(14,698,051)	(3,897,968)
Net cash provided by operating activities	<u>17,331,669</u>	<u>2,886,405</u>	<u>20,218,074</u>	<u>3,292,807</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(25,236,553)	(2,592,754)	(27,829,307)	(1,348,159)
Issuance of debt	50,609,093	1,555,689	52,164,782	195,077
Refunding of debt	(38,645,000)	-	(38,645,000)	-
Proceeds from grant	150,000	-	150,000	-
Proceeds from insurance on capital assets	-	-	-	9,409
Principal paid on long-term debt	(2,108,918)	(515,950)	(2,624,868)	(388,741)
Interest paid on long-term debt	(2,371,048)	(121,250)	(2,492,298)	(9,132)
Net cash used in capital and related financing activities	<u>(17,602,426)</u>	<u>(1,674,265)</u>	<u>(19,276,691)</u>	<u>(1,541,546)</u>
Cash flows from investing activities:				
Purchases of investments	(13,629,557)	(4,634,138)	(18,263,695)	(11,584,719)
Sales of investments	11,354,215	4,467,159	15,821,374	5,324,703
Interest earnings	32,944	5,240	38,184	18,120
Net cash used in investing activities	<u>(2,242,398)</u>	<u>(161,739)</u>	<u>(2,404,137)</u>	<u>(6,241,896)</u>
Net increase (decrease) in pooled cash and cash equivalents	(2,513,155)	1,050,401	(1,462,754)	(4,490,635)
Pooled cash and cash equivalents, beginning	17,282,714	293,661	17,576,375	7,509,851
Pooled cash and cash equivalents, ending	<u>\$ 14,769,559</u>	<u>\$ 1,344,062</u>	<u>\$ 16,113,621</u>	<u>\$ 3,019,216</u>
Pooled cash and cash equivalents per statement of net position:				
Unrestricted	\$ 4,662,234	\$ 1,082,373	\$ 5,744,607	\$ 3,019,120
Restricted (current and noncurrent)	10,107,325	261,689	10,369,014	96
Net pooled cash and cash equivalents per statement of net position	<u>\$ 14,769,559</u>	<u>\$ 1,344,062</u>	<u>\$ 16,113,621</u>	<u>\$ 3,019,216</u>

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds	Nonmajor Enterprise Funds	Total	Internal Service Funds
	Utility Fund			
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 3,515,955	\$ 1,983,154	\$ 5,499,109	\$ 5,495,962
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation	9,060,156	332,141	9,392,297	1,368,596
Changes in operating assets and liabilities:				
(Increase) decrease in accounts receivable	1,006,571	6,542	1,013,113	7,691
(Increase) decrease in inventories	-	-	-	4,568
(Increase) decrease in prepaid items	41,371	-	41,371	(104,956)
(Increase) decrease in deferred charges	126,966	-	126,966	-
(Increase) decrease in deferred outflows of resources	136,794	12,871	149,665	50,497
Increase (decrease) in accounts payable	683,823	588,835	1,272,658	(3,444,616)
Increase (decrease) in unearned revenue	3,500,000	-	3,500,000	-
Increase (decrease) in accrued liabilities	(215,440)	(20,615)	(236,055)	(24,148)
Increase (decrease) in due to other governments	(89,564)	-	(89,564)	-
Increase (decrease) in liabilities payable from restricted assets	(277,240)	-	(277,240)	-
Increase (decrease) in self-insured losses	-	-	-	(38,372)
Increase (decrease) in compensated absences	73,071	739	73,810	21,202
Increase (decrease) in other post-employment benefits (OPEB)	367,755	38,424	406,179	96,056
Increase (decrease) in net pension liability	(1,044,980)	(98,628)	(1,143,608)	(290,745)
Increase (decrease) in deferred inflows of resources	446,431	42,942	489,373	151,072
Net cash provided by operating activities	<u>\$ 17,331,669</u>	<u>\$ 2,886,405</u>	<u>\$ 20,218,074</u>	<u>\$ 3,292,807</u>
Noncash investing, capital and financing activities:				
Administrative service fee SRF loan	\$ 310,800	\$ 1,305	\$ 312,105	\$ -
Contributions of capital assets from developers	516,007	-	516,007	-
Increase in fair value of investments	881,211	88,292	969,503	285,535
Amortization deferred amounts	(138,651)	-	(138,651)	-
Capitalized interest on SRF loan	23,457	-	23,457	-

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

	Pension Trust Funds	Sanitation Agency Fund
ASSETS		
Cash and cash equivalents	\$ 6,302,801	\$ 547,798
Investments:		
Certificates of deposit	1,070,861	-
Money market funds	5,539,785	-
U.S. Government securities	27,625,975	-
Corporate bonds	22,374,938	-
Bond fund	14,748,306	-
Equity securities	273,980,270	-
Collateralized mortgage obligations	11,013,442	-
International equity	28,555,562	-
Asset backed securities	1,511,415	-
Mutual funds	4,587,845	-
Real estate funds	50,894,032	-
Fixed income international funds	554,434	-
Commingled funds	5,275,864	-
Alternative investments	27,132,590	-
Receivables:		
Due from broker	728,319	-
State contributions receivable	2,110,084	-
Accounts receivable	-	1,217,273
Prepaid items	1,042,117	-
Accrued interest and dividend receivable	516,654	-
TOTAL ASSETS	485,565,294	1,765,071
LIABILITIES		
Accounts payable	343,618	1,765,071
Due to broker	923,987	-
TOTAL LIABILITIES	1,267,605	1,765,071
NET POSITION		
Net position restricted for pension benefits	\$ 484,297,689	\$ -

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FISCAL YEAR ENDED SEPTEMBER 30, 2018

ADDITIONS		
Contributions:		
City		\$ 23,202,460
Employees		8,304,941
State		2,110,084
Permissive service credit		792,779
Total contributions		<u>34,410,264</u>
Interest and dividends		11,265,373
Net appreciation in fair value of investments		31,368,401
Less investment expenses		<u>(1,957,592)</u>
Net investment income		40,676,182
Other income		<u>27,937</u>
Total additions		<u>75,114,383</u>
DEDUCTIONS		
Pension benefits		17,514,702
Refund of employee contributions		1,461,848
Administrative expenses		<u>650,182</u>
Total deductions		<u>19,626,732</u>
Change in net position		55,487,651
Net position restricted for pension benefits:		
Beginning of year		<u>428,810,038</u>
End of year		<u><u>\$ 484,297,689</u></u>

See notes to basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Miramar (the "City") was incorporated in 1955. It is located in the southwestern portion of Broward County, Florida, comprises approximately 31 square miles of land, and has a population of approximately 137,107 residents. The City operates under a Commission-Manager form of government and provides the following services as authorized by its Charter: general government, public safety, physical environment, transportation, social services, economic environment, parks and recreation, and cultural arts. The City also operates water, wastewater, and stormwater enterprise funds.

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

The City's significant accounting policies are described below.

A. Financial Reporting Entity

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP). The financial statements were prepared in accordance with government accounting standards, which establish standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the City, organizations for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The City is financially accountable for a component unit if it appoints a voting majority of the organization's governing board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. Based upon the application of these criteria, there were no organizations that met the criteria described above.

The non-profit Miramar Cultural Trust does not meet the established criteria for inclusion as a component unit and, therefore, is excluded from this report.

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 non-fiduciary activities of the City. Governmental activities, which normally are supported by charges for services, taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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 all revenues except grant revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are considered available if collected within six months of the end of the current fiscal period. 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, pension costs, other post-employment benefits, and claims and judgments, are recorded only when payment is due.

Property taxes, franchise 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

General Fund

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

The City reports the following major proprietary funds:

Utility Fund

This fund is used to account for operations that are financed and operated in a manner similar to a commercial enterprise, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of the revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City accounts for the operations of providing water and wastewater services in its enterprise fund.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Additionally, the City reports the following fund types:

Internal Service Funds

These funds are used to account for the financing of self-insurance activities, fleet maintenance services, and management information system services provided to other funds of the City on a cost reimbursement basis.

Pension Trust Funds

These funds account for the activities of the retirement plans for General, Police Officers, Firefighters, and Management employees, which accumulate resources for pension benefits to those qualified employees.

Agency Fund

This fund is custodial in nature and does not present results of operations or have a measurement focus. This fund is used to account for assets the City holds for its sanitation service provider.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's utilities function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes, whose purpose has not been restricted to a specific program.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services.

Operating expenses for the enterprise funds and internal service funds include the cost of sales and 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 the City's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources include committed, assigned and unassigned amounts which are available and can be used for the intended purpose. When unrestricted resources are available for use, it is the City's policy to use committed resources first, then assigned, and then unassigned as they are needed.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance

1. Deposits and Investments - The City maintains a pooled cash and investment system that is available for use by all funds to facilitate the investment process. Each fund's portion of pooled cash and investments are included on the statement of net position and balance sheets as "Pooled cash and cash equivalents" and "Pooled Investments," respectively. Interest earnings are allocated to each fund based upon their average proportionate equity. In addition, investments are separately held by the pension trust funds. The City's cash and cash equivalents include cash on hand, pooled cash, demand deposits, a money market mutual fund, and short-term investments with original maturities of three months or less from the date of acquisition. The Pension Plans' have established a framework to consistently measure the Plan's assets and liabilities in accordance with applicable accounting, legal, and regulatory guidance.

Investments are recorded a fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Certain investments are recorded at net asset value (NAV) per share. This method of determining fair value uses member units to which a proportionate share of net assets is attributed. The City's investments in the Florida Prime and Wells Fargo Government Money Market Mutual Fund are recorded at amortized cost.

Alternative investments: The Pension Plans have investments in various real estate funds. The funds are valued using their respective net asset value (NAV) as of September 30, 2018. The most significant input into the NAV of such funds is the fair value of the investment holdings. These holdings are valued by the general partners on a quarterly or semi-annual basis, in conjunction with management and investment advisors.

Investments are categorized according to the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*, which requires the City to use valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach, or income approach. The Statement establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs, and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The Statement also contains note disclosure requirements regarding the hierarchy of valuation inputs and valuation techniques that was used for the fair value measurements.

Unrealized gains and losses are presented as net appreciation (depreciation) in fair value of investments on the statement along with the gains and losses realized on the sales of investments. Purchases and sales of investments are recorded on a trade-date basis.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

2. Interfund Receivables, Payables, and Transfers - Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

3. Receivables - Special assessments are levied against benefited properties for the cost or a portion of the cost of special assessment improvement projects in accordance with State Statutes. These assessments are collectible by the City over a term of years usually consistent with the term of the related bond issue. Broward County handles the collection of annual installments (including interest) in the same manner as property taxes. Property owners are allowed to (and often do) prepay future installments without interest or prepayment penalties. Once a special assessment roll is adopted, the amount attributed to each parcel is a lien upon that property until full payment is made.

All trade and other receivables are shown net of an allowance for uncollectables. Long-term receivables are analyzed for their collectability based on the terms and conditions of the agreements. In addition to those receivables specifically identified as uncollectable based on management's assessment of individual creditors' ability to pay, a general allowance is calculated based on the City's historic bad debt experience to ensure all receivables are recorded at their net realizable value.

Water and wastewater charges to customers are based on actual water consumption. The City recognizes revenue and a related receivable for the estimated unbilled consumption as of September 30th of each year.

4. Inventories - Inventories consisting of fuel and oil are recorded at cost, using the first-in, first-out method. The initial cost is recorded as an asset at the time the individual inventory items are purchased and are charged against operations in the period when used (i.e., the consumption method).

5. 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. The cost of prepaid items is recorded as expenditure/expense when consumed (i.e. the consumption method), rather than when purchased in both the governmental and proprietary funds.

6. Capital Assets - Capital assets, which include property, plant, equipment, intangibles and certain infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), 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 more than \$5,000 for all capital assets other than intangibles, which are \$15,000 for software and \$25,000 for easements, and an estimated useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost at the date of donation.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

6. Capital Assets (Continued) - The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as they are completed. Beginning in fiscal year 2018, interest costs incurred before the end of the construction period for capital projects of business-type activities are being expensed in the period in which the cost is incurred. This is in accordance with GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The City implemented this new accounting standard in this fiscal year.

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

<u>Asset</u>	<u>Estimated Useful Lives (Years)</u>
Buildings	50
Improvements other than buildings	20
Machinery & equipment	3 – 20
Fleet	8
Intangibles	15 – 25
Infrastructure	16 – 70

7. Deferred outflows/inflows of resources - In addition to assets, the Statement of Net Position will sometimes include a separate section for deferred outflows of resources. This represents the usage of net position applicable to future periods and will be recognized as expenditures in the future period to which it applies. The City currently reports a deferred loss on refunding of debt and deferred outflows related to pensions and other postemployment benefits (OPEB) in this category.

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. Deferred outflows on pensions and other postemployment benefits (OPEB) also include the difference between expected and actual experience with regard to economic, or demographic factors; changes of assumptions about future economic, demographic, or other factors or changes in the City's proportionate share of the net pension and OPEB liability. Employer contributions made subsequent to the measurement date are also deferred and reduce the net pension and OPEB liabilities in the subsequent year.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflow of resources. This represents the acquisition of net position applicable to future periods and will be recognized as revenue in the future period to which it applies. The City currently reports deferred inflows of resources related to revenues received in advance, deferred gain on refunding of debt, and deferred inflows related to pensions in this category.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

7. 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 postemployment benefits (OPEB) also include the difference between expected and actual experience with regard to economic, or demographic factors; changes of assumptions about future economic, demographic, or other factors or changes in the City's proportionate share of net pension and OPEB liabilities.

Deferred inflows related to revenues received in advance consists primarily of local business taxes and fire inspection and permit fees.

The deferred charge on refunding is the difference between the net carrying value of refunded debt and its reacquisition price. This amount is recorded as a deferred inflow or outflow and amortized over the shorter of the life of the refunded or the refunding debt.

8. Unearned Revenues - Unearned revenue represents grants and similar items received in advance for which the City has not met all eligibility requirements imposed by the provider to allow for revenue recognition.
9. Compensated Absences - The City's policy is to permit employees to accumulate earned but unused sick and vacation pay benefits, limited to certain maximums, based on length of service. For certain employees, the City also grants compensatory time. All vacation, sick and compensatory 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. For the governmental funds, compensated absences are liquidated by the General Fund.
10. Long-Term Obligations - In the government-wide financial statements, and the 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. Bonds payable are reported net of the applicable premium or discounts. Bond premiums, discounts, as well as deferred refunding amounts are amortized over the life of the bonds using the straight line method, which does not result in a material difference from the effective interest method. Issuance costs are expensed in the year of issuance except prepaid insurance costs which are deferred and amortized over the life of the debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, 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, are reported as debt service expenditures. Payments of principal and interest are also reported as expenditures.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

11. Capital Contributions - Contributions from private developers representing “water and wastewater impact fees” for the future acquisition or expansion of capital improvements of City operated water and wastewater systems are recorded as capital contributions in the enterprise funds. Also recorded as capital contributions are special assessments for the construction of utility facilities and capital assets transferred from governmental funds/activities to an enterprise fund.
12. Net Position - Net position (deficit) is the result of assets and deferred outflows of resources, less liabilities and deferred inflows of resources. Net position of the government-wide activities and proprietary funds are categorized as net investment in capital assets, restricted and unrestricted. Net investment in capital assets is that portion of net position that relates to the City’s capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct or improve those assets, excluding related unexpended debt proceeds. Deferred inflow/outflow of resources attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position. Restricted net position is that portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of all net position that does not meet the definition of either of the other two components.
13. Nature and Purpose of Fund Balance - In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by: a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Commission through an ordinance or resolution, equally binding, are classified as committed fund balances. An ordinance or resolution approved by a majority vote of the City Commission is required to remove the constraint. Amounts that are constrained by the City’s intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are made by the City Manager based on Commission direction. Nonspendable fund balances include amounts that cannot be spent because they are either: (a) not spendable in form or (b) legally or contractually required to be maintained intact. Unassigned fund balance 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. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

13. Nature and Purpose of Fund Balance (Continued) - The City Commission adopted Resolution No. 14-74 creating a committed fund balance designated as a Financial Stabilization Account equal to 12% of the General Fund's final amended budgeted expenditures. The City's policy is to maintain an adequate General Fund balance to provide a "rainy day" fund for use in unforeseen, unbudgeted emergency situations such as sustained declines in real estate values of more than 10% and/or property tax collections that decline by more than 5%; 1.5% decline in revenues or 1.5% increase in spending requirements imposed by the state or federal government or vital to maintaining day to day operations of the City (e.g. fuel, electricity); unreimbursable natural disaster expenditures or emergency infrastructure failures costing greater than \$1,500,000; or unforeseen litigation and related legal fees in excess of \$1,000,000. Stabilization funds may be used when the City Commission or City Manager recognizes a need to utilize the funds. If established by the City Manager, the specific need must be reported to the City Commission at their next meeting. A budget amendment must be approved by the City Commission authorizing use of the stabilization funds. When such a need is recognized as part of the budget process, the need and amount will be documented as part of that process and adopted as part of the budget. Should the balance drop below the targeted level of 12% of General Fund final budgeted expenditures, the City will develop a plan to replenish the account to the minimum level from net revenue surpluses in subsequent fiscal years until the balance is restored to the minimum level.
14. Use of Estimates - The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources, the disclosure of contingent assets/deferred outflows and liabilities/deferred inflows at the date of the financial statements and revenue and expenditures/expenses during the period reported. These estimates include assessing the collectability of accounts receivable, the use and recoverability of inventory, self-insurance liability, pension liabilities and other post-employment benefit obligations, and useful lives and impairment of tangible assets, among others. Actual results could differ from these estimates.
15. New Accounting Pronouncements - In Fiscal Year 2018, the City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement addresses accounting and financial reporting for other postemployment benefits (OPEB) provided to employees of state and local government employers; establishes standards for recognizing and measuring liabilities, deferred outflows of resources, and expenses. It requires governments to report a liability, deferred outflow of resources, deferred inflow of resources, and expenses on the face of the financial statements for the OPEB provided and requires more extensive note disclosure and supplementary information about the City's OPEB liability. The beginning net position of the City decreased by \$22,655,897 due to the implementation of GASB Statement No. 75. The City's total OPEB liability reported at September 30, 2018 increased by \$26,553,282.

In Fiscal Year 2018, the City implemented GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*. This statement establishes accounting requirements for interest costs incurred before the end of a construction period and requires that interest costs incurred before the end of a construction period are recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of this Statement were applied prospectively.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

16. Employee Benefit Plans, Pensions - The City provides separate defined benefit pension plans for general employees, police department personnel, fire department personnel and management personnel. The City provides retirement benefits to elected officials through the Florida Retirement System (FRS and HIS).

The City also offers an optional deferred compensation plan created in accordance with Internal Revenue Code Section 457. In 2001, the City established the Excess Benefit Plan, a qualified governmental excess benefit arrangement as defined in Section 415 (m) (3) of the Internal Revenue Code.

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's General Employees' Retirement Plan, Management Retirement Plan, Police Officers' Retirement Plan and the Firefighters' Retirement Plan (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans.

Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

For purposes of measuring the City's proportionate share of the net pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (FRS) and the Health Insurance Subsidy (HIS) Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Florida Retirement System (FRS) and HIS plans.

17. Post-Employment Benefits Other than Pensions (OPEB) – Pursuant to Section 112.08, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retirees that is no greater than the cost at which coverage is available for active employees. The City has a single employer OPEB plan with benefits based on age and date of employment. In 2018, the City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement addresses accounting and financial reporting for OPEB provided to employees of state and local government employers; establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses, and requires governments to report a liability, deferred outflows of resources, deferred inflows of resources, and expenses on the face of the financial statements for the OPEB that they provide. Additional information regarding the City's OPEB liability can be found in Note 11.
18. Risk Management - The City is exposed to various risks of loss from civil liability to other parties (automobile liability); statutory workers' compensation benefits for injured employees; and the theft or accidental damage to City property (buildings and business contents). The City's Insurance Fund is used to account for its risk financing activities. The Insurance Fund charges the operating funds insurance premiums. The accrued liability for estimated insurance claims represents an estimate of the ultimate cost of settling claims arising prior to year-end, including claims incurred but not yet reported. The Insurance Fund pays for all claims and judgments made against the City for accidental losses for which the City is self-insured and the premium costs for insurance policies to protect the City's property.

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

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Net Position

As of September 30, 2018, the Management Information Systems internal service fund had a deficit net position of \$19,256 due to the adoption of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." This deficit net position will be funded through additional contributions into the fund by user departments.

NOTE 3. PROPERTY TAXES

Property taxes are assessed as of January 1st each year and are first billed (levied) and due the following November 1st. Under Florida law, the assessment of all properties and the collection of all county, municipal, school board and special district property taxes are consolidated in the offices of the Broward County Property Appraiser and County Tax Collector. The laws for the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. 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 millage rate assessed by the City for the year ended September 30, 2018 was 6.7654 mills.

The tax levy of the City is established by the Commission prior to October 1st of each year, and the Broward County Property Appraiser incorporates the millage into the local tax levy, which includes Broward County, Broward County School Board, and special taxing districts.

All property is reassessed according to its fair market value as of January 1st of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes.

All real and tangible personal property taxes are due and payable on November 1st each year. Broward County mails to each property owner on the assessment roll a notice of the taxes due and Broward County also collects the taxes for the City. Taxes may be paid upon receipt of such notice from Broward County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April 1st of the year following the year in which taxes were assessed. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida. Due to the immaterial amount of any additional property taxes received after the 60-day period, no additional accrual is made in the government-wide financial statements, or in the fund financial statements.

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits

In addition to insurance provided by the Federal Depository Insurance Corporation, deposits are held in qualified public depositories pursuant to Florida Statutes, Chapter 280, Florida Security for Public Deposits Act. Under the Act, all qualified public depositories are required to pledge eligible collateral with the treasurer or another banking institution. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all deposits are considered insured or collateralized with securities held by the entity or its agent in the entity's name.

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

The nature of investments is governed by the provisions of Florida Statutes Section 218. Under this statute, authorized investments are limited, unless otherwise authorized by law or ordinance, to the State Board of Administration (SBA) Investment Pool, money market funds, direct or unconditionally guaranteed obligations of the United States Government, obligations of certain governmental agencies, interest bearing time deposits or savings accounts.

The SBA administers the Florida PRIME Fund which is governed by Chapter 19-7 of the Florida Administrative Code and Chapter 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME. The Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a 2a-7 fund, which permits money market funds to use amortized cost to maintain a constant NAV of \$1 per share. The fair value of the position in the Florida PRIME is equal to the value of the pool shares. The investments in the Florida PRIME are not insured by the FDIC or any other governmental agency.

The Wells Fargo Government Money Market Fund invests exclusively in high-quality short-term, U.S. dollar money market instruments that consist of U.S. Government obligations and repurchase agreements collateralized by U.S. Government obligations. These investments may have fixed floating or variable rates of interest. The fund seeks current income, while preserving capital and liquidity. Investments are measured at amortized cost.

City of Miramar

As of September 30, 2018, the City of Miramar had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Ratings</u>	<u>Maturity</u>	<u>Percentage of Distribution</u>
SBA Florida PRIME	\$112,695,254	AAAm	72 days	100.00%
Wells Fargo GMMF	16,234,494	AAAm	35 days	100.00%

GASB Statement No. 72, *Fair Value Measurement and Application*, requires that investments be categorized according to the fair value hierarchy established by this Statement. The hierarchy is based on 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; Level 3 inputs are significant unobservable inputs. Domestic equity securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year. Securities traded in the over-the counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price. International equities are valued based on quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at September 30, 2018. Securities which are not traded on a national securities exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings. (Level 1). This includes common stock, domestic equities, international equities, mutual fund equities and REITS. Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity (Level 2). This includes U.S. Treasury bonds and notes, U.S. federal agencies, mortgage backed and collateralized securities, money market funds, mutual bond funds, corporate obligations, and international bond funds. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

City of Miramar (Continued)

include market observable inputs. These inputs include recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based on the specifics of the investment type.

The Pension Plans have investments in alternative asset classes including various real estate funds. These investments are valued at their respective net asset value (NAV) as of September 30, 2018. The fair value of the investment in the fund is valued at the net asset value of outstanding units held at the end of the period based on the fair value of the underlying investments. These holdings are valued by the general partners on a quarterly or semi-annual basis, in conjunction with management and investment advisors.

The City of Miramar investments in the SBA Florida Prime and the Wells Fargo Government Money Market Fund are recorded at amortized cost.

Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to interest rate risk, the City diversifies its investments by security type and institution. In addition, the City's investment policy limits the maturities to five years from the date of purchase, unless matched to a specific cash flow requirement.

Credit Risk - Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSRO). The City's investment policy limits investments to the highest ratings issued by an NRSRO. The ratings of the investments are shown in the previous table.

Concentration of Credit Risk - In addition to describing the credit risk of investments in the portfolio, governmental entities need to disclose the concentration of any single investment type or holding per single issuer. The policy of the City is to diversify its investment portfolio. Assets held are usually diversified to reduce the risk from over concentration. The diversification risk strategies may be reviewed periodically. The percentages of the City's investments in the portfolio are shown in the previous table.

GASB Statement No. 40 requires disclosure when the investment percentage concentration is 5% or more for any one issuer. Given the quality and the guarantee and assurance by the U.S. Treasury on U.S. Government sponsored Agency obligations, any temporary over concentration is not viewed as a risk.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the City and are held either by the counterparty or the counterparty's trust department or agent but not in the City's name. All securities are required to be deposited as an asset of the City, in the City's name and held by a third party custodial institution chartered by the U.S. Government or the State of Florida (and restrict withdrawals only to the persons on the resolution). This reduces the risk due to the failure of the counterparty to deliver the securities purchased by or pledged by the City.

All investment transactions are conducted through delivery versus payment (DVP) basis at the third party custodian to ensure that there is independence of the entities (seller and custodian).

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

General Employees' Retirement Plan

1. Investment Authorization - The Plan's investment policy is determined by the Board of Trustees. The policy has been identified by the Board as having the greatest expected investment return, and the resulting positive impact on asset values, funded status, and benefits, without exceeding a prudent level of risk. The Trustees are authorized to acquire and retain every kind of investment specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common, which persons of prudence, discretion and intelligence acquire or retain for their own account.

Investment in all equity securities shall be limited to those listed on a major U.S Stock exchange and limited to no more than 65% (at market) of the Plan's total asset value with no more than 5% at cost of an investment manager's equity portfolio invested in the shares of a single corporate issuer. Investments in stocks of foreign companies shall be limited to 25% of the value of the portfolio at the time of purchase.

2. Types of Investments - Florida statutes and the Plan investment policy authorize the Trustees to invest funds in various investments. The current target allocation of these investments at market follows:

<u>Authorized Investments</u>	<u>Target % of Portfolio</u>
Domestic equities	60%
Fixed income	27%
Real estate	13%
Cash and cash equivalents	No restrictions

3. Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations is provided by the following table, which shows the distribution of the Plan's investments in government securities and corporate bonds by maturity, at September 30, 2018:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>		
		<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
U.S. treasuries	\$ 4,908,431	\$ -	\$ 3,675,110	\$ 1,233,321
U.S. mortgage backed securities	9,820,567	464,129	1,308,097	8,048,341
Corporate bonds	7,437,766	1,962,895	4,050,107	1,424,764
Asset backed securities	431,320	431,320	-	-
Total	<u>\$22,598,084</u>	<u>\$ 2,858,344</u>	<u>\$ 9,033,314</u>	<u>\$10,706,426</u>

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

General Employees' Retirement Plan (Continued)

4. Credit Risk - Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings by investment type at September 30, 2018:

	<u>Fair Value</u>	<u>% of Portfolio</u>
U.S. Government guaranteed securities*	\$13,454,917	59.54%
Quality rating of credit risk debt securities:		
AAA	1,150,776	5.09%
AA+	517,624	2.29%
AA	188,282	0.83%
AA-	672,518	2.98%
A+	1,095,816	4.85%
A	1,227,658	5.43%
A-	1,912,838	8.46%
BBB+	472,407	2.09%
BBB	951,576	4.21%
BBB-	953,672	4.22%
Total credit risk debt securities	<u>9,143,167</u>	<u>40.46%</u>
Total fixed income securities	<u>\$22,598,084</u>	<u>100.00%</u>

*Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

5. Concentration of Credit Risk - The Plan limits investment in the securities, of any one issuer, other than the U.S. Government and its agencies, to no more than 5% of Plan Net Position. The Plan had no investments other than government securities that exceeded 5% of Plan Net Position at September 30, 2018.
6. Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the Plan's investment policy, the investments are held by Plan's custodial bank and registered in the Plan's name.

All of the Plan's deposits are insured and/or collateralized by a financial institution separate from the Plan's depository financial institution.

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

General Employees' Retirement Plan (Continued)

7. Plan Investments - GASB Statement No. 72, *Fair Value Measurement and Application*, requires that investments be categorized according to the fair value hierarchy established by this Statement. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The General Employees' Retirement Plans investments are categorized according to the GASB 72 fair value hierarchy as of September 30, 2018:

<u>Investments</u>	<u>Fair Value Measurements Using</u>		
	<u>Fair Value</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Fixed income:			
U.S. treasuries	\$ 4,908,431	\$ -	\$ 4,908,431
U.S. mortgage backed securities	9,820,567	-	9,820,567
Corporate bonds	7,437,766	-	7,437,766
Asset backed securities	431,320	-	431,320
Domestic equities:			
Equity securities	<u>19,752,409</u>	<u>19,752,409</u>	<u>-</u>
Total Investments by fair value level	42,350,493	<u>\$ 19,752,409</u>	<u>\$ 22,598,084</u>
<u>Investments measured at the Net Asset Value (NAV)</u>			
Commingled SMidCap equity investment trust	46,822,154		
Private equity-real estate	11,312,091		
DROP mutual funds-vantage mutual funds	<u>2,783,004</u>		
Total investments measured at Net Asset Value (NAV)	<u>60,917,249</u>		
Total Investments	<u>\$ 103,267,742</u>		

Police Officer's Retirement Plan

1. Investment Authorization - The Plan's investment policy is determined by the Board of Trustees. The policy has been identified by the Board as preserving the purchasing power of the Plan's assets and earns an above average real rate of return (after inflation) over the long-term while minimizing, to a reasonable extent, the short-term volatility of results. The Trustees are authorized to acquire and retain every kind of property, real, personal or mixed, and every kind of investment specifically included, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common, which persons of prudence, discretion and intelligence acquire or retain for their own account.

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Police Officer’s Retirement Plan (Continued)

1. Investment Authorization (Continued) - Investment in all equity securities shall be limited to those listed on a major U.S. stock exchange and limited to no more than 75% (at market) of the Plan’s total asset value with no more than 5% at cost value of an investment manager’s equity portfolio invested in the shares of a single corporate issuer. Investments in stocks of foreign companies shall be limited to 10% of the value of the portfolio at the time of purchase. No more than 25% of the equity securities are to be invested in small or mid-cap stocks and shares of stock in those corporations whose stock has been publicly traded for less than one year are limited to 15% of the equity portfolio.

The average credit quality of the bond portfolio shall be “A” or higher and the duration of the fixed income portfolio should be less than 135% of the duration of the market index defined as the Barclays Capital U.S. Intermediate Aggregate Bond Index benchmark. The fixed income portfolio rated below “BBB” shall not exceed 15% of the entire fixed income portfolio. Real estate and absolute return investments shall not exceed 10% and 20% of the market value of the portfolio, respectively.

2. Types of Investments - Florida statutes and the Plan investment policy authorize the Trustees to invest funds in various investments. The current target allocation of these investments at market is as follows:

<u>Authorized Investments</u>	<u>Target % of Portfolio</u>
Domestic equities	45%
Fixed income	15%
International equities	15%
Real estate	15%
Alternative investments	10%

3. Alternative investments - The Plan has investments as a limited partner in various infrastructure funds. The funds are valued using their respective net asset value (NAV) as of September 30, 2018. The most significant input into the NAV of such funds is the fair value of the investment holdings. These holdings are valued by the general partners on a quarterly or semi-annual basis, in conjunction with management and investment advisors.
4. Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

4. Interest Rate Risk (Continued) - Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments by maturity at September 30, 2018:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
U.S. treasuries	\$ 2,382,415	\$ -	\$ -	\$ -	\$ 2,382,415
U.S. agencies	5,105,359	643,891	192,887	4,004,246	264,335
Corporate bonds	5,181,009	656,202	3,509,565	1,015,242	-
Bond funds	14,748,306	-	14,748,306	-	-
Total	\$27,417,089	\$ 1,300,093	\$18,450,758	\$ 5,019,488	\$ 2,646,750

5. Credit Risk - Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings by investment type at September 30, 2018:

	<u>Fair Value</u>	<u>% of Portfolio</u>
U.S. Government guaranteed securities*	\$ 7,487,774	27.31%
Quality rating of credit risk debt securities:		
AA+	250,427	0.91%
A+	1,302,239	4.75%
A	896,175	3.27%
A-	1,842,358	6.72%
BBB+	889,810	3.25%
Not rated	14,748,306	53.79%
Total credit risk debt securities	19,929,315	72.69%
Total fixed income securities	\$27,417,089	100.00%

*Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

6. Concentration of Credit Risk - The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more of Plan net position at September 30, 2018, except for investments in U.S. government securities.

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Police Officer's Retirement Plan (Continued)

7. Foreign Currency Risk - Foreign currency risk is the risk that fluctuations in the currency exchange rate may affect transactions conducted in currencies other than U.S. Dollars and the carrying value of foreign investments. The Plan's exposure to foreign currency risk derives from its investments in international equity mutual funds.
8. Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan and are held either by the counterparty or the counterparty's trust department or agent but not in the Plan's name.

Consistent with the Plan's investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name. All of the Plan's deposits are insured or collateralized by a financial institution separate from the Plan's depository financial institution.

9. Plan Investments - The Police Officers' Retirement Plan investments are categorized as follows according to the GASB 72 fair value hierarchy as of September 30, 2018:

	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>	
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
<u>Investments</u>			
Fixed income:			
U.S. treasuries	\$ 7,487,774	\$ -	\$ 7,487,774
Corporate bonds	5,181,009	-	5,181,009
Equity securities:			
Equity securities	<u>46,416,427</u>	<u>46,416,427</u>	<u>-</u>
Total Investments by fair value level	59,085,210	<u>\$ 46,416,427</u>	<u>\$12,668,783</u>
<u>Investments measured at the Net Asset Value (NAV)</u>			
Fixed income funds	14,748,306		
Absolute return funds	15,820,499		
Domestic equity funds	23,625,647		
International equity funds	28,555,562		
Real estate equity	<u>30,999,466</u>		
Total investments measured at Net Asset Value (NAV)	<u>113,749,480</u>		
Total Investments	<u>\$172,834,690</u>		

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Firefighters' Retirement Plan

1. Investment Authorization - The Plan's investment policy is determined by the Board of Trustees. The policy has been identified by the Board as preserving the purchasing power of the Plan's assets and earns an above average real rate of return (after inflation) over the long term while minimizing, to a reasonable extent, the short-term volatility of results. The Trustees are authorized to acquire and retain every kind of property, real, personal or mixed, and every kind of investment specifically included, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common, which persons of prudence, discretion and intelligence acquire or retain for their own account. International investments shall not exceed 25% of the Plan's investment balance.
2. Types of Investments - Florida Statutes and the Plan investment policy authorize the Trustees to invest funds in various investments. The current target allocation of these investments at market is as follows:

<u>Authorized Investments</u>	<u>Target % of Portfolio</u>
Domestic equities	40% to 70%
International equities	0% to 25%
Fixed income	5% to 20%
Real estate	0% to 20%
Cash and cash equivalents	No restrictions

3. Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments by maturity at September 30, 2018:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
Collateralized mortgage obligations	\$ 1,192,875	\$ -	\$ -	\$ 6,372	\$ 1,186,503
Certificates of Deposit	1,070,861	-	1,070,861	-	-
U.S. treasuries	3,512,998	-	470,898	2,093,534	948,566
U.S. agencies	6,899,139	-	1,111,975	2,977,339	2,809,825
Foreign bonds	554,434	-	416,242	138,192	-
Corporate bonds	6,517,849	71,479	2,824,742	2,080,636	1,540,992
Asset backed securities	1,080,095	41,661	977,698	60,736	-
Total	<u>\$20,828,251</u>	<u>\$ 113,140</u>	<u>\$ 6,872,416</u>	<u>\$ 7,356,809</u>	<u>\$ 6,485,886</u>

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Firefighters' Retirement Plan (Continued)

4. Credit Risk - Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings by investment type at September 30, 2018:

	<u>Fair Value</u>	<u>% of Portfolio</u>
U.S. Government guaranteed securities*	\$10,412,137	49.99%
Quality rating of credit risk debt securities:		
A1	1,202,485	5.77%
A2	934,558	4.49%
A3	1,370,737	6.58%
Aa1	169,289	0.81%
Aa2	472,510	2.27%
Aa3	468,439	2.25%
Aaa	2,297,559	11.03%
Baa1	1,123,488	5.39%
Baa2	389,694	1.87%
Baa3	615,526	2.96%
Not rated	<u>1,371,829</u>	<u>6.59%</u>
Total credit risk debt securities	<u>10,416,114</u>	<u>100.00%</u>
Total fixed income securities	<u>\$20,828,251</u>	<u>100.00%</u>

*Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

5. Concentration of Credit Risk - The Plan limits investment in the securities of any one issuer, other than the U.S. Government and its agencies, to no more than 5% of Plan net position. The Plan had no investments in any one issuer in excess of 5% of Plan net position, except for investments in the U.S. government and its agencies.
6. Foreign Currency Risk - Foreign currency risk is the risk that fluctuations in the currency exchange rate may affect transactions conducted in currencies other than U.S. Dollars and the carrying value of foreign investments. The investment policy limits foreign investments to no more than 25% of the Plan's investment balance. The Plan's exposure to foreign currency risk derives mainly from its investments in international equity funds.
7. Custodial Credit Risk: Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan and are held either by the counterparty or the counterparty's trust department or agent but not in the Plan's name. Consistent with the Plan's investment policy, the investments are held by the Plan's custodial bank and are registered in the Plan's name. All of the Plan's deposits are insured or collateralized by a financial institution separate from the Plan's depository financial institution.

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Firefighters' Retirement Plan (Continued)

8. Plan Investments - The Firefighters' Retirement Plan investments are categorized as follows according to the GASB 72 fair value hierarchy as of September 30, 2018:

	Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
<u>Investments</u>			
Fixed income:			
U.S. treasuries	\$ 3,512,998	\$ 3,169,603	\$ 343,395
U.S. agencies	6,899,139	-	6,899,139
Asset backed securities	1,080,095	-	1,080,095
International bonds	554,434	-	554,434
Collateralized mortgage obligations	1,192,875	-	1,192,875
Corporate bonds	6,517,849	-	6,517,849
Equity securities:			
Common stocks	38,354,139	38,354,139	-
Real-estate investment trust	633,800	633,800	-
International funds	22,474,093	2,766,233	19,707,860
Mutual funds	47,371,632	-	47,371,632
Total Investments by fair value level	128,591,054	\$ 44,923,775	\$ 83,667,279
<u>Investments measured at the net asset value (NAV)</u>			
Real estate funds	15,173,266		
Timber funds	5,275,864		
Total investments measured at Net Asset Value (NAV)	20,449,130		
Money market funds (exempt)	5,539,785		
Certificates of deposit (exempt)	1,070,861		
Total Investments	\$ 155,650,830		

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Management Retirement Plan

1. Investment Authorization - The Plan's investment policy is determined by the Board of Trustees. The policy has been identified by the Board as having the greatest expected investment return, and the resulting positive impact on asset values, funded status, and benefits, without exceeding a prudent level of risk. The Trustees are authorized to acquire and retain every kind of investment specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common, which persons of prudence, discretion and intelligence acquire or retain for their own account.

Investments in all equity securities shall be limited to those listed on a major U.S. stock exchange and limited to no more than 65% (at market) of the Plan's total asset value with no more than 5% investment in the common stock of any one issuing company. Investments in stocks of foreign companies are limited to 25% of the value of the portfolio at time of purchase.

Master limited partnerships traded on a recognized exchange are not to exceed 5% of the portfolio.

2. Types of investments - Florida Statutes and the Plan investment policy authorize the Trustees to invest funds in various investments. The current target allocation of these investments at market follows:

<u>Authorized Investments</u>	<u>Target % of Portfolio</u>
Domestic equities	60%
Fixed income	27%
Real estate	13%
Cash and cash equivalents	No restrictions

3. Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments in government securities and corporate bonds by maturity at September 30, 2018:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
U.S. treasuries	\$ 1,190,853	\$ -	\$ 720,558	\$ 470,295
Corporate bonds	3,056,175	615,450	1,837,432	603,293
U.S. Mortgage backed securities	3,626,780	-	335,352	3,291,428
Asset backed securities	182,139	182,139	-	-
Total	\$ 8,055,947	\$ 797,589	\$ 2,893,342	\$ 4,365,016

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Management Retirement Plan (Continued)

4. Credit Risk - Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings by investment type at September 30, 2018:

	<u>Fair Value</u>	<u>% of Portfolio</u>
U.S. Government guaranteed securities *	<u>\$4,817,633</u>	<u>59.80%</u>
Quality rating of credit risk debt securities:		
AAA	182,139	2.26%
AA+	238,077	2.96%
AA	88,195	1.09%
AA-	299,288	3.72%
A+	306,959	3.81%
A	505,117	6.27%
A-	689,849	8.56%
BBB+	348,354	4.32%
BBB	162,862	2.02%
BBB-	69,809	0.87%
Unrated	<u>347,665</u>	<u>4.32%</u>
Total credit risk debt securities	<u>3,238,314</u>	<u>40.20%</u>
Total fixed income securities	<u>\$8,055,947</u>	<u>100.00%</u>

*Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

5. Concentration of Credit Risk - The Plan limits investments in the securities of any one issuer, other than the U.S. Government and its agencies, to no more than 5% of Plan net position. The Plan had no investments other than U.S. government securities that exceeded 5% of Plan net position at September 30, 2018.
6. Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan and are held either by the counterparty or the counterparty's trust department or agent but not in the Plan's name. Consistent with the Plan's investment policy the investments are held by the Plan's custodial bank and registered in the Plan's name. All of the Plan's deposits are insured or collateralized by a financial institution separate from the Plan's depository financial institution.

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Management Retirement Plan (Continued)

7. Plan Investments - The Management Retirement Plan investments are categorized as follows according to the GASB 72 fair value hierarchy as of September 30, 2018.

<u>Investments</u>	<u>Fair Value Measurements Using</u>		
	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
Fixed income:			
U.S. treasuries	\$ 1,190,853	\$ -	\$1,190,853
U.S. mortgage backed securities	3,626,780	-	3,626,780
Corporate bonds	3,056,175	-	3,056,175
Asset backed securities	182,139	-	182,139
Domestic equities:			
Equity securities	<u>12,555,569</u>	<u>12,555,569</u>	<u>-</u>
Total Investments by fair value level	<u>20,611,516</u>	<u>\$ 12,555,569</u>	<u>\$8,055,947</u>
 <u>Investments measured at the net asset value (NAV)</u>			
Commingled SMidCap equity investment trust	15,974,400		
Real estate funds	4,721,300		
DROP mutual funds-vantage mutual funds	<u>1,804,841</u>		
Total investments measured at Net Asset Value (NAV)	<u>22,500,541</u>		
Total Investments	<u>\$43,112,057</u>		

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

NOTE 5. RECEIVABLES AND UNEARNED REVENUES

Receivables at September 30, 2018, were as follows:

	General Fund	Nonmajor Governmental Funds	Internal Service Funds	Total
Governmental Activities				
Taxes	\$ 792,975	\$ -	\$ -	\$ 792,975
Franchise fees	1,402,542	-	-	1,402,542
Accounts	1,598,191	198,482	-	1,796,673
Cost recovery	312,159	-	-	312,159
Other	1,230,125	9,856	2,959	1,242,940
Allowance for uncollectible	(808,613)	(2,500)	-	(811,113)
Total Governmental Activities	\$ 4,527,379	\$ 205,838	\$ 2,959	\$ 4,736,176
	Utility Fund	Nonmajor Enterprise Funds	Total	
Business-Type Activities				
Accounts	\$ 7,754,562	\$ 124,562	\$ 7,879,124	
Assessment fees	3,516,023	-	3,516,023	
Other	236,219	1,067	237,286	
Allowance for uncollectible	(5,171,096)	(90,089)	(5,261,185)	
Total Business-Type Activities	\$ 6,335,708	\$ 35,540	\$ 6,371,248	

Unearned revenue is recorded for resources that have been received in advance but for which the City has not met the criteria for revenue recognition. The following are recorded as unearned revenue in the government-wide and fund statements as follows:

<u>Type</u>	<u>Unearned Revenues</u>
Revenues not yet earned (General Fund)	\$ 328,888
Revenues not yet earned (non-major governmental funds)	5,126,823
Revenues not yet earned (Utility Fund)	3,500,000
Total unearned revenue	<u>\$ 8,955,711</u>

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

NOTE 6. RESTRICTED ASSETS

Restricted assets and liabilities payable from restricted assets of the Utility Fund at September 30, 2018, represent debt proceeds designated for construction, and other monies required to be restricted for debt service, and maintenance and improvements, under the terms of the 2015 Utility System Refunding and Improvement Revenue Bonds, the 2017 Utility System Refunding Revenue Bonds, and customer deposits. Assets of the Sinking Fund and Reserve Fund are restricted for the current and future payment of debt service and for renewal and replacement.

Restricted assets of the Stormwater Fund at September 30, 2018, represent monies required to be restricted for rate stabilization by the 2015 Utility System Refunding Revenue Bond debt covenant.

All of the restricted assets in connection with the bond issues were funded through bond proceeds. The summary of restricted assets and related liabilities at September 30, 2018, is shown below:

<u>Purpose</u>	<u>Restricted Assets</u>	<u>Liabilities Payable from Restricted Assets</u>
<u>Utility Fund:</u>		
2015 Utility System Refunding Revenue Bonds:		
Sinking Fund	\$ 500,000	\$ -
Reserve Fund	180,000	-
2017 Utility System Refunding Revenue Bonds :		
Reserve Fund	3,863,841	875,639
State Revolving Loan: Reserve Fund	1,039,400	-
Contributions in aid of construction	457,958	12,275
Customer deposits	4,180,888	4,180,888
Total for Utility Fund	\$ 10,222,087	\$ 5,068,802
 <u>Stormwater Fund:</u>		
Reserved for Debt Service related to the 2015 Utility System Refunding Revenue Bonds	\$ 261,689	\$ -
Total for Stormwater Fund	\$ 261,689	\$ -

Liabilities payable from restricted assets are as follows:

<u>Liabilities</u>	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Accrued interest payable	\$ 875,639	\$ -	\$ 875,639
Deposits payable	418,089	3,762,799	4,180,888
Retainage payable	12,275	-	12,275
Total	\$1,306,003	\$ 3,762,799	\$ 5,068,802

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

NOTE 7. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2018, follows:

	<u>Beginning Balance</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 45,529,151	\$ -	\$ -	\$ 45,529,151
Construction in progress	<u>7,954,329</u>	<u>7,011,934</u>	<u>7,515,168</u>	<u>7,451,095</u>
Total capital assets not being depreciated	<u>53,483,480</u>	<u>7,011,934</u>	<u>7,515,168</u>	<u>52,980,246</u>
Capital assets being depreciated/amortized:				
Buildings	188,459,305	5,540,593	-	193,999,898
Improvements other than buildings	23,386,779	2,227,428	58,509	25,555,698
Machinery and equipment	26,790,898	827,763	78,250	27,540,411
Fleet	20,666,010	1,926,313	1,375,674	21,216,649
Intangible	4,581,331	-	-	4,581,331
Infrastructure	<u>69,952,882</u>	<u>-</u>	<u>-</u>	<u>69,952,882</u>
Total capital assets being depreciated/amortized	<u>333,837,205</u>	<u>10,522,097</u>	<u>1,512,433</u>	<u>342,846,869</u>
Less accumulated depreciation/amortization for:				
Buildings	32,587,477	3,889,303	-	36,476,780
Improvements other than buildings	8,240,437	1,095,394	29,255	9,306,576
Machinery and equipment	14,193,395	1,784,612	78,250	15,899,757
Fleet	13,216,963	1,933,753	1,375,674	13,775,042
Intangible	2,464,341	234,583	-	2,698,924
Infrastructure	<u>43,532,015</u>	<u>1,669,344</u>	<u>-</u>	<u>45,201,359</u>
Total accumulated depreciation/amortization	<u>114,234,628</u>	<u>10,606,989</u>	<u>1,483,179</u>	<u>123,358,438</u>
Capital assets being depreciated/amortized, net	<u>219,602,577</u>	<u>(84,892)</u>	<u>29,254</u>	<u>219,488,431</u>
Governmental activities capital assets, net	<u>\$273,086,057</u>	<u>\$6,927,042</u>	<u>\$ 7,544,422</u>	<u>\$ 272,468,677</u>

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

NOTE 7. CAPITAL ASSETS (CONTINUED)

	Beginning <u>Balance</u>	Additions/ <u>Transfers</u>	Deletions/ <u>Transfers</u>	Ending <u>Balance</u>
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 5,753,859	\$ -	\$ -	\$ 5,753,859
Construction in progress	<u>14,952,967</u>	<u>27,501,323</u>	<u>727,368</u>	<u>41,726,922</u>
Total capital assets not being depreciated	<u>20,706,826</u>	<u>27,501,323</u>	<u>727,368</u>	<u>47,480,781</u>
Capital assets being depreciated/amortized:				
Buildings	105,644,198	-	-	105,644,198
Improvements other than buildings	2,140,212	-	-	2,140,212
Machinery and equipment	1,663,895	196,223	-	1,860,118
Fleet	4,160,535	131,761	200,992	4,091,304
Intangible	1,975,231	-	-	1,975,231
Infrastructure	<u>303,647,043</u>	<u>1,243,375</u>	<u>-</u>	<u>304,890,418</u>
Total capital assets being depreciated/amortized	<u>419,231,114</u>	<u>1,571,359</u>	<u>200,992</u>	<u>420,601,481</u>
Less accumulated depreciation/amortization for:				
Buildings	31,898,435	1,961,592	-	33,860,027
Improvements other than buildings	933,052	84,268	-	1,017,320
Machinery and equipment	838,466	171,243	-	1,009,709
Fleet	2,886,540	328,364	200,992	3,013,912
Intangible	1,373,559	77,266	-	1,450,825
Infrastructure	<u>110,251,245</u>	<u>6,769,564</u>	<u>-</u>	<u>117,020,809</u>
Total accumulated depreciation/amortization	<u>148,181,297</u>	<u>9,392,297</u>	<u>200,992</u>	<u>157,372,602</u>
Capital assets being depreciated/amortized, net	<u>271,049,817</u>	<u>(7,820,938)</u>	<u>-</u>	<u>263,228,879</u>
Business-type activities capital assets, net	<u>\$291,756,643</u>	<u>\$ 19,680,385</u>	<u>\$ 727,368</u>	<u>\$310,709,660</u>

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

Governmental activities:	
General government	\$ 1,501,401
Public safety	3,164,406
Physical environment	1,842,445
Transportation	256,875
Social services	517,057
Economic environment	275,631
Parks and recreation	2,578,370
Cultural arts	<u>470,804</u>
Total depreciation/amortization expense – governmental activities	<u>\$ 10,606,989</u>

Business-type activities:	
Utility	\$ 9,060,156
Stormwater	<u>332,141</u>
Total depreciation/amortization expense – business type activities	<u>\$ 9,392,297</u>

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

NOTE 8. INTERFUND BALANCES AND TRANSFERS

Interfund balances at September 30, 2018, consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Non-Major Governmental	\$702,973

The balances above represent short-term loans to cover temporary negative balances in each fund's equity in pooled cash at year end.

Interfund transfers at September 30, 2018, consisted of the following:

<u>Transfers Out:</u>	<u>Transfers In:</u>			<u>Fund Total</u>
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
General	\$ -	\$7,276,900	\$ 170,000	\$ 7,446,900
Nonmajor Governmental:				
Special Revenue	1,234,172	-	750,000	1,984,172
Capital Projects	<u>2,683,763</u>	<u>2,510,000</u>	<u>-</u>	<u>5,193,763</u>
	<u>\$3,917,935</u>	<u>\$9,786,900</u>	<u>\$ 920,000</u>	<u>\$14,624,835</u>

Transfers are used to: (1) transfer revenues from the fund that the budget requires to collect them to the fund the budget requires to expend them, (2) transfer receipts restricted for debt service from funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to cover costs in other funds in accordance with budgetary authorizations. The above transfers are explained below:

1. Transfers into the General Fund consist of transfers from the various grant funds for covered expenditures; and from the Street Construction and Maintenance Fund to cover the cost of street capital improvements and maintenance costs incurred in the General Fund.
2. Transfers into the Debt Service Fund are to cover debt service payments in the current year.
3. Transfers into the Capital Projects Fund from the Special Revenue Fund consist of grant funding received for ongoing capital projects. The transfer from the General Fund represents developer contributions received for future acquisition or expansion of capital improvements.

NOTE 9. LONG-TERM OBLIGATIONS

A. Enterprise Fund Revenue Bonds

In November 2017, the City issued Utility System Refunding Revenue Bonds, Series 2017 in the principal amount of \$32,315,000. The Series 2017 Bonds were issued to current refund the City's outstanding Utility System Revenue Bonds, Series 2007 and to pay certain costs and expenses relating to the issuance of the 2017 Bonds. Principal and interest are due semi-annually on April 1 and October 1, through October 1, 2037, with a fixed interest rate of 5.00%. Repayment of the bonds is secured by a pledge of the Net Revenues and Connection Fees derived from the operation of the System. This transaction generated \$6.6 million of net present value debt service savings or 16.989% of the refunded bonds par amount.

In March 2015, the City issued \$11,485,000 of the Utility System Refunding Revenue Bonds, Series 2015 to refund the then outstanding \$11,520,000 Utility System Refunding and Improvement Revenue.

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

A. Enterprise Fund Revenue Bonds (Continued)

Bonds, Series 2004. The bonds are secured by the net revenues of the system and water connection fees. Principal and interest are due quarterly through October 1, 2034.

B. Enterprise Fund Loan Payable

In 2005, the City began to participate in the Revolving Loan Fund Program administered by the State of Florida. This program allows local governments to enter into loan agreements with the Department of Environmental Protection under the State Revolving Loan Fund, for the construction of stormwater and wastewater management facilities. These loans have repayment terms of 10 and 20 years with fixed interest rates of 3.16% and 2.09%, respectively. Principal and interest payments are due semi-annually on January 15 and July 15 related to the City's outstanding 2005 series loans. The City has an outstanding loan payable of \$8,443,652 at September 30, 2018.

In 2014, the City entered into a loan agreement with the State of Florida Department of Environmental Protection's Clean Water State Revolving Fund loan program to borrow up to \$546,664 to finance the planning and design of wastewater pollution control facility improvements. In 2017, the agreement was amended, and the principal amount of the loan was reduced to \$382,665. As of September 30, 2018, the City has an outstanding loan payable of \$378,722. The financing rate on the unpaid principal of the loan amount is 2.56% per annum. The loan is payable in semiannual payments upon completion of the project and is calculated based on the actual amount of principal drawn under the agreement, as well as associated capitalized interest and a loan service fee.

In 2015, the City entered into a loan agreement with the State of Florida Department of Environmental Protection's Clean Water State Revolving Fund loan program to borrow up to \$374,000 to finance the planning, design, and construction of stormwater drainage improvements. As of September 30, 2018, the principal amount of the loan was revised to \$297,883 which includes loan service fees in the amount of \$5,841. The City has an outstanding loan payable of \$278,682 as of fiscal year end. The financing rate on the unpaid principal of the loan amount is 1.96% per annum. The loan is payable in semiannual payments upon completion of the project and is calculated based on the actual amount of principal drawn under the agreement, as well as associated capitalized interest and a loan service fee.

In 2017, the City entered into a loan agreement with the State of Florida Department of Environmental Protection's Clean Water State Revolving Fund loan program to borrow up to \$1.2 million for the planning and design of the City's wastewater collection and stormwater best management practices (BMPs) project. The financing rate on the unpaid principal of the loan amount is 2.15% per annum. The loan is payable in semiannual payments upon completion of the project. As of September 30, 2018, no loan proceeds have been drawn for this project.

In 2017, the City entered into a loan agreement with the State of Florida Department of Environmental Protection's State Revolving Fund loan program to borrow up to \$15,540,000 for upgrades to the City's East Water Treatment Facility. As of September 30, 2018, the amount disbursed is \$10,776,355. The amount outstanding on this loan is \$11,109,321 which includes loan service fees of \$310,800 and capitalized interest of \$22,166. The financing rate on the unpaid principal of the loan amount is \$1.08% per annum. The loan is payable in semiannual payments upon completion of the project. Subsequent to fiscal year end this agreement was amended to include an additional \$15,000,000 in financing for this project.

In 2017, the City entered into a loan agreement with the State of Florida Department of Environmental Protection's State Revolving Fund loan program to borrow up to \$16,662,000 to finance wastewater and stormwater management upgrades. As of September 30, 2018, the amount disbursed is \$2,479,898.

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

B. Enterprise Fund Loan Payable (Continued)

The City has an outstanding loan payable of \$2,482,495. The financing rate on the unpaid principal of the loan is 0.97% per annum. The loan is payable in semiannual payments upon completion of the project and is calculated on the amount of principal drawn under the agreement, as well as associated capitalized interest and a loan service fee.

C. Governmental Activities Revenue Bonds

In September 2013, the City issued \$59,815,000 of the Special Obligation Refunding and Improvement Revenue Bonds, Series 2013, which was used to pay off the then outstanding \$10,000,000 Capital Improvement Revenue Note, Series 2008, and to fund various future capital projects. Principal and interest are paid semi-annually on April 1 and October 1, through October 2038. The City's obligation to repay the Bonds is secured by impact fees and the City's covenant to budget and appropriate legally available non-ad valorem revenues.

In March 2015, the City issued \$79,595,000 of the Capital Improvement Refunding Revenue Bonds, Series 2015, which was used to pay off the then outstanding \$3,635,000 Public Service Tax Revenue Bonds, Series 2003 and the outstanding \$83,935,000 Capital Improvement Revenue Bonds, Series 2005.

The City's obligation to repay the bonds is secured by pledges of City revenue from the sales tax and communication service tax. Principal and interest are paid semi-annually on April 1 and October 1, through October 1, 2035.

D. Revenue Notes Payable

On January 12, 2012, the City issued a \$7,084,000 Transportation Improvement Revenue Note, Series 2012. The proceeds of the note were used for various transportation improvement projects. The note bears interest at 2.21% per annum. Principal and Interest is due quarterly on January 1, April 1, July 1, and October 1. The note matures on October 1, 2021. The City's obligation to repay the note is secured by the local option gas tax.

On February 1, 2017, the City issued a Special Obligation Revenue Note, Series 2017, in the principal amount of \$10,000,000 to finance the cost of various capital improvements within the City. The Note provides for quarterly principal and interest payments beginning on April 15, 2017 through January 15, 2027, with a fixed rate of 2.9125%. Repayment of the loan is secured by a covenant to budget and appropriate legally available non-ad valorem revenues of the City.

E. Compensated Absences

For the governmental activities, compensated absences are generally liquidated by the General Fund. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for the internal service funds are included in the totals for governmental activities.

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

F. Summary of Bonds, Loans and Notes Outstanding

Governmental activities bonds and notes outstanding at September 30, 2018, consist of the following:

<u>Governmental Activities</u>	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>	<u>Maximum Annual Debt Service</u>
<u>Revenue bonds:</u>					
Series 2013 Special Obligation Refunding and Improvement Revenue Bonds	Refunding 2008 Note and various capital projects	\$ 59,815,000	\$ 57,950,000	3.25-5.00%	\$ 4,661,875
Series 2015 Capital Improvement Refunding Revenue Bonds	Refunding Series 2003 Public Service Tax Revenue Bond and Series 2005 Capital Improvement Revenue Bond	79,595,000	73,000,000	3.00-5.00%	5,980,325
Total revenue bonds		<u>139,410,000</u>	<u>130,950,000</u>		
<u>Revenue notes:</u>					
Series 2012 Transportation Improvement Note	Transportation projects	7,084,000	2,530,700	2.21%	809,242
Series 2017 Special Obligation Revenue Note	Various capital projects	10,000,000	8,705,000	2.913%	1,165,917
Total revenue notes		<u>17,084,000</u>	<u>11,235,700</u>		
Total for governmental activities		<u>\$156,494,000</u>	<u>\$ 142,185,700</u>		

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

F. Summary of Bonds, Loans and Notes Outstanding (Continued)

Business-type activities bonds and loans outstanding at September 30, 2018, consist of the following:

<u>Business-Type Activities</u>	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>	<u>Maximum Annual Debt Service</u>
<u>Revenue bonds:</u>					
2015 Utility System Refunding Revenue Bond	Refunding 2004 Utility System Revenue Bond	\$11,485,000	\$ 9,910,000	2.64%	\$ 760,043
2017 Utility System Revenue Bond	Refunding 2007 Utility System Rev. Bond	<u>32,315,000</u>	<u>32,315,000</u>	5.00%	2,572,500
Total Revenue Bonds		<u>43,800,000</u>	<u>42,225,000</u>		
<u>State revolving loans:</u>					
2005 Eastern Miramar infrastructure	Rehabilitation of infrastructure	18,024,237	8,443,652	2.09%	1,089,386
2014 Historic Miramar Improvement III	Wastewater Pollution Control Facilities	382,665	378,722	2.56%	25,829
2015 Historic Miramar Drainage Improvement	Drainage improvement	297,883	278,682	1.96%	18,033
2017 Drinking Water Upgrade	Drinking Water Upgrade	10,776,355	11,109,321	1.08%	
2017 Wastewater and Stormwater Mgmt.	Wastewater and Stormwater Upgrades	<u>2,479,898</u>	<u>2,482,495</u>	0.97%	
Total state revolving loans		<u>31,961,038</u>	<u>22,692,872</u>		
Total for business-type activities		<u>\$75,761,038</u>	<u>\$ 64,917,872</u>		

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

G. Changes in Long-Term Obligations (Continued)

Long-term liability activity for the year ended September 30, 2018, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Governmental activities:</u>					
Bonds, notes, and leases payable:					
Revenue bonds	\$ 135,595,000	\$ -	\$ 4,645,000	\$ 130,950,000	\$ 4,890,000
Revenue notes	12,863,600	-	1,627,900	11,235,700	1,669,400
Capital leases	5,437,574	195,077	967,885	4,664,766	999,487
Deferred costs – premium	6,481,795	-	350,885	6,130,910	-
Total bonds, notes payable and leases	<u>160,377,969</u>	<u>195,077</u>	<u>7,591,670</u>	<u>152,981,376</u>	<u>7,558,887</u>
Other liabilities:					
Self-insurance claims	9,544,112	3,125,276	3,163,648	9,505,740	1,936,740
Compensated absences	13,558,271	2,050,862	2,148,277	13,460,856	3,635,493
Other post-employment benefit (OPEB)	15,923,341	38,838,812	15,923,341	38,838,812	-
Total pension liability-excess benefit	1,074,266	373,774	164,622	1,283,418	-
Net pension liability	173,774,023	-	11,953,371	161,820,652	-
Net pension liability-FRS and HIS	1,417,462	-	586,559	830,903	-
Total other liabilities	<u>215,291,475</u>	<u>44,388,724</u>	<u>33,939,818</u>	<u>225,740,381</u>	<u>5,572,233</u>
Total governmental activities long-term liabilities	<u>\$ 375,669,444</u>	<u>\$ 44,583,801</u>	<u>\$ 41,531,488</u>	<u>\$ 378,721,757</u>	<u>\$ 13,131,120</u>

For governmental activities, compensated absences, pension liabilities and the other post-employment benefit (OPEB) are generally liquidated by the General Fund. Internal Service Funds predominately serve the governmental funds. Accordingly, their long-term liabilities for compensated absences, pension liabilities, and the other post-employment benefit (OPEB) are included as part of the totals for governmental activities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Business-type activities:</u>					
Bonds and loans payable:					
Revenue bonds	\$50,235,000	\$32,315,000	\$40,325,000	\$42,225,000	\$1,430,000
State revolving loans	10,028,074	13,591,816	927,018	22,692,872	946,552
Deferred costs – premium	-	6,575,679	182,658	6,393,021	-
Deferred amounts – discount	(44,007)	-	(44,007)	-	-
Total bonds and loans payable	<u>60,219,067</u>	<u>52,482,495</u>	<u>41,390,669</u>	<u>71,310,893</u>	<u>2,376,552</u>
Other liabilities:					
Compensated absences	1,225,531	113,121	39,312	1,299,340	333,722
Other post-employment benefit (OPEB)	3,312,788	6,950,599	3,312,788	6,950,599	-
Net pension liability	11,074,607	-	1,143,608	9,930,999	-
Total other liabilities	<u>15,612,926</u>	<u>7,063,720</u>	<u>4,495,708</u>	<u>18,180,938</u>	<u>333,722</u>
Total business-type activities long-term liabilities	<u>\$75,831,993</u>	<u>\$59,546,215</u>	<u>\$45,886,377</u>	<u>\$89,491,831</u>	<u>\$2,710,274</u>

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

H. Summary of Annual Debt Service Requirements

Fiscal Year Ended	Governmental Activities			
	Revenue Bonds		Revenue Notes Payable	
	Principal	Interest	Principal	Interest
2019	\$ 4,890,000	\$ 5,671,713	\$ 1,669,400	\$ 304,118
2020	5,165,000	5,451,350	1,721,300	256,616
2021	5,220,000	5,217,913	1,768,800	207,743
2022	5,330,000	4,974,237	1,196,200	161,650
2023	5,540,000	4,722,538	1,035,000	130,917
2024-2028	30,550,000	19,527,746	3,845,000	213,450
2029-2033	36,645,000	12,552,248	-	-
2034-2038	33,455,000	4,428,800	-	-
2039-2043	4,155,000	103,875	-	-
	<u>\$ 130,950,000</u>	<u>\$ 62,650,420</u>	<u>\$ 11,235,700</u>	<u>\$ 1,274,494</u>

Fiscal Year Ended	Business-Type Activities			
	Revenue Bonds		Loans Payable	
	Principal	Interest	Principal *	Interest
2019	\$ 1,430,000	\$ 1,844,122	\$ 946,552	\$ 186,696
2020	1,545,000	1,786,205	966,499	166,748
2021	1,605,000	1,719,918	986,867	146,380
2022	1,655,000	1,650,900	1,007,664	125,583
2023	1,735,000	1,578,835	1,028,900	104,347
2024-2028	9,890,000	6,688,381	3,827,839	204,318
2029-2033	12,205,000	4,316,024	190,080	29,226
2034-2038	12,160,000	1,478,782	146,655	6,858
2039-2043	-	-	-	-
	<u>\$42,225,000</u>	<u>\$21,063,167</u>	<u>\$ 9,101,056</u>	<u>\$ 970,156</u>

* Balance does not include \$11,109,321 and \$2,482,495 in outstanding loans for the East Water Treatment Facility and wastewater and stormwater upgrades, respectively, since the scheduled repayment terms have not yet been determined.

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

H. Capital Leases

The City finances the acquisition of certain equipment and vehicles through capital leases. The principal balances on the governmental activities capital lease liabilities at September 30, 2018 follows:

Seven (7) year capital lease, payable in quarterly installments of \$67,670, interest at 1.842% per annum. The lease is collateralized by the mobile and portable radio equipment being purchased.	\$ 1,534,195
Seven (7) year capital lease, payable in quarterly installments of \$84,416, interest at 1.599% per annum. The lease is collateralized by the firefighter equipment being purchased.	1,463,296
Four (4) year capital lease, payable in annual installments of \$293,758, interest at 0% per annum. The lease is collateralized by the telephone system being purchased.	1,175,031
Seven (7) year capital lease, payable in annual installments of \$37,905, interest at 4.16% per annum. The lease is collateralized by the radio equipment being purchased.	197,160
Five (5) year capital lease, payable in quarterly installments of \$10,905, interest at 4.35% per annum. The lease is collateralized by the Wi-Fi equipment being purchased.	186,293
Three (3) year capital lease, payable in quarterly installments of \$9,872, interest at 4.50% per annum. The lease is collateralized by the computer equipment being purchased.	66,090
Three (3) year capital lease, payable in quarterly installments of \$10,978, interest at 4.512% per annum. The lease is collateralized by the computer equipment being purchased.	42,701
	\$ 4,664,766

Annual minimum lease payments and the present value of minimum lease payments follows:

<u>Fiscal Year Ended</u>	<u>Governmental Activities</u>
2019	\$ 1,067,031
2020	1,013,249
2021	983,632
2022	983,632
2023	510,136
2024	308,586
Total minimum lease payments	4,866,266
Less amount representing interest	(201,500)
Present value of minimum lease payments	\$ 4,664,766

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

H. Capital Leases

The net book value of assets acquired through capital leases as of September 30, 2018, follows:

Assets:	
Equipment	\$6,389,545
Less accumulated depreciation	<u>(1,001,095)</u>
Total net book value	<u>\$5,388,450</u>

I. Pledged Revenues

The City issued bonds, notes and loans that are secured by a pledge of specific revenues. Total pledged revenues to repay the principal and interest of those liabilities as of September 30, 2018, are as follows:

Description of debt	Governmental Activities	
	Revenue Bonds	Revenue Notes
	Special Obligation and Refunding Revenue Bonds, Series 2013	Transportation Improvement Revenue Note, Series 2012
Current revenue pledged	\$4,529,544	\$1,017,494
Current debt service	4,529,544	815,865
Total future revenue pledged	91,061,332	2,651,152
Pledged revenues	Impact Fees-Recreation Impact Fees-Parks, Legally available Non-Ad-Valorem Revenues	Local Option Gas Tax-second
Purpose of debt	Various Capital Projects and Refunding 2008 Bank Note	Various Transportation Improvement Projects
Terms of commitment	2013 - 2038	2012 - 2022
Percentage of debt to pledged revenues (current year)	100.00%	80.18%
	Capital Improvement Refunding Revenue Bonds, Series 2015	Special Obligation Revenue Note, Series 2017
Current revenue pledged	\$22,498,657	\$1,154,880
Current debt service	5,980,325	1,154,880
Total future revenue pledged	102,539,088	9,859,042
Pledged revenues	Communication services tax Local government 1/2 cent sales tax Utility Tax-Electricity	Legally available non-Ad Valorem revenues
Purpose of debt	Refunding Public Service Tax Revenue Bonds Series 2003 and Capital Improvement Revenue Bonds, Series 2005	Various Capital Projects
Terms of commitment	2015 - 2036	2017-2027
Percentage of debt to pledged revenues (current year)	26.58%	100.00%

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

J. Pledged Revenues (Continued)

Description of debt	Business-type Activities
	Utility System Revenue Bonds Series 2015 and 2017 and Water and Sewer State Revolving Loans, issued 2005-2017
Current revenue pledged	\$ 41,544,642
Current debt service	3,900,947
Total future revenue pledged	73,359,384
Purpose of debt	Various Infrastructure, Wastewater and Stormwater Management projects
Pledged revenues	Utility and stormwater system revenues
Terms of commitment	2005 – 2038
Percentage of debt to pledged revenues (current year)	9.39%

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

A. DEFINED BENEFIT PLANS

The City maintains four separate defined benefit single-employer pension plans (General Employees' Retirement Plan, Police Officers' Retirement Plan, Firefighters' Retirement Plan, and Management Retirement Plan) which cover substantially all of its full-time employees. The City accounts for these plans as pension trust funds.

Summary of Significant Accounting Policies

Basis of Accounting - The pension plans are accounted for on the accrual basis of accounting. For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's General Employees' Retirement Plan, Police Officers' Retirement Plan, Firefighters' Retirement Plan and Management Retirement Plan (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

General Employees' Retirement Plan

1. Plan Description - The General Employees' Retirement Plan (the Plan) is a single-employer defined benefit pension plan that covers all City employees, except for police, firefighters, full-time senior management or management positions, and certain appointed employees and elected officials. The Plan was established pursuant to City Ordinance No. 81-12 (as amended). The Plan is also governed by certain provisions of Chapter 112, Florida Statutes. The Board of Trustees for the Plan administers the Plan. Plan provisions may be amended by City ordinance, as governed by guidelines of the State of Florida.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

General Employees' Retirement Plan (Continued)

2. Benefits Provided - The Plan provides retirement and death benefits to Plan members and beneficiaries. Normal retirement is at the earlier of attainment of age 65 and 7 years of credited service, or 20 years of credited service regardless of age. Normal retirement benefits are 2.75% for participants with less than 21 years of credited service plus .05% for every year of additional service to a maximum of 3% of average monthly earnings times credited service. Average monthly earnings are the average earnings during the three highest years of credited service.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. The report may be obtained by writing to the Plan administrator.

City of Miramar Pension Trust for General Employees'
 3810 Inverrary Boulevard, Suite 303
 Lauderhill, Florida 33319

3. Employees Covered by Benefit Terms - As of the October 1, 2017 actuarial valuation, membership in the General Employees' Retirement Plan consisted of the following:

	<u>General Employees'</u>
Retirees and beneficiaries currently receiving benefits	173
Inactive employees entitled to but not yet receiving benefits	29
Active Employees (including transfers)	423
	625

4. Contributions - Plan members are required to contribute 7.36% of their annual covered salary. The City is required to contribute at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. Employer contributions for the year ended September 30, 2018, determined using the actuarial valuation dated October 1, 2016, were \$4,379,929 or 23.04% of covered payroll.
5. Deferred Retirement Option Plan - The deferred retirement option plan (DROP) is available to all General Plan participants who have attained their normal retirement age. Upon electing to participate in the DROP, members are considered to have retired for pension purposes of the pension plan but continue to remain in active employment with the City. The benefits accumulate in a DROP account and continue to accrue interest until they retire from the City at which time DROP benefits will be paid. Maximum duration of participation is five years and the election is irrevocable. The balance held by the General Employees' Plan at September 30, 2018 pursuant to the DROP is \$2,783,004.
6. Net Pension Liability - The General Employees' Retirement Plan's net pension liability was measured as of September 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

General Employees' Retirement Plan (Continued)

7. Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of September 30, 2017, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Actuarial Assumptions:

Assumed rate on investments	7.00%	(including inflation)
Annual salary increases	5.00%-7.50%	(including inflation)
Inflation rate	2.50%	

Mortality rates were based on the RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates used for Regular Class members of the Florida Retirement System (FRS) in their July 1, 2016 actuarial valuation, as mandated by Florida House Bill 1309.

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. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	7.50%
International equity	8.50%
Fixed Income	2.50%
Real estate	4.50%

8. 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 plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

General Employees' Retirement Plan (Continued)

9. Changes in the Net Pension Liability

	General Employees' Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at October 1, 2017	\$103,372,394	\$ 83,251,380	\$20,121,014
Changes for the year:			
Service cost	3,570,879	-	3,570,879
Interest	7,337,963	-	7,337,963
Changes of benefit terms	-	-	-
Differences between expected and actual experience	682,375	-	682,375
Changes of assumptions	-	-	-
Contributions – employee	-	1,812,841	(1,812,841)
Contributions – employer	-	3,792,128	(3,792,128)
Net investment income	-	9,374,839	(9,374,839)
Benefit payments, including refunds of employee contributions	(4,230,461)	(4,230,461)	-
Administrative expense	-	(144,690)	144,690
Net changes	7,360,756	10,604,657	(3,243,901)
Balances at September 30, 2018	<u>\$110,733,150</u>	<u>\$ 93,856,037</u>	<u>\$16,877,113</u>

10. Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table illustrates the impact of interest rate sensitivity on the net pension liability as of September 30, 2018:

	General Employees' Plan		
	1% Decrease	Current Rate	1% Increase
	6.00%	7.00%	8.00%
Net Pension Liability	\$ 30,121,805	\$16,877,113	\$ 5,763,671

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

General Employees' Retirement Plan (Continued)

11. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2018, the City recognized pension expense of \$2,925,173. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	General Employees' Plan	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 2,765,201	\$ 1,518,911
Assumption changes	1,109,210	-
Net difference between projected and actual earnings on pension plan investments	1,562,224	4,680,149
Employer contributions made subsequent to the measurement date	4,379,929	-
Total	\$ 9,816,564	\$ 6,199,060

The deferred outflows of resources related to the General Employees Retirement Plan, totaling \$4,379,929, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2019	\$ (444,878)
2020	99,571
2021	(519,445)
2022	18,527
2023	83,800
Thereafter	-

12. Investment Rate of Return - For the year ended September 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.88%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Police Officers' Retirement Plan

1. Plan Description - The Police Officers' Retirement Plan and Trust (the Plan) is a single-employer defined benefit pension plan that covers substantially all of the City's certified police officers. The Plan was established pursuant to City Ordinance No. 80-21 (as amended). The Plan is also governed by certain provisions of Chapter 185, Florida Statutes. The Board of Trustees for the Plan administers the Plan. Plan provisions may be amended by City ordinance, as governed by guidelines of the State of Florida.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Police Officers' Retirement Plan (Continued)

2. Benefits Provided - The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries.

In June 2008, pursuant to Ordinance No. 08-20, the City Commission approved a second tier for the Plan. Tier One members include all officers hired prior to June 20, 2008, and Tier Two members are those hired after such date. Tier One members may retire the earlier of the date on which they obtain 20 years of credited service or age 55 and completion of 10 years of credited service. Normal retirement benefits are 3.25% of average monthly earnings times credited service up to a maximum benefit of 80% for participants retiring on or after October 1, 1994. Tier Two members may retire the earlier of the date on which they obtain 25 years of credited service or age 55 and completion of 10 years of credited service. Normal retirement benefits are 3.00% of average monthly earnings times credited service subject to a maximum of 75% of average monthly earnings.

Effective October 1, 2001, an annual 2% COLA was created for all retirees and DROP participants who were active employees on or after October 1, 2001, including DROP participants who had entered the DROP prior to October 1, 2001. COLA payments shall commence five (5) years after retirement or entry into the DROP. Tier Two members are not eligible for COLA.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. The report may be obtained by writing to the Plan administrator.

City of Miramar Police Officers' Retirement Plan and Trust
 6861 SW 196th Avenue, Suite 402
 Fort Lauderdale, Florida 33332

3. Employees Covered by Benefit Terms - As of the October 1, 2017 actuarial valuation, membership in the Police Officers' Retirement Plan consisted of the following:

	<u>Police Officers'</u>
Retirees and beneficiaries currently receiving benefits	88
Inactive employees entitled to but not yet receiving benefits	43
Active Employees	172
	303

4. Contributions - Both Tier One and Tier Two Plan members are required to contribute 13.40% of their basic annual compensation on a pick-up basis. Pursuant to Florida Statutes Chapter 185, premium taxes on casualty insurance contracts are collected by the State and are remitted to the Plan. This amount totaled \$1,120,391 for the year ended September 30, 2018. This amount was recognized as an expenditure and revenue in the General Fund. The City is expected to contribute after offset by the allowable State contribution, such additional amounts as are necessary on an actuarial basis to fund the Plan's current service costs and to provide for benefits under the Plan not met by member contributions. Employer contributions for the year ended September 30, 2018, determined using the actuarial valuation dated October 1, 2016, were \$8,823,379 or 67.3% of covered payroll.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Police Officers' Retirement Plan (Continued)

5. Deferred Retirement Option Plan - The deferred retirement option plan (DROP) is available to all Police officers' who have attained their normal retirement age. Upon electing to participate in the DROP, members are considered to have retired for pension purposes of the pension plan but continue to remain in active employment with the City. The benefits accumulate in a DROP account and continue to accrue interest until they retire from the City at which time DROP benefits will be paid. Maximum duration of participation is eight years and the election is irrevocable. The balance held by the Police Officers' Retirement Plan at September 30, 2018, pursuant to the DROP is \$38,539,220.
6. Net Pension Liability - The Police Officers' Retirement Plan's net pension liability was measured as of September 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.
7. Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of September 30, 2017, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Actuarial Assumptions:

Assumed rate of return on investments	7.00%	(including inflation)
Annual salary increases	5.50%	(including inflation)
Inflation rate	2.50%	

Mortality rates were based on the mortality table used by FRS (Florida Retirement System) as of the July 1, 2016 Valuation as mandated by Florida House Bill 1309.

- Pre-Retirement:
 - Female Non-Disabled: RP2000 Generational, 100% Combined Healthy with White Collar Adjustment Scale BB
 - Male Non-Disabled: RP2000 Generational, 10% Combined Healthy with White Collar Adjustment/90% Combined Healthy with Blue Collar Adjustment, Scale BB
- Post-Retirement:
 - Female Non-Disabled: RP2000 Generational, 100% Annuitant White Collar Scale BB
 - Male Non-Disabled: RP2000 Generational, 50% Annuitant White Collar /50% Annuitant Blue Collar Scale BB
- Disability Retirement:
 - Female Disabled: 60% RP2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale.
 - Male Disabled: 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Police Officers' Retirement Plan (Continued)

7. Actuarial assumptions (Continued) - The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and Plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2018, are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
U.S. Large Cap Equity	4.00%
U.S. Small/Mid Cap Equity	4.50%
International Equity	5.00%
U.S. Direct Real Estate	4.25%
Absolute Return/Alternatives	3.00%
Global Return	3.75%
U.S. Aggregate Bond	1.50%

8. 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 plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Police Officers' Retirement Plan (Continued)

9. Changes in the Net Pension Liability

	Police Officers' Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at October 1, 2017	\$215,562,209	\$136,431,603	\$79,130,606
Changes for the year:			
Service cost	4,638,937	-	4,638,937
Interest	15,723,277	9,726,786	5,996,491
Differences between expected and actual experience	7,549,752	-	7,549,752
Changes of assumptions	-	-	-
Contributions – employee	-	2,817,974	(2,817,974)
Contributions – employer	-	8,671,513	(8,671,513)
Net investment income (loss)	-	8,807,393	(8,807,393)
Benefit payments, including refunds of employee contributions	(6,265,313)	(6,265,313)	-
Administrative expense	-	(179,210)	179,210
Net changes	21,646,653	23,579,143	(1,932,490)
Balances at September 30, 2018	\$237,208,862	\$160,010,746	\$77,198,116

10. Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table illustrates the impact of interest rate sensitivity on the net pension liability as of September 30, 2018:

	Police Officers' Plan		
	1% Decrease	Current Rate	1% Increase
	6.00%	7.00%	8.00%
Net Pension Liability	\$ 108,601,558	\$77,198,116	\$52,280,768

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Police Officers' Retirement Plan (Continued)

11. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2018, the City recognized a pension expense of \$8,142,039. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Police Officers' Plan	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 6,878,341	\$ 2,934,432
Assumption changes	954,056	-
Net difference between projected and actual earnings on pension plan investments	4,384,943	8,761,559
Employer contributions made subsequent to the measurement date	8,823,379	-
Total	\$ 21,040,719	\$ 11,695,991

The deferred outflows of resources related to the Police Officers' Retirement Plan, totaling \$8,823,379, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2019	\$ 145,375
2020	420,930
2021	(1,771,542)
2022	(1,104,571)
2023	943,719
Thereafter	1,887,438

12. Investment Rate of Return - For the year ended September 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 7.4%. The money-weighted rate of return expresses investments performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Retirement Plan

1. Plan Description - The Firefighters' Retirement Plan (the Plan) is a single-employer defined benefit pension plan that covers substantially all of the City's certified firefighters. The Plan was established pursuant to City Ordinance No. 81-32 (as amended) which became effective July 7, 1981. The Plan is also governed by certain provisions of Chapter 175, Florida Statutes. The Plan is administered by the Board of Trustees for the Plan. Plan provisions may be amended by City ordinance, as governed by guidelines of the State of Florida.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Firefighters' Retirement Plan (Continued)

2. Benefits Provided - The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries. Participants who have completed 25 years of service or attained age 55 with 10 years of credited service are eligible for normal retirement benefits. The normal retirement benefit multiplier is 3% of the final monthly compensation. Immediate payments are calculated in the same manner as the normal retirement benefit reduced by 3% for each year by which their age at retirement precedes their normal retirement age. Deferred payments are payable at age 55 and calculated in the same manner as the normal retirement benefit.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. The report may be obtained by writing to the Plan administrator.

City of Miramar Firefighters' Retirement Plan
 4360 Northlake Boulevard, Suite 206
 Palm Beach Gardens, Florida 33410

3. Employees Covered by Benefit Terms - As of the October 1, 2017 actuarial valuation, membership in the Firefighters' Retirement Plan consisted of the following:

	<u>Firefighters'</u>
Retirees and beneficiaries currently receiving benefits	43
Inactive employees entitled to but not yet receiving benefits	20
Active Employees	130
	193

4. Contributions - Plan members are required to contribute 8.47% of their base salaries or wages on a monthly basis. If a member terminates their employment before accumulating aggregate time of 10 years toward retirement, the accumulated contributions will be returned to the members with 5.5 % interest. Pursuant to Florida Statutes Chapter 175, contributions from the State of Florida Department of Insurance consist of 1.85% excise tax imposed upon certain property insurance companies on the gross amount of premiums from policy holders on all premiums collected on property insurance policies covering property within the City. This amount totaled \$989,693 for the year ended September 30, 2018. This amount was recognized as an expenditure and revenue in the General Fund. The City is required to make annual contributions in the amount of the difference between allowable State contributions and the total cost for the plan year as shown by an actuarial valuation report. The total cost is equal to the normal cost plus the amount required to amortize unfunded actuarial liabilities over 15 years as a level percentage of payroll. Employer contributions for the year ended September 30, 2018, determined using the actuarial valuation dated October 1, 2016, were \$6,888,087 or 58.2% of covered payroll.
5. Deferred Retirement Option Plan - The deferred retirement option plan (DROP) is available to all Firefighters' who have attained their normal retirement age. Upon electing to participate in the DROP, members are considered to have retired for pension purposes of the pension plan but continue to remain in active employment with the City. The benefits accumulate in a DROP account and continue to accrue interest until they retire from the City at which time DROP benefits will be paid. Maximum duration of participation is five years and the election is irrevocable. The balance held by the Firefighters' Retirement Plan at September 30, 2018, pursuant to the DROP is \$18,222,523.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Firefighters' Retirement Plan (Continued)

6. Net Pension Liability - The Firefighters' Retirement Plan's net pension liability was measured as of September 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

7. Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of September 30, 2017, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Actuarial Assumptions:

Assumed rate of return on investments	*7.00%	
Annual salary increases	*9.18%	first (6) years of service
	*4.03%	thereafter
Inflation rate	2.50%	

*Amounts include inflation of 2.5%

Mortality rates were based on the mortality table used by FRS (Florida Retirement System) as of the July 1, 2016 Valuation as mandated by Florida House Bill 1309.

- Pre-Retirement:
 - Female Non-Disabled: RP2000 Generational, 100% Combined Healthy with White Collar Adjustment Scale BB
 - Male Non-Disabled: RP2000 Generational, 10% Combined Healthy with White Collar Adjustment/ 90% Combined Healthy with Blue Collar Adjustment, Scale BB
- Post-Retirement:
 - Female Non-Disabled: RP2000 Generational, 100% Annuitant White Collar Scale BB
 - Male Non-Disabled: RP2000 Generational, 50% Annuitant White Collar /50% Annuitant Blue Collar Scale BB
- Disability Retirement:
 - Female Disabled: 60% RP2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale.
 - Male Disabled: 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Firefighters' Retirement Plan (Continued)

7. Actuarial assumptions - 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. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2018, are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Large Cap Equity	5.70%
Mid Cap Equity	8.40%
Small Cap Equity	7.60%
International developed markets	3.80%
Emerging markets	10.30%
Real Estate	5.50%
Fixed Income	1.60%

8. 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 plan member contributions will be made at the current contribution rate and that City contributions will be made at statutorily 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

9. Changes in the Net Pension Liability

	Firefighters' Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at October 1, 2017	\$182,375,713	\$117,447,732	\$64,927,981
Changes for the year:			
Service cost	3,771,029	-	3,771,029
Interest	13,003,307	8,394,437	4,608,870
Differences between expected and actual experience	2,323,495	-	2,323,495
Changes of assumptions	-	-	-
Contributions – employee	-	3,724,060	(3,724,060)
Contributions – employer	-	6,838,126	(6,838,126)
Net investment income	-	6,858,503	(6,858,503)
Benefit payments, including refunds of employee contributions	(5,417,407)	(5,417,407)	-
Administrative expense	-	(199,195)	199,195
Net changes	13,680,424	20,198,524	(6,518,100)
Balances at September 30, 2018	\$196,056,137	\$137,646,256	\$58,409,881

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Firefighters' Retirement Plan (Continued)

10. Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table illustrates the impact of interest rate sensitivity on the net pension liability as of September 30, 2018:

	Firefighters' Plan		
	1% Decrease	Current Rate	1% Increase
	6.00%	7.00%	8.00%
Net Pension Liability	\$ 85,819,121	\$58,409,881	\$36,621,600

11. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2018, the City recognized a pension expense of \$4,020,057. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Firefighters' Plan	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 2,154,077	\$ 7,519,374
Assumption changes	1,015,784	-
Net difference between projected and actual earnings on pension plan investments	2,763,994	637,018
Employer contributions made subsequent to the measurement date	6,888,087	-
Total	\$ 12,821,942	\$ 8,156,392

The deferred outflows of resources related to the Firefighters' Retirement Plan, totaling \$6,888,087, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows and as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2019	\$ (834,977)
2020	(29,960)
2021	(1,411,958)
2022	(1,002,772)
2023	368,929
Thereafter	688,201

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Firefighters' Retirement Plan (Continued)

12. Investment Rate of Return - For the year ended September 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.9%. The money-weighted rate of return expresses investments performance, net of investment expense, adjusted for the changing amounts actually invested.

Management Retirement Plan

1. Plan Description - The Management Retirement Plan and Trust Fund (the Plan) is a single-employer defined benefit pension plan that covers all regular full time senior management or management positions designated by the City Manager, and effective July 6, 2005, includes all FLSA exempt and Civil Service exempt positions. The Plan was established pursuant to City Ordinance No. 02-18 effective October 1, 2002. The Plan is also governed by certain provisions of Chapter 112, Florida Statutes. The Board of Trustees for the Plan administers the Plan. Plan provisions may be amended by City ordinance, as governed by guidelines of the State of Florida.
2. Benefits Provided - The Plan provides retirement, disability and death benefits to Plan members and beneficiaries. A member may retire on the first day of the month following the earlier of: the date upon which a member completes 20 years of credited service, regardless of age; or the date upon which the member attains age 55 with ten years of credited service or the date upon which the member attains age 62 with five years of credited service. Normal retirement benefits are 3% of final monthly compensation for each year of credited service plus an increase of 0.2% for every year of additional service above 5 years to a maximum of 4% of final compensation times credited service.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. The report may be obtained by writing to the Plan administrator.

City of Miramar Management Retirement Plan
 FHA-TPA Benefit Administration
 P.O. Box 327810
 Fort Lauderdale, Florida 33332

3. Employees Covered by Benefit Terms - As of the October 1, 2017 actuarial valuation, membership in the Management Retirement Plan consisted of the following:

	<u>Management</u>
Retirees and beneficiaries currently receiving benefits	59
Inactive employees entitled to but not yet receiving benefits	7
Active Employees	124
	190

4. Contributions - The Plan provides that each member shall contribute, beginning with the date of covered employment, 13.52% of the member's compensation on a pick-up basis. For members also contributing to the City of Miramar Pension Trust for General Employees', the contribution to the Plan shall be reduced by the amount contributed to the General Employees' Plan. The City contributes an amount which when combined with member contributions and investment return, are expected to be sufficient to maintain the Plan on a sound actuarial basis. Employer contributions for the year ended September 30, 2018, determined using the actuarial valuation dated October 1, 2016, were \$3,111,065 or 27.42% of covered payroll.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Management Retirement Plan (Continued)

4. Contributions (Continued) - On February 15, 2012, the City made changes to the Plan under Ordinance 12-09. Members who have covered service prior to active membership in this plan may purchase some or all of that covered service. For the time being purchased, the full actuarial cost of this buyback must be paid by the member. The cost of the service buyback may be made in one lump sum or may be made by payroll deductions over a period which shall not exceed the time period for the years of the prior service being purchased. For example, if an eligible member is purchasing five years of prior covered service, that member must complete all required payments within five years. Members electing not to purchase prior covered service will be deemed to have commenced credited service on the date of active membership in the plan.
5. Deferred Retirement Option Plan - The deferred retirement option plan (DROP) is available to all Management Plan members who have attained their normal retirement age. Upon electing to participate in the DROP, members are considered to have retired for pension purposes of the pension plan but continue to remain in active employment with the City. The benefits accumulate in a DROP account and continue to accrue interest until they retire from the City at which time DROP benefits will be paid. Maximum duration of participation is five years and the election is irrevocable. The balance held by the Management Plan at September 30, 2018, pursuant to the DROP is \$1,804,841.
6. Net Pension Liability - The Management Retirement Plan's net pension liability was measured as of September 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.
7. Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of September 30, 2017, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Actuarial Assumptions:

Assumed rate of return on investments	7.00%	(including inflation)
Annual salary increases	4.00%	(including inflation)
Inflation rate	2.50%	

Mortality rates were based on the RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates used for Regular Class members of the Florida Retirement System (FRS) in their July 1, 2016 actuarial valuation, as mandated by Florida House Bill 1309.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Management Retirement Plan (Continued)

8. Actuarial assumptions - 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. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2018, are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	7.50%
International equity	8.50%
Fixed Income	2.50%
Real estate	4.50%

9. 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 plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

10. Changes in the Net Pension Liability

	Management Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at October 1, 2017	\$ 51,952,115	\$ 31,283,086	\$20,669,029
Changes for the year:			
Service cost	2,934,694	-	2,934,694
Interest	3,749,864	-	3,749,864
Changes in benefit terms	85,811	-	85,811
Differences between expected and actual experience	475,693	-	475,693
Changes of assumptions	-	-	-
Contributions – employee	-	2,498,920	(2,498,920)
Contributions – employer	-	2,496,156	(2,496,156)
Net investment income	-	3,767,761	(3,767,761)
Benefit payments, including refunds of employee contributions	(2,634,637)	(2,634,637)	-
Administrative expense	-	(114,287)	114,287
Net changes	4,611,425	6,013,913	(1,402,488)

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Management Retirement Plan (Continued)

11. Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table illustrates the impact of interest rate sensitivity on the net pension liability as of September 30, 2018:

	Management Plan		
	1% Decrease	Current Rate	1% Increase
	6.00%	7.00%	8.00%
Net Pension Liability	\$ 26,848,658	\$19,266,541	\$13,391,824

12. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2018 the City recognized a pension expense of \$2,920,885. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Management Plan	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 3,281,769	\$ -
Assumption changes	705,930	-
Net difference between projected and actual earnings on pension plan investments	545,963	1,850,991
Employer contributions made subsequent to the measurement date	3,111,065	-
Total	\$ 7,644,727	\$ 1,850,991

The deferred outflows of resources related to the Management Retirement Plan, totaling \$3,111,065, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2019. Other amount reported as deferred outflows of resources and as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2019	\$ 803,578
2020	870,581
2021	427,193
2022	442,573
2023	138,746
Thereafter	-

13. Investment Rate of Return - For the year ended September 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.93%. The money-weighted rate of return expresses investments performance, net of investment expense, adjusted for the changing amounts actually invested.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

City of Miramar Excess Benefit Plan

1. Plan Description - The City established, under Ordinance No. 01-43, effective date September 5, 2001, the Excess Benefit Plan as a separate plan to be a separate, unfunded, nonqualified excess benefit plan, containing the terms and provisions set forth in the subpart (Sec. 15-341) and intended to be a qualified governmental excess benefit arrangement as defined in Section 415 (m) (3) of the Internal Revenue Code.
2. Basis of Accounting - The City implemented GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB 67 and 68*, as it relates to the Excess Benefit Plan. The objective of this statement is to improve financial reporting by establishing a single framework for the presentation of information about pensions which will enhance the comparability of pension-related information reported by state and local government pension plans. The following disclosures related to the Excess Benefit Plan are in accordance with the requirements of GASB Statement No. 73.
3. Excess Benefit Participants - Any member whose retirement benefit, as determined on the basis of all qualified plans maintained by the City without regard to the limitations set forth in the Code and comparable provisions of other qualified plans of the City, exceeds the maximum benefit under Section 415 of the Code. As of the September 30, 2017 measurement date, there were six members in pay status participating in the Excess Benefit Plan.
4. Benefits Provided - An employee benefit participant shall be eligible to receive benefits from the excess benefit plan after termination of employment, as an unrestricted benefit on a monthly basis as would be received under the terms of all qualified plans of the City, that otherwise would have been paid in the absence of IRS Code Section 415 limits.
5. Funding Policy - The City's Excess Benefit Plan is not funded in a GASB-qualifying trust. The City cannot advance fund assets, or any benefit currently payable under the Plan, and any assets held by the plan during any period can only pay benefits coming due or the expenses of the plan during the period. Contributions by the City are not allowed to accumulate from year to year for purposes of advance funding of any of the Excess Plan liabilities. The City has recorded a liability in the amount of \$1,283,418 in the government-wide financial statements that represents the Total Pension Liability of the Plan as of the September 30, 2017 measurement date. The City cannot restrict any assets, including cash for the purpose of providing funding for these benefits. However, the City has in the past and will continue to stand by its obligation to pay these benefits from its annual budgeted funds, as the liability becomes payable under this plan.
6. Plan Membership Information - As of the October 1, 2017 actuarial valuation, membership in the Excess Benefit Plan consisted of the following:

	<u>Excess Benefit</u>
Retirees and beneficiaries currently receiving benefits	6
Inactive nonretired members	-
Active Employees (including transfers)	-
	6

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (CONTINUED)

City of Miramar Excess Benefit Plan (Continued)

7. Total Pension Liability - The Excess Benefit Plan's total pension liability was measured as of September 30, 2017 and determined by an actuarial valuation as of that date.
8. Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of September 30, 2017 using the following actuarial assumptions, applied to all prior periods included in the measurement. The valuation of the Excess Benefit Plan liability is based upon calculations of the split between the members' qualified and non-qualified distributions and assumes a 2.5% increase for annual increases in the IRC Section 415(b)-dollar limit to anticipate future changes in the split.

Actuarial Assumptions:

Actuarial cost method	Entry Age Normal
Inflation rate	2.5% (also used for assumed future annual increases in the IRC Section 415 (b) dollar limit)
Annual salary increases	N/A
Discount rate	3.50%
Retirement age	N/A
Mortality	RP-2000 Mortality Table for Annuitants, with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates used for Regular Class Members of the Florida Retirement System (FRS) in their July 1, 2016 Actuarial Valuation as mandated by Florida House Bill 1309 for municipal pension plans.

Projected benefit payments are discounted to their actuarial present values using a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Bond Buyer) as of the measurement date. The discount rate used to measure the total pension liability was 3.50%

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (CONTINUED)

City of Miramar Excess Benefit Plan (Continued)

9. Changes in the Total Pension Liability

	<u>Excess Benefit Plan Increase (Decrease) Total Pension Liability</u>
Balance at October 1, 2017	\$ 1,074,266
Changes for the year:	
Service cost	-
Interest	30,915
Changes in benefit terms	-
Differences between expected and actual experience	342,859
Changes of assumptions	(36,698)
Benefit payments, including refunds of employee contributions	(127,924)
Other	-
Net changes	209,152
Balance at September 30, 2018	\$ 1,283,418
Covered Payroll	N/A
Total Pension Liability as a Percentage of Covered Payroll	N/A

10. Sensitivity of the Total Pension Liability to Changes in the Discount Rate - The following table illustrates the sensitivity of the total pension liability to changes in the discount rate as of September 30, 2018:

	<u>Excess Benefit Plan</u>		
	1% Decrease 2.50%	Current Rate 3.50%	1% Increase 4.50%
Total Pension Liability	\$ 1,369,617	\$ 1,283,418	\$ 1,206,542

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (CONTINUED)

City of Miramar Excess Benefit Plan (Continued)

11. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2018, the City recognized pension expense of \$337,076. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to the excess benefit plan from the following sources.

	Excess Benefit Plan	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Employer contributions made subsequent to the measurement date	145,649	-
Total	\$ 145,649	\$ -

The deferred outflow of resources related to the Excess Benefit Plan, totaling \$145,649 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the total pension liability for the fiscal year ended September 30, 2019.

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS)

The City provides retirement benefits to elected officials through the Florida Retirement System (FRS and HIS).

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state administered retirement system in paying the costs of health insurance.

The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

The City's pension expense for FRS and HIS totaled \$166,763 for the fiscal year ended September 30, 2018.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

Florida Retirement System (FRS)

1. Plan Description - The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

Elected Local Officers Class – Members who hold specified elective offices in local government.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of service. Members of the Plan may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

2. Benefits Provided - Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation (AFC). For members initially enrolled before July 1, 2011, the AFC is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the AFC is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment and Retirement Age/Years of Service	% Value
Elected Local Officers	3.00

Per Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

Florida Retirement System (FRS) (Continued)

credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

3. Contributions - The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2018 fiscal year were as follows:

	Percent of Gross Salary October 1, 2017 to June 30, 2018		Percent of Gross Salary July 1, 2018 to September 30, 2018	
	Employee	Employer (1)	Employee	Employer(1)
	FRS, Elected Local Officers	3.00	45.50	3.00
FRS, Elected Local Officers Retired Reemployed on or after July 1, 2010	3.00	45.50	3.00	48.70

- (1) Employer rates include a postemployment HIS contribution rate of 1.66% through June 30, 2018 and 1.66% from July 1 to September 30, 2018. Also, employer rates include .06% for administrative costs of the Investment plan through June 30, 2018 and .06% from July 1 to September 30, 2018.

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2018, the City reported a liability of \$772,534 for its proportionate share of the 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 proportionate share of the net pension liability was based on the City's contributions for the year ended June 30, 2018 relative to the contributions made during the year ended June 30, 2018 of all participating members. At June 30, 2018, the City's proportionate share was .002564810% percent, which was a decrease of .001861723% from its proportionate share measured as of June 30, 2017.

For the fiscal year ended September 30, 2018 the City recognized pension expense of \$163,277 related to the Pension Plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

Florida Retirement System (FRS) (Continued)

	FRS Plan	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 65,445	\$ 2,375
Assumption changes	252,427	-
Net difference between projected and actual earnings on FRS pension plan investments	-	59,688
Changes in proportion and differences between City FRS contributions and proportionate share of FRS contributions	325,114	323,463
Employer contributions made subsequent to the measurement date	20,450	-
Total	\$ 663,436	\$ 385,526

The deferred outflows of resources related to pensions, totaling \$20,450 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2019	\$ 129,898
2020	81,020
2021	9,481
2022	50,226
2023	3,110
Thereafter	(16,275)

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

Florida Retirement System (FRS) (Continued)

5. Actuarial Assumptions

The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.60%
Annual salary increases	3.25%, average, including inflation
Investment rate of return	7.0%, net of pension plan expense, including inflation
Mortality	Generational RP-2000 with Projection Scale BB, with adjustments for mortality improvements based on Scale AA

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study in 2014 for the period July 1, 2008, through June 30, 2013.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation(1)	Arithmetic Return	Geometric Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.8%
Fixed Income	18.0%	4.4%	4.3%	4.0%
Global Equity	54.0%	7.6%	6.3%	17.0%
Real Estate	11.0%	6.6%	6.0%	11.3%
Private equity	10.0%	10.7%	7.8%	26.5%
Strategic Investments	6.0%	6.0%	5.7%	8.6%
	100.00%			
Assumed Inflation -Mean		2.6%		1.9%

(1) As outlined in the Plan's investment policy

6. Discount Rate - The discount rate used to measure the total pension liability was 7.0 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

Florida Retirement System (FRS) (Continued)

7. 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 7.0%, 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 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	FRS Plan		
	1% Decrease 6.00%	Current Rate 7.00%	1% Increase 8.00%
Net Pension Liability	\$ 1,409,907	\$ 772,534	\$ 243,158

8. Pension Plan Fiduciary Net Position - Detailed information about the Plan's fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.
9. Payables to the Pension Plan - At September 30, 2018, the City reported a payable to the Plan of \$6,949.

HIS Pension Plan

1. Plan Description - The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer 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 Division of Retirement within the Florida Department of Management Services.
2. Benefits Provided - 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, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.
3. Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2018, the contribution rate was 1.66% of payroll from October 1, 2017 through June 30, 2018 and 1.66% of payroll for July 1, 2018 through September 30, 2018 pursuant to section 112.363, Florida Statutes. The City contributed 100 percent of its statutorily required contributions for the current and preceding three years. 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 the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City's contributions to the HIS Plan totaled \$2,991 for the fiscal year ended September 30, 2018.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

HIS Pension Plan (Continued)

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2018, the City reported a net pension liability of \$58,369 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 proportionate share of the net pension liability was based on the year ended June 30, 2018 contributions relative to the year ended June 30, 2018 contributions of all participating members. At June 30, 2018, the City's proportionate share was .000551480%, which was a decrease of .000459725% from its proportionate share measured as of June 30, 2017.

For the fiscal year ended September 30, 2018, the City recognized pension expense of \$3,486 related to the HIS Plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	HIS PLAN	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 894	\$ 99
Assumption changes	6,491	6,171
Net difference between projected and actual earnings on HIS pension plan investments	35	-
Changes in proportion and differences between City HIS contributions and proportionate share of HIS contributions	46,163	50,578
Employer contributions made subsequent to the measurement date	747	-
Total	\$ 54,330	\$ 56,848

The deferred outflows of resources related to pensions, totaling \$747, resulting from City contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2019	\$ (53)
2020	(56)
2021	848
2022	1,005
2023	3,112
Thereafter	(8,121)

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

HIS Pension Plan (Continued)

5. Actuarial Assumptions - The total pension liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.60%
Annual salary increases	3.25%, average, including inflation
Investment rate of return	3.87%, net of pension plan expense, including inflation
Mortality	Generational RP-2000 with Projection Scale BB, with adjustments for mortality improvements based on Scale AA

The actuarial assumptions used in the July 1, 2018 valuation were based on certain results of the most recent experience study for the FRS Pension Plan.

6. 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 of return 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.
7. 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 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current rate:

	HIS Plan		
	1% Decrease	Current Rate	1% Increase
	2.87%	3.87%	4.87%
Net Pension Liability	\$ 66,479	\$ 58,369	\$ 51,609

8. Pension Plan Fiduciary Net Position - Detailed information about the HIS Plan's fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan – At September 30, 2018, the City reported a payable to the HIS Plan of \$117.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Net Pension Liability, Total Pension Liability, Deferred Inflow of Resources, and Deferred Outflow of Resources –

The following table summarizes the net pension liability, total pension liability, deferred inflow of resources, and deferred outflow of resources as previously disclosed in Note 10 for each Plan:

Plan	Net Pension Liability	Total Pension Liability	Deferred Inflow of Resources	Deferred Outflow of Resources
Police Officers'	\$ 77,198,116	\$ -	\$ 11,695,991	\$ 21,040,719
Firefighters'	58,409,881	-	8,156,392	12,821,942
General Employees	16,877,113	-	6,199,060	9,816,564
Management	19,266,541	-	1,850,991	7,644,727
Florida Retirement System (FRS and HIS)	830,903	-	442,374	717,766
Excess benefit	-	1,283,418	-	145,649
Total	\$ 172,582,554	\$ 1,283,418	\$ 28,344,808	\$ 52,187,367

The schedule of changes in the net pension liability, total pension liability, and related ratios and the schedule of contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provide additional information about the net pension liability, total pension liability, plan assets, and contributions for each of the City's pension plans.

C. DEFINED CONTRIBUTION PLAN

Money Purchase Plan (ICMA)

1. Plan Description - The City provides pension benefits for certain appointed employees through a money purchase plan (a defined contribution plan). The Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until the time of withdrawal. The Plan is administered by International City Managers Association (ICMA). The ICMA contribution plan was established pursuant to Resolution No. 88-104 adopted May 16, 1988, by the City Commission.
2. Benefit Provisions and Contribution Rates - Plan benefits depend solely on amounts contributed to the Plan, plus investment earnings, less administrative expenses. The City's contribution for these employees is 11% of covered payroll and vesting in the Plan is immediate. There are no unfunded liabilities of this Plan at the end of the year, as all contributions are remitted biweekly to ICMA. During 2018, the City contributed \$227,141 to the Plan.

The City's contributions were calculated using a covered base payroll of \$2,064,918 for the fiscal year. At September 30, 2018, there were 28 participants in the Plan.

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

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description- The City of Miramar is a single-employer provider with multiple defined benefit healthcare plans. The Plans have no assets and do not issue separate financial statements. The City provides medical and dental insurance benefits for retirees and their spouses. The City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for certain post-employment healthcare benefits provided by the City for the fiscal year ended September 30, 2018. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided -The benefits provided vary according to the category of employees as follows:

1. General Employees - For this group of employees, retirees are eligible for a monthly stipend in the amount of \$10 for each year of credited service to a maximum of \$250 per month. The stipend is paid to retirees covered under the City's medical plan and ceases at age 62 at which time the City begins paying the full premiums for the retiree (not dependents) coverage until attaining age 65. During this period, each retiree has the option, at their (own) expense, to carry dependent group coverage at the City's group rates. After attaining age 65 the retirees and their dependents are permitted to remain covered under the City's respective medical plans as long as they pay a full premium applicable to the coverage elected at the same group rates charged to the City's active employees. This conforms to the minimum required of Florida government employers per Ch. 112.0801, *Florida Statutes*. Other than the coverage provisions mandated by the State, the provisions of this plan may be amended through negotiations between the City and the general employees' bargaining unit.
2. Unrepresented Employees - Retirees are eligible for a monthly stipend in the amount of \$10 for each year of credited service to a maximum of \$250 per month. Stipend will cease at the 65th birthday of the retiree.

Unrepresented employees who are considered executive staff: For each 1.75 years of service with the City, rendered through June 6, 2008, such retirees would receive a year of health insurance at no cost for retiree's coverage and with 50% discount for dependent coverage.

To be eligible for this benefit, retiree needs to have accrued at least three years of service with the City as of June 6, 2008 and be covered under the City plan at the time of retirement. Cash equivalent payments in lieu of the free/discounted coverage are also available with a proof of other coverage. After expiration of this benefit, but not beyond the participant's 65th birthday, a retiree will be eligible for a stipend as described above for Unrepresented Employees.

3. Police - Retirees are eligible for a monthly stipend in the amount of \$20 for each year of credited service to a maximum of \$400 per month. The provisions of this plan may be amended through negotiations between the City and the employee bargaining unit.
4. Firefighters - Retirees are eligible for a monthly health insurance stipend which is paid by the Firefighters Pension Fund. The provisions of this plan may be amended through negotiations between the City and the employee bargaining unit.

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

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Employees Covered by Benefit Terms- As of the October 1, 2016 actuarial valuation, the following employees were covered by the benefit terms:

Retirees and beneficiaries	129
Inactive, nonretired members	35
Active members	845
Total	1,009

Total OPEB Liability

The City's total OPEB liability of \$45,789,411 was based on the measurement date of September 30, 2017 and was determined using update procedures to roll forward to the measurement date from an actuarial valuation performed as of October 1, 2016.

Actuarial Methods and Assumptions -The total OPEB liability was determined using the following actuarial methods and assumptions applied to all periods included in the measurement, unless otherwise specified:

Valuation date	October 1, 2016
Actuarial cost method	Entry age normal
Inflation	2.50%
Discount rate	3.50%
Salary increases	Salary increase rates used in the respective October 1, 2016 actuarial valuations of the City's four retirement plans
Retirement age	Retirement rates used in the respective October 1, 2016 actuarial valuations of the City's four retirement plans
Mortality	Mortality tables are taken from RP-2000 with collar adjustments and generational projections using scale BB as used in the July 1, 2016 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2008-2013
Healthcare cost trend rates	Based on the Getzen Model, with trend starting at 10.8% and gradually decreasing to an ultimate rate of 4.24% plus 0.46% increase for excise tax.
Aging factors	Based on the 2013 SOA Study "Health Care Costs-From Birth to Death"
Expenses	Administrative expenses are included in the per capita health costs

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

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Changes in the Total OPEB Liability

The following schedule presents changes in the Total OPEB Liability and related ratios as of the September 30, 2017 measurement date.

	<u>Total OPEB Liability</u>
<u>Assumptions:</u>	
Service cost	\$ 2,328,296
Interest on total OPEB liability	1,569,089
Changes of benefit terms	-
Difference between expected and actual experience of the total OPEB liability	-
Changes of assumptions	-
Benefit payments	(1,221,556)
Net change in total OPEB liability	<u>2,675,829</u>
Total OPEB liability-beginning	<u>43,113,582</u>
Total OPEB liability-ending	<u>\$ 45,789,411</u>
 Covered Payroll	 \$ 56,863,726
Total OPEB liability as a percentage of covered payroll	80.52%

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 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%):

	<u>Sensitivity of Total OPEB Liability to the Discount Rate Assumption</u>		
	1% Decrease	Current Discount Rate Assumption	1% Increase
	2.50%	3.50%	4.50%
Total OPEB Liability	\$ 51,936,494	\$ 45,789,411	\$ 40,697,808

Sensitivity of the Total OPEB Liability to the Healthcare Cost Trend Rate Assumption-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 1-percentage- point lower (9.8% decreasing to 3.24%) or 1-percentage-point higher (11.80% decreasing to 5.24%).

	<u>Sensitivity of Total OPEB Liability to the Healthcare Cost Trend Rate Assumption</u>		
	1% Decrease	Current Healthcare Cost	1% Increase
	(9.8% down to 3.24%)	Trend Rate Assumption	(11.80% down to 5.24%)
Total OPEB Liability	\$ 41,662,631	\$ 45,789,411	\$ 50,830,699

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

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

For the fiscal year ended September 30, 2018, the City recognized OPEB expense of \$3,897,385. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Employer contributions made subsequent to the measurement date	1,504,835	-
Total	\$ 1,504,835	\$ -

The deferred outflow of resources related to OPEB totaling \$1,504,835 resulting from City contributions subsequent to the measurement date will be included as a reduction of the total OPEB liability for the fiscal year ended September 30, 2019.

There were no other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB to be recognized in future OPEB expenses.

NOTE 12. 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; injuries to employees and natural disasters. Liability claims in the State of Florida are limited to some extent by Chapter 768.28 of the Florida Statutes under the Doctrine of Sovereign Immunity. The City has a comprehensive risk management program to account for and finance its uninsured risk of loss. Under the program, the self-insurance internal service fund provides coverage for up to a maximum of \$500,000 for each workers' compensation claim, \$100,000 for each general liability claim, \$75,000 for each property claim.

The City purchases commercial insurance for claims in excess of coverage provided by the fund and for all other risk of loss. There were no significant changes in insurance coverage from coverage in prior years. Settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

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

NOTE 12. RISK MANAGEMENT (CONTINUED)

Changes in the claims liability balance for fiscal years 2018 and 2017, for the City's two programs are as follows:

	<u>Balance, Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance, End of Year</u>
General:				
Year 2018	\$ 9,468,372	\$ 2,585,011	\$ 2,623,383	\$ 9,430,000
Year 2017	8,113,000	5,842,745	4,487,373	9,468,372
Dental				
Health:				
Year 2018	\$ 75,740	\$ 540,265	\$ 540,265	\$ 75,740
Year 2017	75,740	469,205	469,205	75,740

NOTE 13. COMMITMENTS AND CONTINGENCIES

Commitments

In 1974, the City entered into a "Large User Wastewater Agreement" with the City of Hollywood, Florida (Hollywood). The agreement provides for the connection of the City's collection system to Hollywood's treatment and disposal facility for a period of 40 years, at which time it will be extended to the maturity date of any bond issues or other indebtedness incurred by Hollywood subsequent to the date of this agreement if the proceeds from such bonds or other indebtedness incurred are used to improve existing service or provide new service to the City. The City is being charged based on average daily wastewater flow. The charges to operations of the Utility Fund under this agreement were \$152,030 during the year ended September 30, 2018, and are included in wastewater plant operations expense on the Statement of Revenues, Expenses and Changes in Fund Net Position.

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

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Construction and Other Significant Commitments

The City has active construction projects as of September 30, 2018. The projects include park facilities improvements, infrastructure redevelopment and improvement, various water, wastewater and drainage projects, as well as the construction of new City facilities, including a new Historic Miramar Public Safety Complex and East Water Treatment Plant Renovation. At year end, the City's outstanding commitments related to these projects follows:

Project	Spent to Date	Remaining Commitment
East Water Plant Process Enhancement	\$ 21,884,202	\$ 6,682,292
Drainage Improvements	2,718,371	5,959,358
Historic Miramar Infrastructure Improvements – Phase 3	2,571,565	4,514,284
Street Construction & Resurfacing	1,407,594	1,471,316
East Miramar Fire Hydrant & Lines Improvement	6,509,285	979,239
Historic Miramar Complete Streets	1,120,045	909,502
Landscaping & Beautification	363,049	679,673
WWRF Equipment Replacements	183,500	584,066
Historic Downtown Revitalization	1,374,185	206,307
West Water Plant Process Improvements	-	184,300
Miramar Parkway Streetscape-SW 64 Ave to SW 68 Ave	113,101	176,698
Public Informational Signs	78,218	168,063
ERP System (STEAM)	2,991,846	164,325
Facilities Capital Improvement	423,557	160,573
Historic Miramar Public Safety Complex	508,874	133,853
Repair/Replacement of Existing Sidewalks	287,077	112,923
Police Headquarters Facility	27,578,184	81,428
Meter Repair & Replacement	1,764,364	76,278
Parks Restroom Facilities	12,784	68,855
Historic Miramar Canal Improvements	914,002	52,315
Raw Water Main-Huntington Wellfield	-	49,620
Building Plans Digital Conversion	77,922	43,292
Ansin Sports Complex-Phase II/III	1,117,865	11,130
Reclaimed Water System Expansion/WWRF	345,759	7,522
Reclaimed Water System Expansion/Piping-I-75 Crossings	1,310,300	3,000
	<u>\$ 75,655,649</u>	<u>\$ 23,480,212</u>

The projects listed above are being financed through the issuance of revenue bonds, revenue notes, state revolving fund loans, and from existing City resources.

Contingencies

Various claims and lawsuits incidental to the City's operations are pending against the City. Although the outcome of these claims and lawsuits are not presently determinable, in the opinion of the City's management, any claims or lawsuits not covered by insurance would not have a material adverse effect on the financial condition of the City.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to not be material.

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

NOTE 14. RESTATEMENT OF PRIOR YEAR BALANCES

Implementation of GASB Statement No. 75

The October 1, 2017 beginning net position of the following fund/activities was restated as a result of the implementation of GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

<u>Enterprise Funds</u>	Utility Fund	Stormwater Fund	Total	
Net position, September 30, 2017	\$ 275,627,932	\$ 6,411,489	\$ 282,039,421	
Restatement:				
Net OPEB liability	(2,763,180)	(468,452)	(3,231,632)	
Deferred Outflows- contributions	167,886	17,540	185,426	
Net position, as restated, September 30, 2018	<u>\$ 273,032,638</u>	<u>\$ 5,960,577</u>	<u>\$ 278,993,215</u>	

<u>Internal Service Funds</u>	Insurance Fund	Fleet Maintenance Fund	Management Information Systems	Total
Net position, September 30, 2017	\$ 4,505,763	\$ 6,562,177	\$ 292,090	\$ 11,360,030
Restatement:				
Net OPEB liability	(153,928)	(354,903)	(527,094)	(1,035,925)
Deferred Outflows-contributions	6,264	16,285	21,299	43,848
Net position, as restated, September 30, 2018	<u>\$ 4,358,099</u>	<u>\$ 6,223,559</u>	<u>\$ (213,705)</u>	<u>\$ 10,367,953</u>

<u>Business-Type Activities:</u>	
Net position, September 30, 2017	\$ 282,039,421
Restatement:	
Net OPEB liability	(3,231,632)
Deferred Outflows-contributions	185,426
Net position, as restated, September 30, 2018	<u>\$ 278,993,215</u>

<u>Governmental Activities</u>	
Net position, September 30, 2017	\$ 17,375,934
Restatement:	
Net OPEB liability	(20,645,819)
Deferred Outflows-contributions	1,036,128
Net position, as restated, September 30, 2018	<u>\$ (2,233,757)</u>

REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (UNAUDITED)
GENERAL FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
Revenues:				
Taxes	\$ 85,141,300	\$ 85,141,300	\$ 83,778,694	\$ (1,362,606)
Special assessments	20,925,000	20,925,000	20,763,863	(161,137)
Licenses and permits	6,076,000	6,076,000	8,622,878	2,546,878
Intergovernmental	16,011,500	16,011,500	16,390,850	379,350
Charges for services	17,082,300	17,082,300	17,215,403	133,103
Fines and forfeitures	898,800	898,800	753,041	(145,759)
Interest	557,500	557,500	1,013,162	455,662
Miscellaneous	2,199,232	2,199,232	2,429,608	230,376
Total revenues	<u>148,891,632</u>	<u>148,891,632</u>	<u>150,967,499</u>	<u>2,075,867</u>
Expenditures:				
Current:				
General government:				
City commission	1,393,500	1,315,600	1,302,294	13,306
City manager	4,099,983	4,319,983	4,294,193	25,790
Human resource	1,944,030	1,811,030	1,791,544	19,486
Legal	1,304,600	1,304,600	1,177,941	126,659
City clerk	727,400	727,400	722,552	4,848
Financial services	4,449,200	4,360,000	4,339,201	20,799
Management & budget	1,663,985	1,469,485	1,440,178	29,307
Procurement	1,390,700	1,390,700	1,380,129	10,571
Total general government	<u>16,973,398</u>	<u>16,698,798</u>	<u>16,448,032</u>	<u>250,766</u>
Public safety:				
Police	49,882,790	50,468,533	50,376,398	92,135
Fire rescue	33,915,523	35,136,861	34,482,666	654,195
Total public safety	<u>83,798,313</u>	<u>85,605,394</u>	<u>84,859,064</u>	<u>746,330</u>
Physical environment:				
Public works	10,230,630	9,657,104	9,467,874	189,230
Construction and facilities management	2,492,652	2,384,752	2,322,975	61,777
Total physical environment	<u>12,723,282</u>	<u>12,041,856</u>	<u>11,790,849</u>	<u>251,007</u>
Economic environment:				
Community and economic development	5,808,240	5,486,040	5,350,450	135,590
Total economic development	<u>5,808,240</u>	<u>5,486,040</u>	<u>5,350,450</u>	<u>135,590</u>
Community services:				
Parks and recreation	14,360,562	14,137,962	13,909,236	228,726
Total community services	<u>14,360,562</u>	<u>14,137,962</u>	<u>13,909,236</u>	<u>228,726</u>
Cultural arts	3,757,133	3,432,533	3,379,515	53,018
Social services	6,265,185	6,049,333	6,017,713	31,620
Non-departmental	3,835,951	7,530,451	6,014,307	1,516,144
Grants/aid	187,200	177,052	103,350	73,702
Debt service:				
Principal	268,100	268,100	267,992	108
Interest	40,700	40,700	40,594	106
Total expenditures	<u>148,018,064</u>	<u>151,468,219</u>	<u>148,181,102</u>	<u>3,287,117</u>
Excess of revenues over expenditures	<u>873,568</u>	<u>(2,576,587)</u>	<u>2,786,397</u>	<u>5,362,984</u>
Other financing sources (uses)				
Transfers in	3,369,000	3,966,221	3,917,935	(48,286)
Transfers out	(7,276,900)	(7,446,900)	(7,446,900)	-
Total other financing sources (uses)	<u>(3,907,900)</u>	<u>(3,480,679)</u>	<u>(3,528,965)</u>	<u>(48,286)</u>
Net change in fund balance	<u>\$ (3,034,332)</u>	<u>\$ (6,057,266)</u>	<u>(742,568)</u>	<u>\$ 5,314,698</u>
Fund balance, beginning			36,068,857	
Fund balance, ending			<u>\$ 35,326,289</u>	

CITY OF MIRAMAR, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2018

NOTE 1. BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are adopted for the General, Special Revenue, Capital Projects and Debt Service Funds on a basis consistent with accounting principles generally accepted in the United States of America.

1. Prior to July 10, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1st. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings as required by State statute are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an Ordinance.
4. All budget amendments require approval by the City Commission when operating expenditures exceed budgeted appropriations at the department level, which is the legal level of control. In addition, a budget amendment approved by the City Commission is required when capital outlay expenditures exceed budgeted appropriations at the department level.
5. Appropriations lapse at year-end, except for grants, capital improvements and shared revenues from other governmental units which do not lapse at year-end and are only reported to the extent of revenues recognized, and expenditures incurred for the current year.
6. Budgets are prepared on the same basis of accounting as required for governmental fund types and are presented in the financial statements inclusive of all amendments to the original appropriation as approved by the City Commission during the fiscal year. Budget amendments for the fiscal year ended September 30, 2018, totaled a net increase of \$3,022,934 for the General Fund, and which was authorized by the final budget ordinance.

NOTE 2. RECONCILIATION OF BUDGETED AND ACTUAL RESULTS

1. The net change in fund balance presented on a budgetary basis differs from the net change in fund balance as presented on the Statement of Revenues, Expenditures, and Changes in Fund Balance-governmental funds due to the exclusion of a multi-year governmental fund type that does not have a legally adopted budget. An appropriation is established in the operating budget during the fiscal year as funds are received.

	General Fund
Net change in fund balance -budgetary basis	\$ (742,569)
Net change in fund balance-GAAP basis	(720,354)
Difference	\$ (22,215)

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION
LIABILITY AND RELATED RATIOS
LAST FOUR FISCAL YEARS

	General Employees' Retirement Plan 2018	General Employees' Retirement Plan 2017	General Employees' Retirement Plan 2016	General Employees' Retirement Plan 2015
Total pension liability				
Service cost	\$ 3,570,879	\$ 3,032,270	\$ 3,077,703	\$ 2,802,948
Interest on the total pension liability	7,337,963	6,599,459	6,427,977	6,096,343
Changes of benefit terms	-	-	(656,561)	-
Difference between expected and actual experience	682,375	3,361,773	(2,048,722)	(1,256,259)
Changes of assumptions	-	1,693,006	-	-
Benefit payments, including refunds of employee contributions	(4,230,461)	(5,119,659)	(3,490,795)	(2,869,503)
Net change in total pension liability	7,360,756	9,566,849	3,309,602	4,773,529
Total pension liability-beginning	103,372,394	93,805,545	90,495,943	85,722,414
Total pension liability-ending (a)	\$ 110,733,150	\$ 103,372,394	\$ 93,805,545	\$ 90,495,943
Plan fiduciary net position				
Contributions-employer	\$ 3,792,128	\$ 3,767,869	\$ 3,745,727	\$ 3,594,261
Contributions-employee	1,812,841	1,966,498	1,213,840	1,192,804
Net investment income	9,374,839	7,507,462	1,233,954	7,245,995
Benefit payments, including refund of member contributions	(4,230,461)	(5,119,659)	(3,490,795)	(2,869,503)
Administrative expense	(144,690)	(181,082)	(159,433)	(125,266)
Net change in plan fiduciary net position	10,604,657	7,941,088	2,543,293	9,038,291
Plan fiduciary net position-beginning	83,251,380	75,310,292	72,766,999	63,728,708
Plan fiduciary net position-ending (b)	\$ 93,856,037	\$ 83,251,380	\$ 75,310,292	\$ 72,766,999
City's net pension liability-ending (a)-(b)	\$ 16,877,113	\$ 20,121,014	\$ 18,495,253	\$ 17,728,944
Plan Fiduciary Net position as a percentage of the total pension liability	84.76%	80.54%	80.28%	80.41%
Covered employee payroll	\$ 18,367,256	\$ 15,909,213	\$ 15,938,891	\$ 14,844,382
Net pension liability as a percentage of covered employee payroll	91.89%	126.47%	116.04%	119.43%

Notes to Schedule:

1. Currently only data for fiscal years ending September 30, 2018 through September 30, 2015 are available.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION
LIABILITY AND RELATED RATIOS
LAST FOUR FISCAL YEARS

	Police Officers' Retirement Plan 2018	Police Officers' Retirement Plan 2017	Police Officers' Retirement Plan 2016	Police Officers' Retirement Plan 2015
Total pension liability				
Service cost	\$4,638,937	\$4,289,372	\$4,802,698	\$4,796,591
Interest on the total pension liability	15,723,277	14,283,076	13,608,605	12,670,142
Difference between expected and actual experience	7,549,752	(4,524,095)	(52,170)	583,516
Changes of assumptions	-	1,484,086	-	-
Benefit payments, including refunds of employee contributions	(6,265,313)	(5,529,606)	(4,915,739)	(4,279,408)
Net change in total pension liability	21,646,653	10,002,833	13,443,394	13,770,841
Total pension liability-beginning	215,562,209	205,559,376	192,115,982	178,345,141
Total pension liability-ending (a)	<u>\$ 237,208,862</u>	<u>\$ 215,562,209</u>	<u>\$ 205,559,376</u>	<u>\$ 192,115,982</u>
Plan fiduciary net position				
Contributions-employer	\$ 8,671,513	\$ 8,154,753	\$ 8,126,541	\$ 8,245,372
Contributions-employee	2,817,974	2,475,797	2,466,122	2,137,015
Net investment income (loss)	18,534,179	11,010,659	(2,535,420)	8,789,423
Benefit payments, including refund of member contributions	(6,265,313)	(5,529,606)	(4,915,739)	(4,279,408)
Administrative expense	(179,210)	(273,577)	(188,604)	(161,863)
Net change in plan fiduciary net position	23,579,143	15,838,026	2,952,900	14,730,539
Plan fiduciary net position-beginning	136,431,603	120,593,577	117,640,677	102,910,138
Plan fiduciary net position-ending (b)	<u>\$ 160,010,746</u>	<u>\$ 136,431,603</u>	<u>\$ 120,593,577</u>	<u>\$ 117,640,677</u>
City's net pension liability-ending (a)-(b)	\$ 77,198,116	\$ 79,130,606	\$ 84,965,799	\$ 74,475,305
Plan Fiduciary Net position as a percentage of the total pension liability	67.45%	63.29%	58.67%	61.23%
Covered employee payroll	12,476,703	13,104,019	\$ 19,489,816	\$ 12,703,946
Net pension liability as a percentage of covered employee payroll	618.74%	603.87%	435.95%	586.24%

Notes to Schedule:

1. Currently only data for fiscal years ending September 30, 2018 through September 30, 2015 are available.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION
LIABILITY AND RELATED RATIOS
LAST FOUR FISCAL YEARS

	Firefighters' Retirement Plan 2018	Firefighters' Retirement Plan 2017	Firefighters' Retirement Plan 2016	Firefighters' Retirement Plan 2015
Total pension liability				
Service cost	\$ 3,771,029	\$ 3,646,542	\$ 3,798,658	\$ 3,725,711
Interest on the total pension liability	13,003,307	12,041,077	11,144,885	10,418,341
Difference between expected and actual experience	2,323,495	(63,099)	(933,871)	233,686
Changes of assumptions	-	1,354,378	-	-
Benefit payments, including refunds of employee contributions	(5,417,407)	(3,361,511)	(3,198,410)	(3,076,805)
Net change in total pension liability	13,680,424	13,617,387	10,811,262	11,300,933
Total pension liability-beginning	182,375,713	168,758,326	157,947,064	146,646,131
Total pension liability-ending (a)	<u>\$ 196,056,137</u>	<u>\$ 182,375,713</u>	<u>\$ 168,758,326</u>	<u>\$ 157,947,064</u>
Plan fiduciary net position				
Contributions-employer	\$ 6,838,126	\$ 5,935,050	\$ 5,891,097	\$ 5,761,839
Contributions-employee	3,724,060	1,268,018	1,158,659	1,068,264
Net investment income	15,252,940	9,476,199	246,290	10,211,465
Benefit payments, including refund of member contributions	(5,417,407)	(3,361,511)	(3,198,410)	(3,076,805)
Administrative expense	(199,195)	(191,933)	(165,198)	(151,048)
Net change in plan fiduciary net position	20,198,524	13,125,823	3,932,438	13,813,715
Plan fiduciary net position-beginning	117,447,732	104,321,909	100,389,471	86,575,756
Plan fiduciary net position-ending (b)	<u>\$ 137,646,256</u>	<u>\$ 117,447,732</u>	<u>\$ 104,321,909</u>	<u>\$ 100,389,471</u>
City's net pension liability-ending (a)-(b)	<u>\$ 58,409,881</u>	<u>\$ 64,927,981</u>	<u>\$ 64,436,417</u>	<u>\$ 57,557,593</u>
Plan Fiduciary Net position as a percentage of the total pension liability	70.21%	64.40%	61.82%	63.56%
Covered employee payroll	\$ 11,648,795	\$ 11,443,779	\$ 14,719,328	\$ 10,934,413
Net pension liability as a percentage of covered employee payroll	501.42%	567.36%	437.77%	526.39%

Notes to Schedule:

1. Currently only data for fiscal years ending September 30, 2018 through September 30, 2015 are available.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION
LIABILITY AND RELATED RATIOS
LAST FOUR FISCAL YEARS

	Management Retirement Plan 2018	Management Retirement Plan 2017	Management Retirement Plan 2016	Management Retirement Plan 2015
Total pension liability				
Service cost	\$ 2,934,694	\$ 2,518,825	\$ 1,872,399	\$ 1,413,607
Interest on the total pension liability	3,749,864	3,203,741	2,837,276	2,590,498
Changes of benefit terms	85,811	-	908,618	-
Difference between expected and actual experience	475,693	2,986,775	1,319,621	1,027,993
Changes of assumptions	-	1,050,286	-	-
Benefit payments, including refunds of employee contributions	(2,634,637)	(2,112,824)	(2,585,438)	(1,286,644)
Other (change in buyback payables)	-	-	-	68,898
Net change in total pension liability	4,611,425	7,646,803	4,352,476	3,814,352
Total pension liability-beginning	51,952,115	44,305,312	39,952,836	36,138,484
Total pension liability-ending (a)	\$ 56,563,540	\$ 51,952,115	\$ 44,305,312	\$ 39,952,836
Plan fiduciary net position				
Contributions-employer	\$ 2,496,156	\$ 2,099,470	\$ 1,640,338	\$ 1,414,321
Contributions-employee	2,498,920	2,376,288	1,851,604	1,255,885
Net investment income	3,767,761	2,706,817	424,212	2,451,132
Benefit payments, including refund of member contributions	(2,634,637)	(2,112,824)	(2,585,438)	(1,286,644)
Administrative expense	(114,287)	(152,658)	(140,686)	(77,174)
Net change in plan fiduciary net position	6,013,913	4,917,093	1,190,030	3,757,520
Plan fiduciary net position-beginning	31,283,086	26,365,993	25,175,963	21,418,443
Plan fiduciary net position-ending (b)	\$ 37,296,999	\$ 31,283,086	\$ 26,365,993	\$ 25,175,963
City's net pension liability-ending (a)-(b)	\$ 19,266,541	\$ 20,669,029	\$ 17,939,319	\$ 14,776,873
Plan Fiduciary Net position as a percentage of the total pension liability	65.94%	60.22%	59.51%	63.01%
Covered employee payroll	\$ 10,962,290	\$ 9,585,631	\$ 8,344,193	\$ 5,976,124
Net pension liability as a percentage of covered employee payroll	175.75%	215.63%	214.99%	247.27%

Notes to Schedule:

1. Currently only data for fiscal years ending September 30, 2018 through September 30, 2015 are available.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL PENSION
LIABILITY AND RELATED RATIOS (AS REQUIRED BY GASB73)
SEPTEMBER 30, 2018

	Excess Benefit Plan <u>2018</u>	Excess Benefit Plan <u>2017</u>
Total pension liability		
Service cost	\$ -	\$ -
Interest on the total pension liability	30,915	38,186
Changes of benefit terms	-	-
Difference between expected and actual experience	342,859	-
Changes of assumptions	(36,698)	47,096
Benefit payments, including refunds of employee contributions	(127,924)	(80,569)
Other	-	-
Net change in total pension liability	<u>\$ 209,152</u>	<u>4,713</u>
Total pension liability-beginning	<u>1,074,266</u>	<u>1,069,553</u>
Total pension liability-ending	<u>\$ 1,283,418</u>	<u>\$ 1,074,266</u>
Covered Payroll	N/A	N/A
Total pension liability as a percentage of covered payroll	N/A	N/A

Notes to Schedule:

- This schedule is presented to illustrate the requirement of GASB 73.
- The City's Excess Benefit Plan is not funded in a GASB-qualifying trust.
- Currently only data for the fiscal year ending September 30, 2018 and September 30, 2017 is available.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS

		Police Officers' Retirement Plan									
		2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution		\$ 8,823,379	\$ 7,638,789	\$ 8,056,136	\$ 8,042,692	\$ 8,120,568	\$ 7,760,056	\$ 6,757,964	\$ 6,679,088	\$ 5,792,364	\$ 4,331,376
Contribution made in relation to the actuarially determined contribution		8,823,379	7,638,789	8,056,136	8,042,692	8,120,568	7,760,056	6,757,964	6,679,088	5,792,364	4,331,376
Contribution deficiency (excess)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll (2)		\$ 13,104,019	\$ 11,902,101	\$ 13,104,019	\$ 19,489,816	\$ 19,072,327	\$ 12,703,946	\$ 12,735,212	\$ 12,969,651	\$ 13,032,447	\$ 13,197,668
Contributions as a percentage of covered employee payroll		67.3%	64.2%	61.5%	41.3%	42.6%	61.1%	53.1%	51.5%	44.4%	32.8%
		Firefighters' Retirement Plan									
		2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution		\$ 6,888,087	\$ 5,871,432	\$ 5,150,913	\$ 5,107,415	\$ 4,843,956	\$ 4,228,032	\$ 3,871,266	\$ 3,617,946	\$ 3,263,701	\$ 3,158,881
Contribution made in relation to the actuarially determined contribution		6,888,087	5,871,432	5,150,913	5,115,693	4,843,956	4,228,032	3,871,266	3,617,946	3,263,701	3,158,881
Contribution deficiency (excess)		\$ -	\$ -	\$ -	\$ (8,278)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll (2)		\$ 11,844,311	\$ 11,619,697	\$ 11,443,779	\$ 14,719,328	\$ 12,671,151	\$ 10,356,537	\$ 10,149,386	\$ 9,840,908	\$ 9,516,242	\$ 9,885,854
Contributions as a percentage of covered employee payroll		58.2%	50.5%	45.0%	34.8%	38.2%	40.8%	38.1%	36.8%	34.3%	32.0%
		General Employees' Retirement Plan									
		2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution		\$ 4,379,929	\$ 3,792,128	\$ 3,761,259	\$ 3,745,727	\$ 3,594,261	\$ 3,632,157	\$ 3,804,517	\$ 4,170,161	\$ 3,918,143	\$ 3,603,503
Contribution made in relation to the actuarially determined contribution		4,379,929	3,792,128	3,767,869	3,745,727	3,594,261	3,632,157	3,804,517	4,170,166	3,918,143	3,609,608
Contribution deficiency (excess)		\$ -	\$ -	\$ (6,610)	\$ -	\$ -	\$ -	\$ -	\$ (5)	\$ -	\$ (6,105)
Covered employee payroll (1)		\$ 19,010,110	\$ 18,367,256	\$ 15,909,213	\$ 15,938,891	\$ 14,844,382	\$ 15,013,902	\$ 14,859,096	\$ 15,857,109	\$ 16,445,474	\$ 15,496,532
Contributions as a percentage of covered employee payroll		23.0%	20.6%	23.7%	23.5%	24.2%	24.2%	25.6%	26.3%	23.8%	23.3%
		Management Retirement Plan									
		2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution		\$ 3,111,065	\$ 2,496,156	\$ 2,099,470	\$ 1,640,338	\$ 1,414,321	\$ 1,301,681	\$ 1,195,531	\$ 1,286,546	\$ 1,067,649	\$ 1,069,856
Contribution made in relation to the actuarially determined contribution		3,111,065	2,496,156	2,099,470	1,640,338	1,414,321	1,301,681	1,195,531	1,286,546	1,140,550	1,069,856
Contribution deficiency (excess)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (72,901)	\$ -
Covered employee payroll (1)		\$ 11,345,970	\$ 10,962,290	\$ 9,585,631	\$ 8,344,193	\$ 5,976,124	\$ 5,674,807	\$ 5,446,548	\$ 5,004,568	\$ 5,913,306	\$ 5,566,583
Contributions as a percentage of covered employee payroll		27.4%	22.7%	21.9%	19.7%	23.7%	22.9%	22.0%	25.7%	19.3%	19.2%

(1) Reflects total pensionable payroll starting with fiscal year ending 2015.

(2) Fiscal Year 2014 and 2015 reflect total payroll. All prior years reflect pensionable earnings.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2018

Notes to Schedule:

Valuation Date: October 1, 2016

Notes: Actuarially determined contributions are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

The following actuarial methods and assumptions were used to determine contribution rates reported in the contribution schedule for 2018.

	General Employees' Retirement Plan 2018	Police Officers' Retirement Plan 2018	Firefighters' Retirement Plan 2018	Management Retirement Plan 2018
Actuarial Method:				
Actuarial cost method	Entry age normal	Entry age normal	Projected unit credit	Entry age normal
Amortization method	Level Percent, closed	Level dollar, closed	Level percent of payroll, closed	Level percent, closed
Remaining amortization period	30 years	30 years	15 years	20 years
Asset valuation method	5 year smoothed market	5 year smoothed market	5 year smoothed market	Market value
Actuarial assumptions:				
Investment rate of return	7.00%	7.25%	8.15%	7.00%
Assumed annual salary increases *	5.00%-7.50%	5.50%	6.00% per year for the first six (6) years of service and 1.00% per year thereafter - additional increases equal to inflation assumptions	4.00%
Inflation	2.50%	3.00%	3.00%	2.50%
Retirement age	Experience-based table of rates	Experience-based table of rates	Experience-based table of rates	Experience-based table of rates
Mortality rates	RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates used for Regular Class members of the Florida Retirement System (FRS) in their July 1, 2016 Actuarial Valuation, as mandated by Florida House Bill 1309.	<u>Pre-Retirement: Female Non-Disabled:</u> RP-2000 Generational 100% Combined Healthy with White Collar Adjustment, Scale BB <u>Pre-Retirement: Male Non-Disabled:</u> RP-2000 Generational, 10% Combined Healthy with White Collar Adjustment/90% Combined Healthy with Blue Collar Adjustment, Scale BB <u>Post-Retirement: Female Non-Disabled:</u> RP-2000 Generational, 100% Annuitant White Collar, Scale BB <u>Post-Retirement: Male Non-Disabled:</u> RP-2000 Generational, 50% Annuitant White Collar/50% Annuitant Blue Collar Scale BB <u>Pre-Retirement and Post-Retirement: Female Disabled:</u> 60% RP-2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale <u>Male Disabled:</u> 60% RP-2000 Disabled Male set back 4 years/40% Annuitant White Collar with no setback, no projection scale	<u>Pre-Retirement: Female Non-Disabled:</u> RP-2000 Generational 100% Combined Healthy with White Collar Adjustment, Scale BB <u>Pre-Retirement: Male Non-Disabled:</u> RP-2000 Generational, 10% Combined Healthy with White Collar Adjustment/90% Combined Healthy with Blue Collar Adjustment, Scale BB <u>Post-Retirement: Female Non-Disabled:</u> RP-2000 Generational, 100% Annuitant White Collar, Scale BB <u>Post-Retirement: Male Non-Disabled:</u> RP-2000 Generational, 50% Annuitant White Collar/50% Annuitant Blue Collar Scale BB <u>Pre-Retirement and Post-Retirement: Female Disabled:</u> 60% RP-2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale <u>Male Disabled:</u> 60% RP-2000 Disabled Male set back 4 years/40% Annuitant White Collar with no setback, no projection scale	RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates used for Regular Class members of the Florida Retirement System (FRS) in their July 1, 2016 Actuarial Valuation, as mandated by Florida House Bill 1309.

* includes inflation

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM PENSION PLAN (FRS) AND (HIS)
LAST FOUR FISCAL YEARS (1) (2)

	Florida Retirement System Plan (FRS)			
	2018	2017	2016	2015
City's proportion of the FRS net pension liability	0.0025648%	0.0044265%	0.0018596%	0.0024391%
City's proportionate share of the FRS net pension liability	\$ 772,534	\$ 1,309,339	\$ 469,540	\$ 315,044
City's covered employee payroll	180,111	180,111	180,111	174,368
City's proportionate share of the FRS net pension liability as a percentage of covered employee payroll	429%	727%	261%	181%
FRS plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	84.88%	92.00%

	Health Insurance Subsidy Pension Plan (HIS)			
	2018	2017	2016	2015
City's proportion of the HIS net pension liability	0.0005515%	0.0010112%	0.0003620%	0.0004735%
City's proportionate share of the HIS net pension liability	\$ 58,369	\$ 108,123	\$ 42,195	\$ 48,292
City's covered employee payroll	180,111	180,111	180,111	174,368
City's proportionate share of the HIS net pension liability as a percentage of covered employee payroll	32%	60%	23%	28%
HIS plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	0.97%	0.50%

(1) - The amounts presented for each year were determined as of the measurement date, June 30

(2) - Information is not available for years prior to 2015. As information is available it will be presented.

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CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM PENSION PLAN (FRS AND HIS)
LAST FOUR FISCAL YEARS (1)

	Florida Retirement System Plan (FRS)			
	2018	2017	2016	2015
Contractually required FRS contribution	\$ 81,411	\$ 72,466	\$ 70,748	\$ 71,095
FRS contributions in relation to the contractually required contribution	(82,101)	(70,885)	(98,583)	(53,332)
Contribution deficiency (excess)	\$ (690)	\$ 1,581	\$ (27,835)	\$ 17,763
City's covered employee payroll	\$ 180,111	\$ 180,111	\$ 180,111	\$ 174,368
FRS contributions as a percentage of covered employee payroll	45.20%	40.23%	39.28%	40.77%

	Health Insurance Subsidy Plan (HIS)			
	2018	2017	2016	2015
Contractually required HIS contribution	\$ 2,989	\$ 2,989	\$ 2,989	\$ 2,894
HIS contributions in relation to the contractually required contribution	(2,989)	(2,989)	(2,989)	(2,894)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered employee payroll	\$ 180,111	\$ 180,111	\$ 180,111	\$ 174,368
HIS contributions as a percentage of covered employee payroll	1.66%	1.66%	1.66%	1.66%

(1) - Information is not available for years prior to 2015. As information is available it will be presented.

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CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

	2018
Total OPEB liability	
Service cost	\$ 2,328,296
Interest on the total OPEB liability	1,569,089
Changes of benefit terms	-
Difference between expected and actual experience of the total OPEB liability	-
Changes of assumptions	-
Benefit payments	(1,221,556)
Net change in total OPEB liability	2,675,829
Total OPEB liability-beginning	43,113,582
Total OPEB liability-ending	\$ 45,789,411
Covered Payroll	\$ 56,863,726
Total OPEB liability as a percentage of covered payroll	80.52%

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COMBINING FINANCIAL STATEMENTS

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NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are restricted or committed to expenditures for particular purposes other than debt service or capital projects.

Police Education Fund – This fund was established to pay certain training costs of law enforcement officers.

Federal Grant Fund – This fund was established to account for revenues and expenditures associated with funding from Federal granting agencies which is not recorded in a separate special revenue fund.

State Grant Fund – This fund was established to account for revenues and expenditures associated with funding from State granting agencies which is not recorded in a separate special revenue fund.

Neighborhood Stabilization Program Fund – This fund was established to account for revenues and expenditures associated with the Neighborhood Stabilization Program in order to develop viable urban communities by providing decent housing and a suitable living environment.

Public Safety Outside Service Fund – This fund was established to account for revenues and expenditures associated with services provided by off-duty police officers in private customer details to the various businesses and homeowner associations.

Law Enforcement Trust Fund – This fund was established to account for revenues generated by police department confiscations.

Community Development Block Grant (CDBG) Fund – This fund was established to award money to eligible applicants for minor home repair/weatherization, commercial rehabilitation, and to provide for the cost of equipment and renovations for community parks.

State Housing Initiatives Partnership (S.H.I.P.) Program – This fund was established to award money for deferred loan grants to eligible applicants for minor home repair/weatherization and for purchase assistance programs.

CAPITAL PROJECTS FUNDS

Street Construction and Maintenance Fund – In accordance with State Statute 336.59, this fund was established to account for the City's proportional share of state revenue sharing and local option gas tax funds. Funds are limited to be used for the purchase of transportation facilities and the improvement and maintenance of roads and streets within the City.

Police Capital Improvement Fund – This fund was established to collect police impact fees to be used for the acquisition and development of police facilities.

Fire and EMS Capital Improvement Fund – This fund was established to collect fire impact fees to be used for the acquisition and development of fire facilities.

Park Development Fund – This fund was established to account for the collections of park and recreation impact fees to be used for the acquisition and development of park and recreational facilities and sites.

Capital Projects Fund – This fund was established to account for financial resources used for the acquisition and/or construction of major capital assets within the City, except for those financed by proprietary funds.

CIP Revenue Bonds 2013 Fund- This fund was established to account for the proceeds of the Special Obligation Refunding and Improvement Revenue Bonds, Series 2013. Funds are limited in use on construction of various projects within the City.

CIP Loan 2017 Fund- This fund was established to account for the proceeds of the Special Obligation Revenue Note, Series 2017, to finance the cost of various capital improvements within the City.

CITY OF MIRAMAR, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	Special Revenue	Capital Projects	Debt Service	Total Non-Major Governmental Funds
ASSETS				
Pooled cash and cash equivalents	\$ 2,078,586	\$ 2,070,837	\$ 3,291,248	\$ 7,440,671
Pooled Investments	2,503,052	20,827,538	823,142	24,153,732
Receivables, net	199,728	5,280	830	205,838
Due from other governments	2,343,089	396,613	-	2,739,702
Asset held for resale	198,009	-	-	198,009
Prepaid items	1,475,004	1,639,202	-	3,114,206
Restricted cash with fiscal agent	-	451,412	-	451,412
TOTAL ASSETS	\$ 8,797,468	\$ 25,390,882	\$ 4,115,220	\$ 38,303,570
LIABILITIES				
Accounts payable	389,402	497,201	-	886,603
Retainage payable	322,502	618,618	-	941,120
Accrued liabilities	39,417	-	-	39,417
Due to other funds	702,973	-	-	702,973
Unearned revenue	5,126,823	-	-	5,126,823
TOTAL LIABILITIES	6,581,117	1,115,819	-	7,696,936
FUND BALANCES				
Non-spendable:				
Asset held for resale	198,009	-	-	198,009
Prepaid items	1,475,004	1,639,202	-	3,114,206
Restricted for:				
Housing	8,350	-	-	8,350
Law enforcement	2,208,001	-	-	2,208,001
Street construction and maintenance	-	2,163,183	-	2,163,183
Park development	-	2,854,556	-	2,854,556
Capital improvement	-	17,618,122	-	17,618,122
Debt Service	-	-	4,115,220	4,115,220
Unassigned:				
Special revenue funds	(1,673,013)	-	-	(1,673,013)
TOTAL FUND BALANCES	2,216,351	24,275,063	4,115,220	30,606,634
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,797,468	\$ 25,390,882	\$ 4,115,220	\$ 38,303,570

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Special Revenue	Capital Projects	Debt Service	Total Non-Major Governmental Funds
REVENUES				
Intergovernmental	\$ 7,513,912	\$ 3,555,553	\$ -	\$ 11,069,465
Charges for services	1,650,140	-	-	1,650,140
Fines and forfeitures	446,207	-	-	446,207
Impact fees	-	689,185	-	689,185
Interest	26,787	416,066	43,497	486,350
Developer contributions	-	232,229	-	232,229
Miscellaneous	3,359	-	-	3,359
TOTAL REVENUES	9,640,405	4,893,033	43,497	14,576,935
EXPENDITURES				
Current:				
General government	3,359	5,263	-	8,622
Public safety	1,554,218	-	-	1,554,218
Physical environment	2,546,965	-	-	2,546,965
Social Services	126,938	-	-	126,938
Economic environment	1,407,706	-	-	1,407,706
Grants/aid	65,300	-	-	65,300
Capital outlay	1,410,778	7,610,109	-	9,020,887
Debt Service:				
Principle	-	-	6,584,052	6,584,052
Interest	-	-	6,234,227	6,234,227
Fiscal Changes	-	-	1,794	1,794
TOTAL EXPENDITURES	7,115,264	7,615,372	12,820,073	27,550,709
Excess (deficiency) of revenues over (under) expenditures	2,525,141	(2,722,339)	(12,776,576)	(12,973,774)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	920,000	9,786,900	10,706,900
Transfers out	(1,984,172)	(5,193,763)	-	(7,177,935)
TOTAL OTHER FINANCING SOURCES (USES)	(1,984,172)	(4,273,763)	9,786,900	3,528,965
Net changes in fund balances	540,969	(6,996,102)	(2,989,676)	(9,444,809)
Fund balances, beginning	1,675,382	31,271,165	7,104,896	40,051,443
Fund balances, ending	\$ 2,216,351	\$ 24,275,063	\$ 4,115,220	\$ 30,606,634

CITY OF MIRAMAR, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2018

	Police Education Fund	Federal Grant Fund	State Grant Fund	Neighborhood Stabilization Program Fund	Public Safety Outside Service Fund	Law Enforcement Trust Fund	CDBG Fund	SHIP Program Fund	Total Non- Major Special Revenue Funds
ASSETS									
Pooled cash and cash equivalents	\$ 78,446	\$ -	\$ 1,305,826	\$ 70,869	\$ 267,828	\$ 185,758	\$ -	\$ 169,859	\$ 2,078,586
Pooled Investments	-	-	-	-	-	1,724,813	-	778,239	2,503,052
Receivables, net	-	-	-	2,500	195,982	593	-	653	199,728
Due from other governments	1,034	429,531	1,820,673	3,942	-	4,440	78,699	4,770	2,343,089
Asset held for resale	-	-	-	198,009	-	-	-	-	198,009
Prepaid items	-	-	1,475,004	-	-	-	-	-	1,475,004
TOTAL ASSETS	\$ 79,480	\$ 429,531	\$ 4,601,503	\$ 275,320	\$ 463,810	\$ 1,915,604	\$ 78,699	\$ 953,521	\$ 8,797,468
LIABILITIES									
Accounts payable	-	2,548	372,644	1,100	3,611	-	4,299	5,200	389,402
Retainage payable	-	-	322,502	-	-	-	-	-	322,502
Accrued liabilities	-	-	-	-	39,417	-	-	-	39,417
Due to other funds	-	426,983	-	-	207,865	-	68,125	-	702,973
Unearned revenue	-	-	3,906,357	274,220	-	-	6,275	939,971	5,126,823
TOTAL LIABILITIES	-	429,531	4,601,503	275,320	250,893	-	78,699	945,171	6,581,117
FUND BALANCES									
Non-spendable:									
Asset held for resale	-	-	-	198,009	-	-	-	-	198,009
Prepaid items	-	-	1,475,004	-	-	-	-	-	1,475,004
Restricted for:									
Housing	-	-	-	-	-	-	-	8,350	8,350
Law enforcement	79,480	-	-	-	212,917	1,915,604	-	-	2,208,001
Unassigned:									
Special revenue funds	-	-	(1,475,004)	(198,009)	-	-	-	-	(1,673,013)
TOTAL FUND BALANCES	79,480	-	-	-	212,917	1,915,604	-	8,350	2,216,351
TOTAL LIABILITIES AND FUND BALANCES	\$ 79,480	\$ 429,531	\$ 4,601,503	\$ 275,320	\$ 463,810	\$ 1,915,604	\$ 78,699	\$ 953,521	\$ 8,797,468

CITY OF MIRAMAR FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Police Education Fund	Federal Grant Fund	State Grant Fund	Neighborhood Stabilization Program Fund	Public Safety Outside Service Fund	Law Enforcement Trust Fund	CDBG Fund	SHIP Program Fund	Total Non- Major Special Revenue Funds
REVENUES									
Intergovernmental	\$ -	\$ 1,046,071	\$ 5,008,330	\$ 9,019	\$ -	\$ -	\$ 944,755	\$ 505,737	\$ 7,513,912
Charges for services	-	-	-	-	\$ 1,650,140	-	-	-	1,650,140
Fines and forfeitures	13,526	-	-	-	-	432,681	-	-	446,207
Interest	167	-	-	-	-	23,419	-	3,201	26,787
Miscellaneous	-	-	3,359	-	-	-	-	-	3,359
TOTAL REVENUES	13,693	1,046,071	5,011,689	9,019	1,650,140	456,100	944,755	508,938	9,640,405
EXPENDITURES									
Current:									
General government	-	-	3,359	-	-	-	-	-	3,359
Public safety	82	37,353	-	-	1,469,727	47,056	-	-	1,554,218
Physical environment	-	-	2,546,965	-	-	-	-	-	2,546,965
Social Services	-	18,203	-	-	-	-	108,735	-	126,938
Economic environment	-	136,629	-	7,865	-	-	757,475	505,737	1,407,706
Grants/aid	-	-	-	-	-	65,300	-	-	65,300
Capital outlay	-	120,531	1,211,702	-	-	-	78,545	-	1,410,778
TOTAL EXPENDITURES	82	312,716	3,762,026	7,865	1,469,727	112,356	944,755	505,737	7,115,264
Excess (deficiency) of revenues over (under) expenditures	13,611	733,355	1,249,663	1,154	180,413	343,744	-	3,201	2,525,141
OTHER FINANCING USES									
Transfers out	-	(733,355)	(1,249,663)	(1,154)	-	-	-	-	(1,984,172)
TOTAL OTHER FINANCING USES	-	(733,355)	(1,249,663)	(1,154)	-	-	-	-	(1,984,172)
Net changes in fund balances	13,611	-	-	-	180,413	343,744	-	3,201	540,969
Fund balances, beginning	65,869	-	-	-	32,504	1,571,860	-	5,149	1,675,382
Fund balances, ending	\$ 79,480	\$ -	\$ -	\$ -	\$ 212,917	\$ 1,915,604	\$ -	\$ 8,350	\$ 2,216,351

CITY OF MIRAMAR, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
SEPTEMBER 30, 2018

	Street Construction and Maintenance Fund	Police Capital Improvement Fund	Fire and EMS Capital Improvement Fund	Park Development Fund	Capital Projects Fund	CIP Revenue Bond 2013	CIP Loan 2017	Total Non-Major Capital Projects Funds
ASSETS								
Pooled cash and cash equivalents	\$ 365,202	\$ 155,923	\$ 25,164	\$ 545,376	\$ 474,451	\$ 285,036	\$ 219,685	\$ 2,070,837
Pooled Investments	958,751	113,571	222,523	2,308,886	2,549,967	7,529,834	7,144,006	20,827,538
Receivables	973	115	215	363	1,049	1,408	1,157	5,280
Due from other governments	396,613	-	-	-	-	-	-	396,613
Prepaid Items	1,639,202	-	-	-	-	-	-	1,639,202
Cash with fiscal agent	451,412	-	-	-	-	-	-	451,412
TOTAL ASSETS	\$ 3,812,153	\$ 269,609	\$ 247,902	\$ 2,854,625	\$ 3,025,467	\$ 7,816,278	\$ 7,364,848	\$ 25,390,882
LIABILITIES								
Accounts payable	-	-	-	69	131,311	185,065	180,756	497,201
Retainage payable	9,768	-	7,770	-	11,590	560,176	29,314	618,618
TOTAL LIABILITIES	9,768	-	7,770	69	142,901	745,241	210,070	1,115,819
FUND BALANCES								
Non-spendable:								
Prepaid items	1,639,202	-	-	-	-	-	-	1,639,202
Restricted for:								
Street construction and maintenance	2,163,183	-	-	-	-	-	-	2,163,183
Park development	-	-	-	2,854,556	-	-	-	2,854,556
Capital improvement	-	269,609	240,132	-	2,882,566	7,071,037	7,154,778	17,618,122
TOTAL FUND BALANCES	3,802,385	269,609	240,132	2,854,556	2,882,566	7,071,037	7,154,778	24,275,063
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,812,153	\$ 269,609	\$ 247,902	\$ 2,854,625	\$ 3,025,467	\$ 7,816,278	\$ 7,364,848	\$ 25,390,882

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Street Construction and Maintenance Fund	Police Capital Improvement Fund	Fire and EMS Capital Improvement Fund	Park Development Fund	Capital Projects Fund	CIP Revenue Bond 2013	CIP Loan 2017	Total Non-Major Capital Projects Funds
REVENUES								
Intergovernmental	\$ 3,537,922	\$ -	\$ -	\$ -	\$ 17,631	\$ -	\$ -	\$ 3,555,553
Impact fees	-	194,525	217,036	277,624	-	-	-	689,185
Interest	19,059	6,786	947	48,032	31,546	163,334	146,362	416,066
Developer contributions	-	-	-	-	232,229	-	-	232,229
TOTAL REVENUES	3,556,981	201,311	217,983	325,656	281,406	163,334	146,362	4,893,033
EXPENDITURES								
Current:								
General government	868	240	260	808	1,495	748	844	5,263
Capital outlay	493,488	290,491	-	46,477	369,966	4,342,590	2,067,097	7,610,109
TOTAL EXPENDITURES	494,356	290,731	260	47,285	371,461	4,343,338	2,067,941	7,615,372
Excess (deficiency) of revenues over (under) expenditures	3,062,625	(89,420)	217,723	278,371	(90,055)	(4,180,004)	(1,921,579)	(2,722,339)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	135,217	-	170,000	614,783	-	920,000
Transfers out	(3,528,863)	(400,400)	(411,500)	(703,000)	(150,000)	-	-	(5,193,763)
TOTAL OTHER FINANCING SOURCES (USES)	(3,528,863)	(400,400)	(276,283)	(703,000)	20,000	614,783	-	(4,273,763)
Net changes in fund balance	(466,238)	(489,820)	(58,560)	(424,629)	(70,055)	(3,565,221)	(1,921,579)	(6,996,102)
Fund balances, beginning	4,268,623	759,429	298,692	3,279,185	2,952,621	10,636,258	9,076,357	31,271,165
Fund balances, ending	\$ 3,802,385	\$ 269,609	\$ 240,132	\$ 2,854,556	\$ 2,882,566	\$ 7,071,037	\$ 7,154,778	\$ 24,275,063

CITY OF MIRAMAR, FLORIDA
BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUND
DEBT SERVICE FUND
SEPTEMBER 30, 2018

	<u>Debt Service Fund</u>
ASSETS	
Pooled cash and cash equivalents	\$ 3,291,248
Pooled investments	823,142
Receivable	830
TOTAL ASSETS	<u><u>\$ 4,115,220</u></u>
LIABILITIES	
Accounts payable	-
Due to other funds	-
TOTAL LIABILITIES	<u><u>-</u></u>
FUND BALANCES	
Restricted for:	
Debt service	4,115,220
TOTAL FUND BALANCES	<u><u>4,115,220</u></u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 4,115,220</u></u>

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CITY OF MIRAMAR, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NON-MAJOR GOVERNMENTAL FUND
DEBT SERVICE FUND
FISCAL YEAR ENDED SEPTEMBER 30,2018

	<u>Debt Service Fund</u>
REVENUES	
Interest	\$ 43,497
TOTAL REVENUES	<u>43,497</u>
EXPENDITURES	
Principal	6,584,052
Interest	6,234,227
Fiscal charges	1,794
TOTAL EXPENDITURES	<u>12,820,073</u>
Deficiency of revenues over expenditures	<u>(12,776,576)</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	<u>9,786,900</u>
TOTAL OTHER FINANCING SOURCES	<u>9,786,900</u>
Net change in fund balance	(2,989,676)
Fund balance, beginning	<u>7,104,896</u>
Fund balance, ending	<u><u>\$ 4,115,220</u></u>

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
POLICE EDUCATION FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Fines and forfeitures	\$ 12,000	\$ 12,000	\$ 13,526	\$ 1,526
Interest	600	600	167	(433)
TOTAL REVENUES	12,600	12,600	13,693	1,093
EXPENDITURES				
Public Safety	12,600	12,600	82	12,518
TOTAL EXPENDITURES	12,600	12,600	82	12,518
Excess of revenues over expenditures	\$ -	\$ -	13,611	\$ 13,611
Fund balance, beginning			65,869	
Fund balance, ending			<u>\$ 79,480</u>	

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CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FEDERAL GRANT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 850,569	\$ 1,098,613	\$ 1,046,071	\$ (52,542)
TOTAL REVENUES	850,569	1,098,613	1,046,071	(52,542)
EXPENDITURES				
Current:				
Public safety	25,175	38,151	37,353	798
Social Services	13,438	29,457	18,203	11,254
Economic environment	22,873	163,628	136,629	26,999
Capital outlay	98,562	126,890	120,531	6,359
TOTAL EXPENDITURES	160,048	358,126	312,716	45,410
Excess (deficiency) of revenues over expenditures	690,521	740,487	733,355	(7,132)
OTHER FINANCING SOURCES (USES)				
Transfers out	(690,521)	(740,487)	(733,355)	7,132
TOTAL OTHER FINANCING USES	(690,521)	(740,487)	(733,355)	7,132
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, beginning			-	
Fund balance, ending			\$ -	

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CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE GRANT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 10,604,991	\$ 11,696,006	\$ 5,008,330	\$ (6,687,676)
Miscellaneous revenue	3,359	3,359	3,359	-
TOTAL REVENUES	10,608,350	11,699,365	5,011,689	(6,687,676)
EXPENDITURES				
General government	3,359	3,359	3,359	-
Physical environment	6,438,566	6,437,054	2,546,965	3,890,089
Capital outlay	3,735,251	3,934,585	1,211,702	2,722,883
TOTAL EXPENDITURES	10,177,176	10,374,998	3,762,026	6,612,972
Excess (deficiency) of revenues over expenditures	431,174	1,324,367	1,249,663	(74,704)
OTHER FINANCING SOURCES (USES)				
Transfers out	(431,174)	(1,324,367)	(1,249,663)	74,704
TOTAL OTHER FINANCING USES	(431,174)	(1,324,367)	(1,249,663)	74,704
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, beginning			-	
Fund balance, ending			\$ -	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NEIGHBORHOOD STABILIZATION PROGRAM FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 759,222	\$ 875,433	\$ 9,019	\$ (866,414)
TOTAL REVENUES	759,222	875,433	9,019	(866,414)
EXPENDITURES				
Economic environment	704,954	821,165	7,865	813,300
TOTAL EXPENDITURES	704,954	821,165	7,865	813,300
Excess (deficiency) of revenues over expenditures	54,268	54,268	1,154	(53,114)
OTHER FINANCING SOURCES (USES)				
Transfers out	(54,268)	(54,268)	(1,154)	53,114
TOTAL OTHER FINANCING USES	(54,268)	(54,268)	(1,154)	53,114
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning			-	
Fund balance, ending			<u>\$ -</u>	

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CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PUBLIC SAFETY OUTSIDE SERVICE FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance from Final Budget</u>
REVENUES				
Charges for services	\$ 1,244,800	\$ 1,570,700	\$ 1,650,140	\$ 79,440
TOTAL REVENUES	<u>1,244,800</u>	<u>1,570,700</u>	<u>1,650,140</u>	<u>79,440</u>
EXPENDITURES				
Public safety	1,244,800	1,570,700	1,469,727	100,973
TOTAL EXPENDITURES	<u>1,244,800</u>	<u>1,570,700</u>	<u>1,469,727</u>	<u>100,973</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	180,413	<u>\$ 180,413</u>
Fund balance, beginning			<u>32,504</u>	
Fund balance, ending			<u>\$ 212,917</u>	

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CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LAW ENFORCEMENT TRUST FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Fines and forfeitures	\$ -	\$ 432,681	\$ 432,681	\$ -
Interest	13,700	22,927	23,419	492
TOTAL REVENUES	13,700	455,608	456,100	492
EXPENDITURES				
Public safety	15,683	72,051	47,056	24,995
Grants/aid	17,000	78,220	65,300	12,920
Capital outlay	36,000	36,000	-	36,000
TOTAL EXPENDITURES	68,683	186,271	112,356	73,915
Excess (deficiency) of revenues over expenditures	\$ (54,983)	\$ 269,337	343,744	\$ 74,407
Fund balance, beginning			<u>1,571,860</u>	
Fund balance, ending			<u><u>\$ 1,915,604</u></u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CDBG FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 1,700,300	\$ 1,721,299	\$ 944,755	\$ (776,544)
TOTAL REVENUES	1,700,300	1,721,299	944,755	(776,544)
EXPENDITURES				
Social Services	107,694	108,735	108,735	-
Economic environment	1,481,561	1,491,519	757,475	734,044
Capital outlay	68,545	78,545	78,545	-
Grants/aid	42,500	42,500	-	42,500
TOTAL EXPENDITURES	1,700,300	1,721,299	944,755	776,544
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, beginning			<u>-</u>	
Fund balance, ending			<u><u>\$ -</u></u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
S.H.I.P PROGRAM FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 1,325,218	\$ 1,622,641	\$ 505,737	\$ (1,116,904)
Interest	1,300	1,300	3,201	1,901
TOTAL REVENUES	<u>1,326,518</u>	<u>1,623,941</u>	<u>508,938</u>	<u>(1,115,003)</u>
EXPENDITURES				
Economic environment	1,326,518	1,623,941	505,737	1,118,204
TOTAL EXPENDITURES	<u>1,326,518</u>	<u>1,623,941</u>	<u>505,737</u>	<u>1,118,204</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>3,201</u>	<u>\$ 3,201</u>
Fund balance, beginning			<u>5,149</u>	
Fund balance, ending			<u><u>\$ 8,350</u></u>	

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CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STREET CONSTRUCTION AND MAINTENANCE FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 3,493,200	\$ 3,523,200	\$ 3,537,922	\$ 14,722
Interest	8,400	8,400	19,059	10,659
TOTAL REVENUES	3,501,600	3,531,600	3,556,981	25,381
EXPENDITURES				
General government	1,200	1,200	868	332
Capital outlay	2,973,828	3,766,149	493,488	3,272,661
TOTAL EXPENDITURES	2,975,028	3,767,349	494,356	3,272,993
Excess (deficiency) of revenues over expenditures	526,572	(235,749)	3,062,625	3,298,374
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,412,200)	(3,442,200)	(3,528,863)	(86,663)
TOTAL OTHER FINANCING USES	(3,412,200)	(3,442,200)	(3,528,863)	(86,663)
Net change in fund balance	\$ (2,885,628)	\$ (3,677,949)	(466,238)	\$ 3,211,711
Fund balance, beginning			4,268,623	
Fund balance, ending			<u>\$ 3,802,385</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
POLICE CAPITAL IMPROVEMENT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Impact fees	\$ 397,800	\$ 397,800	\$ 194,525	\$ (203,275)
Interest	3,000	3,000	6,786	3,786
TOTAL REVENUES	400,800	400,800	201,311	(199,489)
EXPENDITURES				
General government	400	400	240	160
Capital outlay	666,685	666,685	290,491	376,194
TOTAL EXPENDITURES	667,085	667,085	290,731	376,354
Excess (deficiency) of revenues over expenditures	(266,285)	(266,285)	(89,420)	176,865
OTHER FINANCING SOURCES (USES)				
Transfers out	(400,400)	(400,400)	(400,400)	-
TOTAL OTHER FINANCING USES	(400,400)	(400,400)	(400,400)	-
Net change in fund balance	\$ (666,685)	\$ (666,685)	(489,820)	\$ 176,865
Fund balance, beginning			759,429	
Fund balance, ending			<u>\$ 269,609</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FIRE AND EMS CAPITAL IMPROVEMENT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Impact fees	\$ 405,900	\$ 405,900	\$ 217,036	\$ (188,864)
Interest	6,000	6,000	947	(5,053)
TOTAL REVENUES	411,900	411,900	217,983	(193,917)
EXPENDITURES				
General government	400	400	260	140
TOTAL EXPENDITURES	400	400	260	140
Excess (deficiency) of revenues over expenditures	411,500	411,500	217,723	(193,777)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	135,217	135,217	-
Transfers out	(411,500)	(411,500)	(411,500)	-
TOTAL OTHER FINANCING USES	(411,500)	(276,283)	(276,283)	-
Net change in fund balance	\$ -	\$ 135,217	(58,560)	\$ (193,777)
Fund balance, beginning			298,692	
Fund balance, ending			<u>\$ 240,132</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PARK DEVELOPMENT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Impact fees	\$ 683,000	\$ 277,700	\$ 277,624	\$ (76)
Interest	20,300	20,300	48,032	27,732
TOTAL REVENUES	703,300	298,000	325,656	27,656
EXPENDITURES				
General government	300	900	808	92
Capital outlay	181,480	431,480	46,477	385,003
TOTAL EXPENDITURES	181,780	432,380	47,285	385,095
Excess (deficiency) of revenues over expenditures	521,520	(134,380)	278,371	412,751
OTHER FINANCING SOURCES (USES)				
Transfers out	(703,000)	(703,000)	(703,000)	-
TOTAL OTHER FINANCING USES	(703,000)	(703,000)	(703,000)	-
Net change in fund balance	\$ (181,480)	\$ (837,380)	(424,629)	\$ 412,751
Fund balance, beginning			<u>3,279,185</u>	
Fund balance, ending			<u><u>\$ 2,854,556</u></u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ -	\$ 389,369	17,631	\$ (371,738)
Interest	14,800	14,800	31,546	16,746
Developer contributions	-	232,229	232,229	-
TOTAL REVENUES	14,800	636,398	281,406	(354,992)
EXPENDITURES				
General government	1,300	1,300	1,495	(195)
Capital outlay	2,302,701	2,950,216	369,966	2,580,250
TOTAL EXPENDITURES	2,304,001	2,951,516	371,461	2,580,055
Excess (deficiency) of revenues over expenditures	(2,289,201)	(2,315,118)	(90,055)	2,225,063
OTHER FINANCING SOURCES (USES)				
Transfers in	-	170,000	170,000	-
Transfers out	-	(150,000)	(150,000)	-
TOTAL OTHER FINANCING SOURCES	-	20,000	20,000	-
Net change in fund balance	\$ (2,289,201)	\$ (2,295,118)	(70,055)	\$ 2,225,063
Fund balance, beginning			2,952,621	
Fund balance, ending			<u>\$ 2,882,566</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CIP BONDS 2013 FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Interest	\$ 37,500	\$ 37,500	\$ 163,334	\$ 125,834
TOTAL REVENUES	37,500	37,500	163,334	125,834
EXPENDITURES				
General Government	1,400	1,400	748	652
Capital Outlay	10,033,142	10,033,142	4,342,590	5,690,552
TOTAL EXPENDITURES	10,034,542	10,034,542	4,343,338	5,691,204
Excess (deficiency) of revenues over expenditures	\$ (9,997,042)	\$ (9,997,042)	(4,180,004)	\$ 5,817,038
OTHER FINANCING SOURCES (USES)				
Transfers in	-	614,783	614,783	-
TOTAL OTHER FINANCING SOURCES	-	614,783	614,783	-
Net change in fund balance	\$ (9,997,042)	\$ (9,382,259)	(3,565,221)	\$ 5,817,038
Fund balance, beginning			10,636,258	
Fund balance, ending			<u>\$ 7,071,037</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CIP 2017 LOAN FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Interest	\$ 50,000	\$ 145,200	\$ 146,362	\$ 1,162
TOTAL REVENUES	50,000	145,200	146,362	1,162
EXPENDITURES				
General government	-	900	844	56
Capital outlay	9,301,109	8,875,120	2,067,097	6,808,023
TOTAL EXPENDITURES	9,301,109	8,876,020	2,067,941	6,808,079
Excess (deficiency) of revenues over expenditures	(9,251,109)	(8,730,820)	(1,921,579)	6,809,241
 Net change in fund balance	 \$ (9,251,109)	 \$ (8,730,820)	 \$ (1,921,579)	 \$ 6,809,241
 Fund balance, beginning			 9,076,357	
Fund balance, ending			<u>7,154,778</u>	

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CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Interest	\$ 33,000	\$ 37,500	\$ 43,497	\$ 5,997
TOTAL REVENUES	33,000	37,500	43,497	5,997
EXPENDITURES				
Principal	6,584,100	6,584,100	6,584,052	48
Interest	6,227,800	6,232,300	6,234,227	(1,927)
Fiscal charges	7,700	7,700	1,794	5,906
TOTAL EXPENDITURES	12,819,600	12,824,100	12,820,073	4,027
Excess (deficiency) of revenues over expenditures	(12,786,600)	(12,786,600)	(12,776,576)	10,024
OTHER FINANCING SOURCES (USES)				
Transfers in	9,786,900	9,786,900	9,786,900	-
TOTAL OTHER FINANCING SOURCES	9,786,900	9,786,900	9,786,900	-
Net change in fund balance	\$ (2,999,700)	\$ (2,999,700)	(2,989,676)	\$ 10,024
Fund balance, beginning			7,104,896	
Fund balance, ending			<u>\$ 4,115,220</u>	

NON-MAJOR ENTERPRISE FUNDS

ENTERPRISE FUNDS

Stormwater Fund – To account for the operations of providing stormwater services to City residents and businesses.

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CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUND
SEPTEMBER 30, 2018

	Stormwater Fund
ASSETS	
Current assets:	
Pooled cash and cash equivalents	\$ 1,082,373
Pooled investments	4,251,572
Receivables, net	35,540
Restricted assets:	
Pooled cash and cash equivalents	261,689
Total current assets	5,631,174
Non-current assets:	
Capital assets, not being depreciated	3,199,072
Capital assets being depreciated, net	7,629,648
Total non-current assets	10,828,720
TOTAL ASSETS	16,459,894
 DEFERRED OUTFLOWS OF RESOURCES	
Pensions (Note 10)	329,216
OPEB (Note 11)	21,608
TOTAL DEFERRED OUTFLOWS OF RESOURCES	350,824
 LIABILITIES	
Current liabilities:	
Accounts payable	551,300
Retainage payable	254,241
Accrued liabilities	56,884
Current portion of long-term obligations	552,985
Total current liabilities	1,415,410
Non-current liabilities:	
State revolving loans	5,387,504
Bonds payable, net of discount	470,475
Compensated absences	15,613
Other post-employment benefits (OPEB)	657,490
Net pension liability	780,473
Total non-current liabilities	7,311,555
TOTAL LIABILITIES	8,726,965
 DEFERRED INFLOWS OF RESOURCES	
Pensions (Note 10)	169,045
TOTAL DEFERRED INFLOWS OF RESOURCES	169,045
 NET POSITION	
Net investment in capital assets	3,648,148
Restricted for debt service	261,689
Unrestricted	4,004,871
TOTAL NET POSITION	\$ 7,914,708

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Stormwater Fund
Operating revenues:	
Stormwater fees	\$ 4,592,869
Total operating revenues	4,592,869
Operating expenses:	
Flood control/stormwater management	2,277,574
Depreciation and amortization	332,141
Total operating expenses	2,609,715
Operating income	1,983,154
Nonoperating revenues (expenses)	
Interest income	93,532
Interest expense	(122,555)
Total nonoperating revenues (expenses)	(29,023)
Change in net position	1,954,131
Net position, beginning of year, as restated	5,960,577
Net position, ending	\$ 7,914,708

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CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	<u>Stormwater Fund</u>
Cash flows from operating activities:	
Cash received from customers	\$ 4,599,411
Cash paid to suppliers	(593,344)
Cash paid to employees	<u>(1,119,662)</u>
Net cash provided by operating activities	<u>2,886,405</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(2,592,754)
Issuance of debt	1,555,689
Principal paid on long-term debt	(515,950)
Interest paid on long-term debt	<u>(121,250)</u>
Net cash used in capital and related financing activities	<u>(1,674,265)</u>
Cash flows from investing activities:	
Purchases of investments	(4,634,138)
Sales of investments	4,467,159
Interest earnings	<u>5,240</u>
Net cash used in investing activities	<u>(161,739)</u>
Net increase in pooled cash and cash equivalents	1,050,401
Pooled cash and cash equivalents, beginning	<u>293,661</u>
Pooled cash and cash equivalents, ending	<u><u>\$ 1,344,062</u></u>
Reconciliation of operating income to net cash provided by (used in) operating activities:	
Operating income	\$ 1,983,154
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation	332,141
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	6,542
(Increase) decrease in deferred outflows of resources	12,871
Increase (decrease) in accounts payable	588,835
Increase (decrease) in accrued expenses	(20,615)
Increase (decrease) in compensated absences	739
Increase (decrease) in other post-employment benefit (OPEB)	38,424
Increase (decrease) in net pension liability	(98,628)
Increase (decrease) in deferred inflows of resources	<u>42,942</u>
Net cash provided by operating activities	<u><u>\$ 2,886,405</u></u>
Noncash investing, capital and financing activities:	
Administrative service fee SRF loan	\$ 1,305
Increase in fair value of investments	88,292

INTERNAL SERVICE FUNDS

Insurance Fund – To account for the City's health and dental plans and self-funded insurance program for automobile liability, general liability, worker's compensation and property coverages.

Fleet Maintenance Fund – To account for the revenues and expenses of the City's maintenance garage facility used to maintain the City's various vehicle fleets.

Management Information Systems Fund – To account for the City's information resources and related information technology services.

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CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2018

	Insurance Fund	Fleet Maintenance Fund	Management Information Systems	Total
ASSETS				
Current assets:				
Pooled cash and cash equivalents	\$ 2,333,866	\$ 423,648	\$ 261,606	\$ 3,019,120
Pooled investments	14,975,311	4,902,458	606,965	20,484,734
Receivables, net	1,191	1,153	615	2,959
Inventories	-	314,529	-	314,529
Prepaid items	1,168,330	-	353,236	1,521,566
Restricted assets:				
Cash with fiscal agent	-	-	96	96
Total current assets	18,478,698	5,641,788	1,222,518	25,343,004
Non-current assets:				
Capital assets being depreciated, net	-	4,107,816	1,838,331	5,946,147
TOTAL ASSETS	18,478,698	9,749,604	3,060,849	31,289,151
DEFERRED OUTFLOWS OF RESOURCES				
Pensions (Note 10)	303,045	318,150	453,595	1,074,790
OPEB (Note 11)	7,717	20,064	26,238	54,019
TOTAL DEFERRED OUTFLOWS OF RESOURCES	310,762	338,214	479,833	1,128,809
LIABILITIES				
Current liabilities:				
Accounts payable	152,519	489,659	112,295	754,473
Accrued liabilities	8,451	23,587	38,058	70,096
Current portion of long-term obligations	1,953,196	41,255	508,450	2,502,901
Total current liabilities	2,114,166	554,501	658,803	3,327,470
Non-current liabilities:				
Capital leases	-	-	1,060,424	1,060,424
Compensated absences	11,745	54,051	134,543	200,339
Other post-employment benefits (OPEB)	234,817	610,526	798,378	1,643,721
Net pension liability	880,078	388,271	770,078	2,038,427
Estimate for self-insured losses	7,569,000	-	-	7,569,000
Total non-current liabilities	8,695,640	1,052,848	2,763,423	12,511,911
TOTAL LIABILITIES	10,809,806	1,607,349	3,422,226	15,839,381
DEFERRED INFLOWS OF RESOURCES				
Pensions (Note 10)	101,357	171,663	137,712	410,732
TOTAL DEFERRED INFLOWS OF RESOURCES	101,357	171,663	137,712	410,732
NET POSITION				
Net investment in capital assets	-	4,107,816	368,217	4,476,033
Unrestricted	7,878,297	4,200,990	(387,473)	11,691,814
TOTAL NET POSITION	\$ 7,878,297	\$ 8,308,806	\$ (19,256)	\$ 16,167,847

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Insurance Fund	Fleet Maintenance Fund	Management Information Systems	Total
OPERATING REVENUES				
Charges for services	\$ 22,484,193	\$ 5,634,411	\$ 5,114,700	\$ 33,233,304
Other	894,378	-	-	894,378
TOTAL OPERATING REVENUES	23,378,571	5,634,411	5,114,700	34,127,682
OPERATING EXPENSES				
General and administrative	20,107,568	2,479,285	4,676,271	27,263,124
Depreciation and amortization	-	1,130,772	237,824	1,368,596
TOTAL OPERATING EXPENSES	20,107,568	3,610,057	4,914,095	28,631,720
OPERATING INCOME	3,271,003	2,024,354	200,605	5,495,962
NONOPERATING REVENUES(EXPENSES)				
Insurance recoveries	-	9,409	-	9,409
Interest income	249,195	51,484	2,976	303,655
Interest expense	-	-	(9,132)	(9,132)
TOTAL NONOPERATING REVENUES (EXPENSES)	249,195	60,893	(6,156)	303,932
Changes in net position	3,520,198	2,085,247	194,449	5,799,894
Net position, beginning of year, as restated	4,358,099	6,223,559	(213,705)	10,367,953
Net position ending	\$ 7,878,297	\$ 8,308,806	\$ (19,256)	\$ 16,167,847

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Insurance Fund	Fleet Maintenance Fund	Management Information Systems	Total
Cash flows from operating activities:				
Cash received from customers	\$ 23,388,030	\$ 5,633,258	\$ 5,114,085	\$ 34,135,373
Cash paid to suppliers	(21,964,511)	(882,259)	(4,097,828)	(26,944,598)
Cash paid to employees	(570,119)	(1,319,392)	(2,008,457)	(3,897,968)
Net cash provided by (used in) operating activities	<u>853,400</u>	<u>3,431,607</u>	<u>(992,200)</u>	<u>3,292,807</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	-	(1,070,635)	(277,524)	(1,348,159)
Issuance of debt	-	-	195,077	195,077
Principal paid on long-term debt	-	-	(388,741)	(388,741)
Interest paid on long-term debt	-	-	(9,132)	(9,132)
Proceeds from insurance on capital assets	-	9,409	-	9,409
Net cash used in capital and related financing activities	<u>-</u>	<u>(1,061,226)</u>	<u>(480,320)</u>	<u>(1,541,546)</u>
Cash flows from investing activities:				
Purchases of investments	(7,402,332)	(3,457,974)	(724,413)	(11,584,719)
Sales of investments	4,329,262	222,010	773,431	5,324,703
Interest earnings	10,470	5,447	2,203	18,120
Net cash provided by (used in) investing activities	<u>(3,062,600)</u>	<u>(3,230,517)</u>	<u>51,221</u>	<u>(6,241,896)</u>
Net increase (decrease) in pooled cash and cash equivalents	(2,209,200)	(860,136)	(1,421,299)	(4,490,635)
Pooled cash and cash equivalents, beginning	4,543,066	1,283,784	1,683,001	7,509,851
Pooled cash and cash equivalents, ending	<u>\$ 2,333,866</u>	<u>\$ 423,648</u>	<u>\$ 261,702</u>	<u>\$ 3,019,216</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income	\$ 3,271,003	\$ 2,024,354	\$ 200,605	\$ 5,495,962
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation	-	1,130,772	237,824	1,368,596
Changes in operating assets and liabilities:				
(Increase) decrease in inventory	-	4,568	-	4,568
(Increase) decrease in accounts receivable	9,459	(1,153)	(615)	7,691
(Increase) decrease in prepaid items	(79,672)	1,428	(26,712)	(104,956)
(Increase) decrease in deferred outflows of resources	11,758	13,160	25,579	50,497
Increase (decrease) in accounts payable	(2,295,656)	289,457	(1,438,417)	(3,444,616)
Increase (decrease) in accrued liabilities	(962)	(18,643)	(4,543)	(24,148)
Increase (decrease) in compensated absences	(11,594)	11,213	21,583	21,202
Increase (decrease) in other post-employment benefit (OPEB)	13,722	35,680	46,654	96,056
Increase (decrease) in net pension liability	(58,996)	(102,329)	(129,420)	(290,745)
Increase (decrease) in self-insured losses/liability	(38,372)	-	-	(38,372)
Increase (decrease) in deferred inflows of resources	32,710	43,100	75,262	151,072
Net cash provided by (used in) operating activities	<u>\$ 853,400</u>	<u>\$ 3,431,607</u>	<u>\$ (992,200)</u>	<u>\$ 3,292,807</u>
Noncash investing, capital and financing activities:				
Increase in fair value of investments	\$ 238,725	\$ 46,037	\$ 773	\$ 285,535

PENSION TRUST FUNDS / AGENCY FUND

PENSION TRUST FUNDS

General Employees' Retirement Plan – This fund was established to collect City and employee pension contributions to be used for retirement benefit payments.

Police Officers' Retirement Plan – This fund was established to collect City, employee, and State of Florida pension contributions to be used for retirement benefit payments.

Firefighters' Retirement Plan – This fund was established to collect City, employee, and State of Florida pension contributions to be used for retirement benefit payments.

Management Retirement Plan – This fund was established to collect City and employee pension contributions to be used for retirement benefit payments.

AGENCY FUND

Sanitation Fund – This fund was established to account for the billing, collection and remittance of funds for sanitation services (residential and commercial) provided by an independent contractor. In 2018, the billing and collection for commercial sanitation services was transferred to Waste Pro.

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
SEPTEMBER 30, 2018

	General Employees' Retirement Plan	Police Officers' Retirement Plan	Firefighters' Retirement Plan	Management Retirement Plan	Total
ASSETS					
Cash and cash equivalents	\$ 1,570,214	\$ 3,711,337	\$ 555,378	\$ 465,872	\$ 6,302,801
Investments:					
Certificates of deposit	-	-	1,070,861	-	1,070,861
Money market funds	-	-	5,539,785	-	5,539,785
U.S. Government securities	4,908,431	7,487,774	10,412,137	4,817,633	27,625,975
Corporate bonds	7,437,766	5,181,009	6,517,849	3,238,314	22,374,938
Bond fund	-	14,748,306	-	-	14,748,306
Equity securities	66,574,563	70,042,074	108,833,664	28,529,969	273,980,270
Collateralized mortgage obligations	9,820,567	-	1,192,875	-	11,013,442
International equity	-	28,555,562	-	-	28,555,562
Asset backed securities	431,320	-	1,080,095	-	1,511,415
Mutual funds	2,783,004	-	-	1,804,841	4,587,845
Real estate funds	-	30,999,466	15,173,266	4,721,300	50,894,032
Fixed income international funds	-	-	554,434	-	554,434
Commingled funds	-	-	5,275,864	-	5,275,864
Alternative investment	11,312,091	15,820,499	-	-	27,132,590
Receivables:					
Due from broker	-	49,951	678,368	-	728,319
State contributions receivable	-	1,120,391	989,693	-	2,110,084
Prepaid items	352,400	483,021	5,400	201,296	1,042,117
Accrued investment income	124,994	186,013	166,418	39,229	516,654
TOTAL ASSETS	105,315,350	178,385,403	158,046,087	43,818,454	485,565,294
LIABILITIES					
Accounts payable	75,687	141,906	111,316	14,709	343,618
Due to broker	-	63,866	860,121	-	923,987
TOTAL LIABILITIES	75,687	205,772	971,437	14,709	1,267,605
NET POSITION					
Net position restricted for pension benefits	\$ 105,239,663	\$ 178,179,631	\$ 157,074,650	\$ 43,803,745	\$ 484,297,689

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	General Employees' Retirement Plan	Police Officers' Retirement Plan	Firefighters' Retirement Plan	Management Retirement Plan	Total
ADDITIONS					
Contributions:					
City	\$ 4,379,929	\$ 8,823,379	\$ 6,888,087	\$ 3,111,065	\$ 23,202,460
Employees	1,749,136	2,808,627	1,985,058	1,762,120	8,304,941
State of Florida	-	1,120,391	989,693	-	2,110,084
Permissive service credit	-	-	792,779	-	792,779
Total contributions	<u>6,129,065</u>	<u>12,752,397</u>	<u>10,655,617</u>	<u>4,873,185</u>	<u>34,410,264</u>
Interest and dividends	2,188,505	6,208,630	2,016,215	852,023	11,265,373
Net appreciation in fair value of investments	8,405,062	7,090,474	12,359,721	3,513,144	31,368,401
Less investment expenses	(360,756)	(920,488)	(546,651)	(129,697)	(1,957,592)
Net investment income	<u>10,232,811</u>	<u>12,378,616</u>	<u>13,829,285</u>	<u>4,235,470</u>	<u>40,676,182</u>
Other income	15,100	8,652	4,185	-	27,937
Total additions	<u>16,376,976</u>	<u>25,139,665</u>	<u>24,489,087</u>	<u>9,108,655</u>	<u>75,114,383</u>
DEDUCTIONS					
Pension benefits	4,723,444	6,749,318	3,617,947	2,423,993	17,514,702
Refund of employee contributions	118,803	16,322	1,268,487	58,236	1,461,848
Administrative expenses	151,103	205,140	174,259	119,680	650,182
Total deductions	<u>4,993,350</u>	<u>6,970,780</u>	<u>5,060,693</u>	<u>2,601,909</u>	<u>19,626,732</u>
Net increase	11,383,626	18,168,885	19,428,394	6,506,746	55,487,651
Net position restricted for pension benefits:					
Beginning of year	93,856,037	160,010,746	137,646,256	37,296,999	428,810,038
End of year	<u>\$ 105,239,663</u>	<u>\$ 178,179,631</u>	<u>\$ 157,074,650</u>	<u>\$ 43,803,745</u>	<u>\$ 484,297,689</u>

CITY OF MIRAMAR, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
SANITATION AGENCY FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Balance September 30, 2017	Additions	Reductions	Balance September 30, 2018
ASSETS				
Pooled cash and cash equivalents	\$ 481,188	\$ 11,273,342	\$ 11,206,732	\$ 547,798
Accounts receivable	3,176,160	7,318,478	9,277,365	1,217,273
Total assets	<u>\$ 3,657,348</u>	<u>\$ 18,591,820</u>	<u>\$ 20,484,097</u>	<u>\$ 1,765,071</u>
LIABILITIES				
Accounts payable	\$ 3,657,348	\$ 6,421,863	\$ 8,314,140	\$ 1,765,071
Total liabilities	<u>\$ 3,657,348</u>	<u>\$ 6,421,863</u>	<u>\$ 8,314,140</u>	<u>\$ 1,765,071</u>

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STATISTICAL SECTION

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STATISTICAL SECTION

This part of the City of Miramar'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.

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<i>Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year.</i>	

FINANCIAL TRENDS

The information presented in this section is intended to assist users in understanding and assessing how a government's financial position has changed over time.

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CITY OF MIRAMAR, FLORIDA
SCHEDULE 1 - NET POSITION BY COMPONENT (UNAUDITED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
Net investment in capital assets	\$ 124,078	\$ 122,562	\$ 117,464	\$ 116,691	\$ 113,707	\$ 112,125	\$ 108,146	\$ 127,446	\$ 132,029	\$ 132,717
Restricted	11,717	16,426	19,513	20,375	30,101	25,768	23,797	21,088	16,145	12,927
Unrestricted (deficit)	37,045	40,519	38,111	28,827	14,365	10,837	(128,207)	(126,334)	(130,798)	(141,040)
Total governmental activities net position	172,840	179,507	175,088	165,893	158,173	148,730	3,736	22,200	17,376	4,604
Business-type activities:										
Net investment in capital assets	263,487	265,090	262,381	262,081	260,595	256,194	252,570	229,158	231,706	234,964
Restricted	14,089	13,896	9,580	6,219	6,011	6,228	3,726	4,469	4,804	5,427
Unrestricted (deficit)	11,044	8,577	15,513	20,059	26,978	31,640	31,794	38,952	45,529	43,086
Total business-type activities	288,620	287,563	287,474	288,359	293,584	294,062	288,090	272,579	282,039	283,477
Primary government:										
Net investment in capital assets	387,565	387,652	379,845	378,772	374,302	368,319	360,716	356,604	363,735	367,681
Restricted	25,806	30,322	29,093	26,594	36,112	31,996	27,523	25,557	20,949	18,354
Unrestricted (deficit)	48,089	49,096	53,624	48,886	41,343	42,477	(96,413)	(87,382)	(85,269)	(97,954)
Total primary government net position	\$ 461,460	\$ 467,070	\$ 462,562	\$ 454,252	\$ 451,757	\$ 442,792	\$ 291,826	\$ 294,779	\$ 299,415	\$ 288,081

(1) In fiscal year 2015, the City implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

(2) In fiscal year 2018, the City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 2-CHANGES IN NET POSITION (UNAUDITED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses:										
Governmental activities:										
General government	\$ 18,680	\$ 17,250	\$ 21,269	\$ 21,725	\$ 23,101	\$ 20,588	\$ 21,190	\$ 21,421	\$ 24,841	\$ 23,326
Public safety (1)	62,043	68,207	70,868	71,449	81,686	74,403	76,121	81,507	90,343	87,302
Physical environment (2)	12,610	10,898	9,951	10,272	4,075	3,068	3,061	3,407	5,679	8,240
Transportation (2)	-	-	-	-	6,898	4,526	3,769	4,022	4,425	4,168
Cultural arts (4)	-	-	-	-	-	-	-	3,651	3,723	3,933
Community services (1)	11,088	13,874	12,381	12,965	-	-	-	-	-	-
Social services (4)	2,386	2,932	1,575	1,813	1,992	2,613	2,869	5,844	6,390	6,807
Economic environment (1)	-	-	-	-	3,741	3,189	3,114	3,584	2,363	2,867
Parks and recreation (1)	-	-	-	-	10,092	10,934	12,559	13,429	16,158	16,477
Interest on long-term debt	4,857	4,971	4,895	4,803	4,547	7,085	7,506	5,726	5,883	5,759
Total governmental activities expenses	\$ 111,664	\$ 118,132	\$ 120,939	\$ 123,027	\$ 136,132	\$ 126,406	\$ 130,189	\$ 142,591	\$ 159,805	\$ 158,879
Business-type activities:										
Utility	\$ 36,384	\$ 36,228	\$ 34,405	\$ 35,081	\$ 33,349	\$ 37,630	\$ 37,627	\$ 38,830	\$ 38,513	\$ 41,131
Cultural Arts (4)	2,379	2,349	2,098	3,044	3,475	4,084	4,200	-	-	-
Early Childhood (4)	2,245	2,164	1,924	1,665	1,885	1,979	2,201	-	-	-
Stormwater (3)	-	-	-	-	1,741	1,917	2,186	2,191	2,367	2,732
Total business-type activities	41,008	40,741	38,427	39,790	40,450	45,610	46,214	41,021	40,880	43,863
Total primary government expenses	\$ 152,672	\$ 158,873	\$ 159,366	\$ 162,817	\$ 176,582	\$ 172,016	\$ 176,403	\$ 183,612	\$ 200,685	\$ 202,742
Program revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 6,247	\$ 6,436	\$ 7,042	\$ 7,167	\$ 12,377	\$ 7,824	\$ 8,059	\$ 8,521	\$ 10,129	\$ 10,609
Public safety (1)	12,156	13,401	13,725	12,991	19,765	22,873	24,776	28,755	31,621	34,299
Physical environment (2)	3,351	2,308	2,286	2,496	33	278	392	399	1,003	1,041
Transportation (2)	-	-	-	-	-	-	-	-	-	-
Cultural arts (4)	-	-	-	-	-	-	-	1,093	1,224	1,549
Community services (1)	1,367	1,475	935	998	-	-	-	-	-	-
Social services (4)	-	-	143	2	-	-	179	1,925	1,788	1,757
Economic environment (1)	-	-	-	-	-	-	-	-	-	-
Parks and recreation (1)	-	-	-	-	2,816	2,842	1,689	1,858	3,039	1,898
Operating grants and contributions	4,498	18,032	18,217	15,549	14,912	5,829	5,380	6,732	7,523	9,886
Capital grants and contributions	2,349	1,390	414	1,433	-	-	-	-	35	982
Total governmental activities program revenues	\$ 29,968	\$ 43,042	\$ 42,762	\$ 40,636	\$ 49,903	\$ 39,646	\$ 40,475	\$ 49,283	\$ 56,362	\$ 62,021
Business-type activities:										
Charges for services:										
Utility	\$ 27,092	\$ 31,933	\$ 34,039	\$ 34,905	\$ 35,725	\$ 35,947	\$ 39,835	\$ 40,428	\$ 43,300	\$ 42,080
Cultural Arts (4)	209	242	331	498	587	1,048	1,143	-	-	-
Early Childhood (4)	1,937	1,791	1,687	1,667	1,557	1,522	1,692	-	-	-
Stormwater (3)	-	-	-	-	2,861	2,871	3,181	3,206	4,525	4,593
Operating grants and contributions	10	-	-	-	-	-	100	190	-	-
Capital grants and contributions	6,758	3,192	266	1,222	1,562	1,351	1,738	388	1,972	666
Total business-type activities program revenues	36,006	37,158	36,323	38,292	42,292	42,739	47,689	44,212	49,797	47,339
Total primary government program revenues	\$ 65,974	\$ 80,200	\$ 79,085	\$ 78,928	\$ 92,195	\$ 82,385	\$ 88,164	\$ 93,495	\$ 106,159	\$ 109,360
Net (expense)/revenue										
Governmental activities	\$ (81,696)	\$ (75,090)	\$ (78,177)	\$ (82,391)	\$ (86,229)	\$ (86,760)	\$ (89,714)	\$ (93,308)	\$ (103,443)	\$ (96,858)
Business-type activities	(5,002)	(3,583)	(2,104)	(1,498)	1,842	(2,871)	1,475	3,191	8,917	3,476
Total primary government net expenses	\$ (86,698)	\$ (78,673)	\$ (80,281)	\$ (83,889)	\$ (84,387)	\$ (89,631)	\$ (88,239)	\$ (90,117)	\$ (94,526)	\$ (93,382)

- (1) Beginning in fiscal year 2013, revenues and expenses previously classified under community services were reclassified to parks and recreation, economic environment, and public safety.
- (2) Beginning in fiscal year 2013, revenues and expenses previously classified under physical environment were reclassified to transportation.
- (3) Prior to fiscal year 2013, stormwater was included with utility.
- (4) Beginning in fiscal year 2016, Cultural Arts and Early Childhood operations were transferred to the General Fund and are included under the functional classifications of cultural arts and social services, respectively, in governmental activities.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 2 - CHANGES IN NET POSITION (UNAUDITED) - (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General revenues and other changes in net position										
Governmental activities:										
Taxes:										
Property taxes	\$ 50,433	\$ 49,849	\$ 42,566	\$ 41,592	\$ 41,180	\$ 43,293	\$ 47,874	\$ 51,747	\$ 56,236	\$ 59,978
Utility and local option gas tax	6,993	7,690	7,768	8,084	10,721	11,704	12,161	12,411	12,845	13,237
Communication service tax	5,961	5,380	5,202	5,179	5,346	4,986	5,005	4,535	4,381	4,353
Franchise fees based on gross receipts	8,810	8,486	8,519	7,851	7,793	8,487	8,708	8,580	8,910	8,654
Unrestricted intergovernmental revenues	10,167	9,944	10,173	11,203	13,206	11,060	12,128	12,571	13,213	14,046
Unrestricted investment earnings	2,998	1,826	1,028	459	198	389	674	535	940	1,500
Miscellaneous	787	715	255	1,059	3,359	2,765	4,999	2,436	2,003	1,928
Transfers	(21,743)	(2,133)	(1,753)	(2,229)	(3,294)	(3,698)	(3,396)	1,894	-	-
Gain on sale of capital assets	-	-	-	-	-	-	-	-	91	-
Special Item (Note 14)	-	-	-	-	-	-	-	17,063	-	-
Total governmental activities	\$ 64,406	\$ 81,757	\$ 73,758	\$ 73,198	\$ 78,509	\$ 78,986	\$ 88,153	\$ 111,772	\$ 98,619	\$ 103,696
Business-type activities:										
Unrestricted investment earnings	\$ 1,632	\$ 384	\$ 223	\$ 146	\$ 82	\$ 112	\$ 301	\$ 255	\$ 543	\$ 1,008
Miscellaneous	34	9	40	8	7	-	-	-	-	-
Transfers	21,743	2,133	1,753	2,229	3,294	3,698	3,396	(1,894)	-	-
Special Item (Note 14)	-	-	-	-	-	-	-	(17,063)	-	-
Total business-type activities	23,409	2,526	2,016	2,383	3,383	3,810	3,697	(18,702)	543	1,008
Total primary government	\$ 87,815	\$ 84,283	\$ 75,774	\$ 75,581	\$ 81,892	\$ 82,796	\$ 91,850	\$ 93,070	\$ 99,162	\$ 104,704
Changes in net position										
Governmental activities	\$ (17,290)	\$ 6,667	\$ (4,419)	\$ (9,193)	\$ (7,720)	\$ (7,774)	\$ (1,561)	\$ 18,464	\$ (4,824)	\$ 6,838
Business-type activities	18,407	(1,057)	(88)	885	5,225	939	5,172	(15,511)	9,460	4,484
Total primary government	\$ 1,117	\$ 5,610	\$ (4,507)	\$ (8,308)	\$ (2,495)	\$ (6,835)	\$ 3,611	\$ 2,953	\$ 4,636	\$ 11,322

Beginning in fiscal year 2016, Cultural Arts and Early Childhood operations, previously accounted for as business-type activities, were transferred to governmental activities.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 3 - FUND BALANCES, GOVERNMENTAL FUNDS (UNAUDITED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESS IN THOUSANDS)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 2,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	43,271	-	-	-	-	-	-	-	-	-
Non-spendable	-	2,982	1,149	970	109	99	210	153	123	1,824
Committed	-	-	-	-	-	14,620	15,115	16,309	18,340	19,070
Assigned	-	29,961	34,991	20,045	18,275	5,092	4,993	9,527	6,922	6,479
Unassigned	-	18,012	7,090	5,937	9,437	5,075	8,923	12,026	10,684	7,976
Total General Fund	45,734	50,955	43,230	26,952	27,821	24,886	29,241	38,015	36,069	35,349
All other governmental funds										
Reserved	11,404	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	9	-	-	-	-	-	-	-	-	-
Capital projects funds	9,873	-	-	-	-	-	-	-	-	-
Non-spendable	-	2,607	1,541	39	207	4	1	-	3,895	3,312
Restricted	-	21,438	25,877	31,318	86,523	79,999	65,819	44,214	38,009	28,967
Assigned	-	-	-	9,986	-	-	-	-	-	-
Unassigned, reported in:										
Special revenue funds	-	(358)	(26)	(2)	(9)	(4)	(1)	-	(1,853)	(1,673)
Capital projects funds	-	(1,843)	(375)	-	-	-	-	-	-	-
Total all other governmental funds	21,286	21,844	27,017	41,341	86,721	79,999	65,819	44,214	40,051	30,606
Total governmental funds	\$ 67,020	\$ 72,799	\$ 70,247	\$ 68,293	\$ 114,542	\$ 104,885	\$ 95,060	\$ 82,229	\$ 76,120	\$ 65,955

1) The City implemented GASB Statement No. 54 beginning fiscal year ended September 30, 2010.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 4 - CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (UNAUDITED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 72,718	\$ 71,586	\$ 63,465	\$ 62,889	\$ 62,920	\$ 66,325	\$ 71,479	\$ 74,942	\$ 79,924	\$ 83,779
Special assessments	7,753	10,317	10,585	10,604	15,955	15,714	16,321	19,150	20,577	20,764
Licenses and permits	4,914	3,907	4,118	3,994	6,261	4,161	5,090	5,062	6,934	8,623
Intergovernmental revenues	16,144	27,279	25,598	24,422	29,935	19,711	20,545	22,174	23,468	27,460
Charges for services	7,458	8,714	8,856	8,489	9,773	10,328	10,877	15,497	17,120	18,866
Fines and forfeitures	683	736	930	973	1,301	952	1,017	1,058	1,080	1,199
Impact fees	160	249	1,753	1,390	1,959	1,769	910	737	2,210	689
Interest income	2,804	1,700	908	341	198	388	674	535	939	1,500
Developer contributions	-	-	-	-	-	-	-	-	35	232
Miscellaneous revenues	2,057	2,508	2,455	3,052	3,472	2,937	5,112	2,943	2,628	2,605
Total revenues	114,691	126,996	118,668	116,154	131,774	122,285	132,025	142,098	154,915	165,717
Expenditures										
General government	10,477	10,112	11,361	11,103	19,107	20,063	20,218	21,641	26,555	28,042
Public safety (1)	58,234	59,097	63,395	65,389	68,500	71,272	71,211	73,336	81,083	86,677
Physical environment (2)	7,556	7,566	7,653	7,982	2,111	1,198	1,321	1,391	3,581	6,206
Transportation (2)	-	-	-	-	3,355	4,159	3,285	3,205	3,568	3,426
Economic environment (1)	-	-	-	-	1,944	2,673	2,914	3,267	2,043	2,594
Community services (1)	13,707	11,305	12,308	12,698	-	-	-	-	-	-
Social services (4)	2,386	1,343	1,520	1,757	1,540	2,057	2,414	5,196	5,794	6,187
Cultural arts (4)	-	-	-	-	-	-	-	3,133	3,173	3,356
Parks and recreation (1)	-	-	-	-	8,022	8,516	10,326	11,086	13,126	13,461
Non-departmental	4,958	5,369	2,496	2,757	-	-	-	-	-	-
Grants and aid	1,761	11,909	9,852	8,490	11,129	123	230	105	119	169
Capital outlay	12,003	5,628	4,479	8,845	7,992	8,716	14,733	28,207	22,910	12,635
Debt service:										
Principal (3)	917	1,775	1,435	3,843	13,156	3,634	91,130	2,139	4,266	6,852
Interest	2,413	4,977	4,911	4,893	5,066	5,648	6,996	6,346	6,237	6,275
Issuance Costs	-	-	-	-	-	-	474	-	44	-
Fiscal charges	57	1	1	1	1,196	167	5	3	2	2
Total expenditures	114,469	119,082	119,411	127,758	143,118	128,226	225,257	159,055	172,501	175,882
Excess (deficiency) of revenues over expenditures	222	7,914	(743)	(11,604)	(11,344)	(5,941)	(93,232)	(16,957)	(17,586)	(10,165)
Other financing sources (uses):										
Transfers in	16,532	8,156	14,010	26,247	27,987	12,686	11,276	15,511	13,006	14,625
Transfers out	(18,103)	(10,290)	(15,820)	(24,476)	(30,398)	(16,402)	(14,673)	(13,617)	(13,713)	(14,625)
Issuance of debt (3)	11,272	-	-	7,879	59,815	-	79,595	2,232	11,999	-
Premium on issuance of debt (3)	-	-	-	-	190	-	7,209	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	185	-
Total other financing sources (uses)	9,701	(2,134)	(1,810)	9,650	57,594	(3,716)	83,407	4,126	11,477	-
Net change in fund balances	\$ 9,923	\$ 5,780	\$ (2,553)	\$ (1,954)	\$ 46,250	\$ (9,657)	\$ (9,825)	\$ (12,831)	\$ (6,109)	\$ (10,165)
Debt service as a percentage of non-capital expenditures	3.31%	5.95%	5.52%	7.35%	13.19%	7.72%	45.8%	6.32%	6.82%	7.85%

(1) Beginning in fiscal year 2013, revenues and expenditures previously classified under community services were reclassified to parks and recreation, economic environment, and public safety.

(2) Beginning in fiscal year 2013, revenues and expenditures previously classified under physical environment were reclassified to transportation.

(3) In FY15, \$79.6 million in Capital Improvement Refunding Revenue Bonds, Series 2015 were issued to current refund \$3.6 million and \$83.9 million in then outstanding Public Service Tax Revenue Bonds, Series 2003, and Capital Impr. Revenue Bonds, Series 2005, respectively.

(4) Beginning in fiscal year 2016, Cultural Arts and Early Childhood operations were transferred to the General Fund and are included under the functional classifications of cultural arts and social services, respectively.

REVENUE CAPACITY

This section is intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own-source revenues.

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CITY OF MIRAMAR, FLORIDA
SCHEDULE 5 - ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Tax Year	Real Property	Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Rate	Estimated Actual Taxable Value (1)	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value (1)
2009	2008	\$ 13,285,777,970	\$ 363,192,320	\$ 4,307,232,861	\$ 9,341,737,429	5.4797	\$ 10,990,279,328	85%
2010	2009	10,742,827,900	351,867,691	3,066,761,857	8,027,933,734	5.4797	9,444,627,922	85%
2011	2010	8,821,363,400	379,214,200	2,465,010,021	6,735,567,579	6.4654	7,924,197,152	85%
2012	2011	8,749,193,160	369,847,633	2,539,992,246	6,579,048,547	6.4654	7,487,594,265	88%
2013	2012	8,749,870,800	385,489,368	2,483,662,029	6,651,698,139	6.4654	7,361,313,792	90%
2014	2013	8,619,600,040	427,650,646	2,093,194,689	6,954,055,997	6.4654	7,707,457,008	90%
2015	2014	9,098,857,180	439,650,107	2,111,708,413	7,426,798,874	6.7654	8,251,998,749	90%
2016	2015	9,772,152,930	470,714,004	2,283,275,830	7,959,591,104	6.7654	8,843,990,116	90%
2017	2016	10,469,255,890	491,033,890	2,318,042,464	8,642,247,316	6.7654	9,602,497,018	90%
2018	2017	11,144,032,560	480,944,321	2,363,066,082	9,261,910,799	6.7654	10,291,011,999	90%

(1) Property in Broward County is reassessed once every year, on average. The County assesses property at approximately 85-100% of actual value for commercial and industrial property and 85-100% for residential property, as required by Florida law. Estimated actual taxable value is calculated by dividing taxable value by those percentages. Tax rates are per \$1,000 of assessed value.

Source: Broward County Property Appraiser

CITY OF MIRAMAR, FLORIDA
SCHEDULE 6 - DIRECT AND OVERLAPPING PROPERTY TAX RATES (UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Tax Year	City of Miramar (1)	Overlapping Rates					Total Direct & Overlapping Rates
			Broward County Operating	Broward County Debt	Broward County School District	South Broward Hospital District	Other	
2009	2008	5.48%	4.89%	0.43%	7.42%	1.19%	1.03%	20.43%
2010	2009	6.47%	4.89%	0.50%	7.43%	1.27%	1.08%	21.64%
2011	2010	6.47%	5.10%	0.45%	7.63%	1.27%	1.12%	22.04%
2012	2011	6.47%	5.19%	0.37%	7.42%	0.75%	0.95%	21.14%
2013	2012	6.47%	5.26%	0.30%	7.46%	0.60%	0.95%	21.03%
2014	2013	6.47%	5.44%	0.28%	7.48%	0.40%	0.93%	21.00%
2015	2014	6.76%	5.46%	0.26%	7.44%	0.19%	0.91%	21.02%
2016	2015	6.76%	5.47%	0.25%	7.27%	0.18%	0.88%	20.81%
2017	2016	6.76%	5.45%	0.22%	6.91%	0.16%	0.85%	20.35%
2018	2017	6.76%	5.46%	0.21%	6.54%	0.15%	0.83%	19.95%

(1) The City of Miramar's direct tax rate is only comprised of an operating millage.

Note: Property tax rates are based on each \$1,000 of net assessed value.

Source: Broward County, Florida Property Appraiser

CITY OF MIRAMAR, FLORIDA
SCHEDULE 7 - PRINCIPAL PROPERTY TAXPAYERS (UNAUDITED)
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	(1) Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
11700 Southwest 26 st Apartments	\$ 93,621,370	1	1.01%	\$ 77,571,950	3	0.83%
Florida Power & Light co Property Tax I	78,952,256	2	0.85%	-		-
BPP Alphabet MF Miramar LLC	69,930,000	3	0.76%	-		-
Bel Miramar LLC	66,226,070	4	0.72%	-		-
Windsor at Miramar I LLC	58,579,000	5	0.63%	38,565,790	10	0.41%
MTC Property Corp	50,726,960	6	0.55%	-		-
ICON Owner Pool 5 South FL LLC	50,000,000	7	0.54%	-		-
EQR-Miramar Lakes LLC	49,720,480	8	0.54%	-		-
WPT Land 2 LP	41,355,820	9	0.45%	-		-
Flamingo Cove LLC	40,798,670	10	0.44%	-		-
Sunbeam Properties Inc	-		-	116,229,710	1	1.24%
Sunbeam Development Corp	-		-	107,269,350	2	1.15%
Sunbeam Properties	-		-	72,104,710	5	0.77%
Sunbeam Development Corp	-		-	72,982,760	4	0.78%
Metropolitan Life Ins Corp	-		-	68,354,860	6	0.73%
Liberty Property Ltd. Partnership	-		-	55,007,740	7	0.59%
IPC Florida LLC	-		-	44,763,260	8	0.48%
DB Aventine LLC	-		-	43,946,710	9	0.47%
	<u>\$ 599,910,626</u>		<u>6.48%</u>	<u>\$ 696,796,840</u>		<u>7.46%</u>

Source: Broward County, Florida, Department of Revenue

CITY OF MIRAMAR, FLORIDA
SCHEDULE 8 - PROPERTY TAX LEVIES AND COLLECTION (UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	\$ 51,256,426	\$ 49,382,828	96.34%	\$ 338,987	\$ 49,721,815	97.01%
2010	51,655,608	49,599,612	96.02%	308,746	49,908,358	96.62%
2011	44,209,533	41,453,670	93.77%	131,958	41,585,628	94.06%
2012	42,775,713	40,888,853	95.59%	55,210	40,944,063	95.72%
2013	43,025,597	41,216,497	95.80%	35,857	41,252,354	95.88%
2014	44,985,950	43,231,304	96.10%	1,331,897	44,563,201	99.06%
2015	50,266,100	48,049,334	95.59%	25,499	48,074,833	95.64%
2016	53,868,885	51,631,178	95.85%	21,819	51,652,997	95.89%
2017	58,501,360	56,146,772	95.98%	28,939	56,175,711	96.02%
2018	62,689,618	59,967,326	95.66%	-	59,967,326	95.66%

DEBT CAPACITY

The information presented in this section is intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

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CITY OF MIRAMAR, FLORIDA
SCHEDULE 9 - SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS (UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Assessments Due	Assessments Collected	Ratio of Collections to Amounts Due (1)	Total Outstanding Assessments
2009	\$ 454,049	\$ 523,929	(1) 115.4%	\$ 4,069,765
2010	19,423	19,423	(2) 100.0%	4,050,342
2011	-	-	-	4,050,342
2012	1,888	1,888	100.0%	4,048,454
2013	148,943	148,943	(3) 100.0%	3,899,511
2014	8,328	8,328	(4) 100.0%	3,891,183
2015	230,114	230,114	(5) 100.0%	3,661,070
2016	2,832	2,832	(6) 100.0%	3,658,238
2017	202,905	202,905	(7) 100.0%	3,455,333
2018	(60,690)	(60,690)	(8) 100.0%	3,516,023

- (1) Includes mandatory prepayments of \$70,146.
- (2) An allowance has been set up in the amount of \$3,643,365.
- (3) An allowance has been set up in the amount of \$3,492,535.
- (4) An allowance has been set up in the amount of \$3,484,207.
- (5) An allowance has been set up in the amount of \$3,254,093.
- (6) An allowance has been set up in the amount of \$3,251,261.
- (7) An allowance has been set up in the amount of \$3,048,356.
- (8) \$60,690 Refunded in fiscal year 2018.

An Allowance has been set up in the amount of \$3,109,046

Source: City of Miramar, Florida Finance Department

CITY OF MIRAMAR, FLORIDA
SCHEDULE 10 - RATIOS OF OUTSTANDING DEBT BY TYPE (UNAUDITED)
LAST TEN FISCAL YEARS (1)
(AMOUNTS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA AMOUNT)

Fiscal Year	Governmental Activities				Business-type Activities					Percentage of		
	Revenue	Special	Notes	Capital	Revenue	Special	Notes	Revolving	Capital	Total Primary	Personal	Per capita
	Bonds	Assessments	Payable	Leases	Bonds	Assessments	Payable	Loan	Leases	Government	Income	
2009	\$ 98,380	\$ 457	\$ 11,112	\$ 1,509	\$ 59,570	\$ -	\$ 278	\$ 16,515	\$ 115	\$ 187,936	6.61%	\$ 1,625
2010	98,130	351	10,376	1,527	58,940	-	94	15,680	92	185,190	6.31%	1,517
2011	97,875	239	10,000	777	58,615	-	-	14,826	121	182,453	6.22%	1,484
2012	95,420	122	16,195	1,180	57,345	-	-	13,954	78	184,294	5.93%	1,493
2013	153,935	-	6,087	784	55,876	-	-	13,062	34	229,778	7.64%	1,817
2014	151,265	-	5,407	445	54,507	-	-	12,151	-	223,775	7.00%	1,742
2015	146,594	-	4,711	286	53,377	-	-	11,329	-	216,297	7.04%	1,637
2016	145,128	-	4,000	2,204	51,799	-	-	10,660	-	213,791	5.97%	1,595
2017	135,595	-	12,864	5,437	50,235	-	-	10,028	-	214,159	6.44%	1,572
2018	137,081	-	11,235	4,665	48,618	-	-	22,693	-	224,292	5.71%	1,636

(1) See Schedule 12, Demographic and Economic Statistics, for personal income and population data.

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

Source: City of Miramar, Florida, Finance Department

DEMOGRAPHIC/ECONOMIC

This section is intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.

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CITY OF MIRAMAR, FLORIDA
SCHEDULE 11 - DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (UNAUDITED)
SEPTEMBER 30, 2018

Governmental Unit	Net Debt Outstanding September 30, 2017		Percentage Applicable to City of Miramar	Amount Applicable to City of Miramar
Debt repaid with property taxes:				
Broward County	\$ 221,269,000	(1)	5.23%	\$ 11,571,657
Broward County School Board	156,991,000	(2)	4.79%	7,520,251
Other debt:				
Broward County Special Obligation Bonds	313,314,000		5.23%	16,385,314
Broward County Capital Leases	5,222,000		5.23%	273,094
Broward County Loans Payable and Other Obligations	5,026,000		5.23%	262,844
Broward County School Board Capital Outlay Bonds	12,906,000		4.79%	618,229
Broward County School Board Certificates of Participation	1,497,821,000		4.79%	71,749,268
Broward County School Board Capital Leases	62,912,000		4.79%	3,013,638
Subtotal, overlapping debt				<u>111,394,294</u>
City direct debt:				
City of Miramar	\$152,981,377		100.00%	152,981,377
Total direct and overlapping debt				<u><u>\$ 264,375,671</u></u>

(1) Source: Broward County, Florida

(2) Source: School Board of Broward County, Florida

Note: The percentage of overlapping debt is estimated using taxable assessed property values. Value that is within the City boundaries are divided by the County's and School Board's total taxable assessed value.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 12 - DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	(1) Population	Median Household Income (4)	Per Capita Personal Income (4)	Median Age (4)	School Enrollment (2)	Unemployment Rate (3)
2009	115,605	\$ 67,412	\$ 24,611	32	21,136	11.00%
2010	122,041	64,547	24,062	32	23,839	10.10%
2011	122,982	45,324	23,836	34	23,937	9.10%
2012	123,478	60,851	25,179	36	23,857	15.30%
2013	126,619	64,907	23,770	35	23,857	9.30%
2014	128,432	62,649	24,901	35	23,718	6.30%
2015	132,096	67,291	23,269	35	23,589	4.70%
2016	134,037	70,133	26,723	37	23,093	4.60%
2017	136,246	61,767	24,408	39	22,675	3.80%
2018	137,107	70,381	28,656	36	22,781	2.70%

- (1) Source: U.S. Bureau of Census in 2010. From 2011 to current, University of Florida, Bureau of Economic and Business Research
- (2) Source: School Board of Broward County
- (3) Source: State of Florida LAUS
- (4) Source: American Fact Finder ACS, U.S. Bureau of Census

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CITY OF MIRAMAR, FLORIDA
SCHEDULE 13 - PRINCIPAL EMPLOYERS (UNAUDITED)
CURRENT YEAR AND NINE YEARS AGO

Employer	2018			2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment (1)
Royal Caribbean Cruises Ltd.	1,630	1	4.92%	810	1	3.00%
Memorial Hospital Miramar	1,100	2	3.32%	-	-	-
Comcast of South Florida	950	3	2.87%	560	5	2.07%
City of Miramar	928	4	2.80%	-	-	-
Southern Glazer's Wine and Spirits, LLC	750	5	2.27%	420	9	1.55%
Carnival Corporation	750	6	2.27%	583	4	2.16%
Spirit Airlines, Inc.	729	7	2.20%	-	-	-
Interactive Response Technologies Inc.	707	8	2.14%	625	2	2.31%
Humana Medical Plan, Inc.	505	9	1.53%	538	6	1.99%
Quest Diagnostic Inc.	469	10	1.42%	500	7	1.85%
Premier Beverage Co, LLC	-	-	-	610	3	2.26%
Caremark Miramar Pharmacy, LLC	-	-	-	481	8	1.78%
American Express Company	-	-	-	372	10	1.38%
Totals	8,518		25.74%	5,499		20.35%

Source: City of Miramar business tax division

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OPERATING INFORMATION

This section is intended to provide contextual information about a government's operations and resources to assist readers in using financial statement information to understand and assess a government's economic condition

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CITY OF MIRAMAR, FLORIDA
SCHEDULE 14 - FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2009	2010	2011	2012	2013
City Commission	6.0	6.0	6.0	6.0	7.5
Mayor's Office	-	-	-	-	-
City Manager's Office	2.0	2.0	2.0	2.0	1.0
Administration	2.0	2.0	2.0	2.0	2.0
Marketing and Public Relations	-	-	-	-	-
City Clerk's Office	5.0	5.0	5.0	4.0	4.0
Administration	-	-	-	-	-
Passport Services	-	-	-	-	-
Municipal Election	-	-	-	-	-
Finance					
Administration	9.0	9.0	8.0	5.0	7.0
Accounting	30.0	30.0	30.0	30.0	31.0
Utility Billing	8.0	9.0	8.5	8.5	8.5
Procurement	-	-	-	-	-
Budget	3.0	3.0	3.0	5.0	5.0
Procurement	6.0	7.0	8.5	9.0	-
Procurement Operations	-	-	-	-	7.5
Mailroom Operations	-	-	-	-	2.0
Human Resources	7.0	10.0	11.5	13.5	-
Administration	-	-	-	-	7.5
HR Operations	-	-	-	-	3.5
Retirement Administration	-	-	-	-	1.0
Risk Management	4.0	4.0	1.0	1.0	3.0
Liability-Risk Management	-	-	2.5	2.5	-
Cultural Affairs	2.0	7.0	7.0	9.0	-
Administration	-	-	-	-	2.0
Client Management Services	-	-	-	-	5.65
Marketing & Sales Services	-	-	-	-	1.5
Education & Gallery Services	-	-	-	-	2.0
Food & Beverage Services	-	-	-	-	6.85
Community Development					
Administration	7.0	7.0	7.0	7.0	7.8
Planning and Zoning	10.0	9.0	9.0	7.0	3.15
Sustainable Planning	-	-	-	-	0.6
Environmental Planning	-	-	-	-	-
Geographic Information Systems	-	-	-	-	0.8
Building Permits & Inspections	22.0	21.0	20.0	18.5	22.65
Economic Development & Revitalization	-	-	-	-	-
Office of Marketing Communication	3.0	6.0	6.0	7.5	5.75
Housing & Community Development	3.0	3.0	2.0	1.5	3.0
Business Development	2.0	2.0	2.0	2.0	2.25
Engineering	-	-	-	-	-
Development Management	9.0	10.0	8.0	7.0	4.5
Construction Management	6.0	5.0	5.0	3.0	6.5

CITY OF MIRAMAR, FLORIDA
SCHEDULE 14 - FULL TIME EQUIVALENT GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2009	2010	2011	2012	2013
MIS	14.0	13.0	13.0	13.5	-
Data Services	-	-	-	-	6.7
Network Services	-	-	-	-	3.75
Helpdesk	-	-	-	-	4.55
Audio Visual Event Management	-	-	-	-	0.50
Parks and Recreation					
Administration	7.0	9.0	10.0	10.0	19.0
Park Maintenance	-	-	-	-	4.0
Recreation	80.0	78.0	82.0	96.0	-
Special Events	3.0	3.0	2.5	2.0	2.5
Miramar Youth Enrichment Center	-	-	-	-	11.5
Athletics					
Fairway Park	-	-	-	-	11.0
Sunset Lakes	-	-	-	-	13.0
Miramar Regional Park	-	-	-	-	14.0
Aquatics	-	-	-	-	24.0
Ansin Sports Complex	-	-	-	-	7.0
Vizcaya Park	-	-	-	-	6.0
Early Childhood				35.0	37.0
Social Services					
Administration	2.0	2.0	2.0	2.0	1.65
Senior Transportation	16.0	6.0	6.0	6.0	8.0
Senior Services	11.0	12.0	11.5	11.5	12.35
Fairway Childcare	-	-	-	-	-
Community Outreach	2.0	2.0	2.0	2.0	2.0
Early Childhood	38.0	38.0	37.5	-	-
Public Works					
Administration	6.0	6.0	6.0	7.0	7.5
Building Maintenance	12.0	12.0	12.5	13.5	15.5
Field Operations	12.0	12.0	20.5	11.0	12.0
Street Repair & Maintenance	18.0	18.0	-	15.0	15.5
Street Row Maintenance	-	-	-	-	-
Transit Operations	-	10.0	10.0	10.0	8.0
Solid Waste Management	11.0	21.0	1.0	1.0	2.0
Fleet	13.0	25.0	13.0	13.0	9.0
Utilities					
Administration	-	-	20.5	28.5	28.0
Office of Operational Services	-	-	-	-	-
Stormwater Maintenance	25.0	28.0	21.5	13.5	11.5
Water Treatment/Quality Control	28.0	4.0	28.0	29.0	35.0
Electrical Support	4.0	34.0	4.0	4.0	6.0
Wastewater Treatment/Collection Maint	34.0	8.0	34.0	35.0	35.0
Plant Maintenance	8.0	11.0	8.0	7.0	7.0
Water & Wastewater Quality Control	-	-	-	-	-

CITY OF MIRAMAR, FLORIDA
SCHEDULE 14 - FULL TIME EQUIVALENT GOVERNMENT EMPLOYEES
LAST TEN FISCAL YEARS

Function/Program	2009	2010	2011	2012	2013
Water Treatment & Supply	-	-	-	-	-
Wastewater Treatment & Disposal	-	-	-	-	-
Water Accountability	-	-	-	-	-
Transmission and Distribution	18.0	7.0	11.0	10.0	10.0
Meters	-	-	7.0	7.0	-
Facilities & Property Management	-	-	-	-	-
Construction & Facilities Management	-	-	-	-	-
Administration	-	-	-	-	-
Development Engineering	-	-	-	-	-
Construction & Facilities Management	-	-	-	-	-
Police Law Enforcement Trust	-	-	-	-	-
Police					
Police officers	189.0	199.0	200.5	199.5	-
Civilians	52.0	56.0	57.0	54.0	-
Community Standards/Code Compliance	-	-	13.0	15.0	15.0
Office of the Chief	13.0	13.0	-	-	14.0
Community Oriented Policing	-	-	-	-	119.5
Specialized Support	-	-	-	-	36.0
Criminal Investigations	-	-	-	-	32.0
Property & Evidence	-	-	-	-	7.0
Strategic Investigations	-	-	-	-	17.0
Support Services	-	-	-	-	28.0
Fire Rescue SAFER Grant	-	-	-	-	-
Fire					
Firefighters	128.0	128.0	126.0	125.0	-
Civilians	32.0	31.0	29.0	25.0	-
Administration	-	-	-	-	8.5
Logistics	-	-	-	-	6.0
Life Safety	-	-	-	-	6.0
Fire Protection	-	-	-	-	70.0
Fire-Rescue Training	-	-	-	-	4.0
Emergency Management	-	-	-	-	6.0
Emergency Medical Services	-	-	-	-	53.0
Total	922	943	943	943	943

Source: Budget Division

CITY OF MIRAMAR, FLORIDA
SCHEDULE 14- FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2014	2015	2016	2017	2018
City Commission	7.5	10.0	10.0	10.0	10.0
Mayor's Office	-	-	-	-	-
City Manager's Office	9.0	10.0	10.0	10.0	10.0
Administration	-	-	-	-	-
Marketing and Public Relations	-	8.0	8.0	10.0	9.0
City Clerk's Office					
Administration	2.2	3.15	3.15	2.2	2.2
Passport Services	1.4	1.35	1.35	1.3	1.3
Municipal Election	0.4	0.5	0.5	0.5	0.5
Finance					
Administration	7.0	3.0	3.0	3.0	3.0
Accounting	31.0	29.0	29.0	29.0	28.5
Reporting and Training	-	2.0	2.0	1.0	1.0
Grants Administration	-	3.0	3.0	3.0	2.5
Utility Billing	9.5	8.5	8.5	8.5	8.5
Procurement	-	-	-	-	-
Budget	6.0	-	-	-	-
Budget & Capital Project	-	4.65	4.65	5.65	5.65
Strategic Planning & Performance Mgmt	-	1.8	1.8	1.8	1.6
Fiscal & Structural Innovation	-	1.55	1.55	1.55	1.80
Procurement					
Procurement Operations	8.0	7.0	7.0	8.0	8.0
Mailroom Operations	2.0	2.0	2.0	2.0	2.0
Human Resources					
Administration	5.5	3.5	3.5	6.5	2.5
HR Operations	6.5	8.5	8.5	7.5	11.5
Retirement Administration	2.0	-	-	-	-
Risk Management	3.0	-	3.0	2.0	2.0
Benefits Administration	-	-	3.0	3.0	3.0
Liability-Risk Management	-	-	-	-	-
Cultural Affairs					
Administration	6.5	4.5	4.5	2.25	2.25
Client Management Services	8.35	4.45	4.45	-	-
Marketing & Sales	2.0	1.0	1.0	1.0	1.3
Education & Gallery	3.5	3.0	3.0	3.25	3.50
Food & Beverage	4.65	1.55	1.55	2.75	2.50
Theatre Production	-	-	-	5.0	4.8
Theatre Facilities	-	-	-	0.75	0.75
Community Development	36.5	-	-	-	-
Administration	-	5.0	5.0	5.0	6.0
Planning and Zoning	-	4.75	4.75	13.0	12.3
Sustainable Planning	-	2.25	2.25	-	-
Geographic Information Systems	-	1.0	1.0	-	-
Building Permits & Inspections	-	24.5	24.5	25.5	25.0
Sister Cities Initiative	-	-	-	-	0.3
Economic Development & Revitalization	12.5	-	-	-	-
Office of Marketing Communication	-	-	-	-	-
Housing and Community Development	-	2.0	2.0	-	-
Business Development	-	2.5	2.5	-	-
Engineering					
Development Management	-	-	-	-	-
Construction Management	-	-	-	-	-

CITY OF MIRAMAR, FLORIDA
SCHEDULE 14 - FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2014	2015	2016	2017	2018
MIS					
Administration	-	3.00	3.00	3.00	3.00
Data Services	7.25	4.00	4.00	5.00	4.00
Network Services	3.75	3.00	3.00	3.00	3.00
Helpdesk	4.95	4.00	4.00	4.00	4.00
Audio Visual Event Management	0.55	-	-	-	-
Cyber Security	-	3.00	3.00	3.00	3.00
Parks & Recreation					
Administration	19.00	15.00	15.00	7.00	7.00
Park Maintenance	4.00	19.00	19.00	19.00	19.00
Recreation					
Special Events	2.50	2.50	2.50	10.50	10.50
Miramar Youth Enrichment Center	11.50	11.50	11.50	12.00	11.50
Athletics	2.00	2.00	2.00	2.00	2.00
Fairway Park					
Sunset Lakes	12.50	11.00	11.00	11.50	10.50
Miramar Regional Park	18.00	18.00	18.00	17.50	17.50
Aquatics	24.00	27.50	27.50	27.50	28.50
Ansin Sports Complex	9.00	7.00	7.00	6.00	8.00
Vizcaya Park	6.00	7.00	7.00	8.00	6.50
Early Childhood					
	35.00	-	-	-	-
Social Services					
Administration	2.00	4.00	4.00	5.00	5.00
Senior Transportation	11.50	-	-	-	-
Senior Services	14.50	17.00	17.00	17.50	19.00
Fairway Childcare	10.00	-	-	-	-
Community Outreach (CDBG)	2.00	-	2.00	2.00	2.00
Adult Daycare Center	-	6.50	6.50	6.50	5.50
Childcare Services	-	43.00	43.00	39.00	39.00
Public Works					
Administration	6.00	4.20	4.20	4.20	3.45
Building Maintenance	15.00	18.00	18.00	19.50	18.50
Field Operations	16.50	-	-	-	-
Streets Repair & Maintenance	18.50	12.00	12.00	9.25	9.25
Landscape Maintenance	-	11.00	11.00	12.25	11.25
Transit Operations	8.00	17.00	17.00	16.40	16.40
Solid Waste Management	6.00	6.00	6.00	5.00	6.25
Fleet Maintenance	10.00	-	14.40	13.50	13.50
Utilities					
Administration	13.00	13.00	14.00	14.00	15.00
Office of Operational Services	11.50	12.50	12.50	12.00	13.00
Storm water Maintenance	13.50	-	13.40	13.40	13.90
Water Treatment/Quality Control	-	-	-	-	-
Electrical Instrumentation & Control	6.00	5.00	5.00	5.00	5.00
Wastewater Collection Maint	22.00	26.00	25.00	25.00	25.00
Plant Maintenance	8.00	7.00	7.00	7.00	7.00
Water & Wastewater Quality Control	7.00	7.00	7.00	7.00	7.00

CITY OF MIRAMAR, FLORIDA
SCHEDULE 14 -FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY PROGRAM/FUNCTION (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2014	2015	2016	2017	2018
Water Treatment & Supply	23.0	23.0	23.0	23.0	23.0
Wastewater Treatment & Disposal	14.0	14.0	14.0	14.0	14.0
Water Accountability	7.0	9.0	9.0	8.0	8.0
Transmission and Distribution	10.0	10.0	10.0	11.0	10.0
Meters	-	-	-	-	-
Facilities & Property Management	4.0	-	-	-	-
Construction & Facilities Management	-	-	-	-	-
Administration	-	5.5	5.5	6.5	5.5
Development Engineering	6.0	7.0	7.0	7.0	7.0
Construction & Facilities Management	12.0	8.0	8.0	5.0	5.0
Police Law Enforcement Trust	1.0	-	-	-	-
Police					
Police officers	-	-	-	-	-
Civilians	-	-	-	-	-
Community Standards/Code Compliance	15.0	15.0	15.0	15.0	15.0
Office of the Chief	13.0	10.0	10.0	11.0	16.0
Community Oriented Policing	123.5	138.5	138.5	146.0	148.0
Specialized Support	37.0	31.0	31.0	30.0	34.0
Criminal Investigations	30.0	31.0	31.0	32.0	30.0
Property & Evidence	7.0	8.0	8.0	8.0	8.0
Strategic Investigations	18.0	21.0	21.0	23.0	18.0
Support Services	27.0	29.0	29.0	30.5	28.5
Fire Rescue SAFER Grant	12.0	-	-	-	-
Fire					
Firefighters	-	-	-	-	-
Civilians	-	-	-	-	-
Administration	7.25	9.0	9.0	10.0	10.0
Logistics	6.0	6.0	6.0	6.0	6.0
Life Safety	5.75	7.0	7.0	7.0	7.0
Fire Protection	60.0	64.0	64.0	70.5	70.5
Fire-Rescue Training	4.0	3.5	3.5	3.0	3.0
Emergency Management	3.0	2.5	2.5	4.0	4.0
Emergency Medical Services	55.0	59.0	59.0	65.5	65.5
Total	1036.5	1021.7	1057.5	1083.5	1082.0
	1036.5	1021.7	1057.5	1083.5	1082.0

Source: Budget Division

CITY OF MIRAMAR, FLORIDA
SCHEDULE 15 - OPERATING INDICATORS BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Occupational licenses issued	2,458	2,559	2,452	2,334	2,479	2,375	2,405	2,763	2,824	3,039
New accounts occupational licenses	472	369	287	293	236	267	267	545	468	468
Number of passports processed	1,400	1,419	1,440	1,885	1,696	1,585	2,176	3,082	2,514	2,747
Public safety										
Police:										
Calls for service	75,893	76,055	76,140	76,056	78,295	72,305	74,606	77,517	88,233	85,930
Physical arrests	2,774	2,947	2,838	2,680	2,408	2,087	2,288	2,352	2,054	1,895
Parking violations	1,503	1,733	1,759	1,347	718	756	679	620	873	723
Traffic violations	22,322	22,147	21,665	17,869	18,883	20,370	11,967	11,944	12,292	12,271
Fire:										
Calls for service	10,939	10,602	10,308	10,465	10,916	11,475	11,298	13,977	12,145	12,645
Unit Responses (2)	-	-	16,710	17,328	16,492	19,623	20,442	22,338	20,956	20,268
Inspections	2,308	2,688	3,086	2,640	3,040	4,306	4,690	10,434	6,735	5,654
Number of fire alarms	1,025	775	684	896	432	1,327	3,098	940	756	1,353
Community development										
Residential permits issued	3,035	3,654	3,631	3,769	5,189	5,764	4,329	4,182	4,413	5,248
Commercial permits issued	1,745	1,411	1,285	1,222	1,271	1,547	1,448	1,226	1,565	1,489
Miscellaneous permits issued	379	436	437	933	586	145	444	333	275	1,077
Culture and recreation										
Athletic programs	4	8	23	40	36	33	35	35	35	37
Athletic program participants	4,050	4,930	8,200	13,400	21,000	15,500	15,550	19,248	20,210	20,313
Facility rentals	95	80	650	163	700	652	687	1,064	1,229	1,612
Recreation program	39	40	34	26	36	24	26	26	26	26
Recreation program participants (1)	-	-	-	1,160	2,955	3,200	3,250	3,330	3,255	5,290
Summer camp participants	324	270	270	210	190	200	200	200	226	445
Water										
Meters installed	139	68	157	51	204	243	164	89	66	27
Total City meters	32,762	32,832	33,009	33,045	33,364	33,618	33,790	33,908	34,025	34,058
Water main breaks	24	44	15	16	11	5	3	10	27	20
Average daily consumption (millions of gallons)	10	11	11	12	13	14	13	13	12	16

(1) Information for fiscal years ended September 30, 2009 through 2011 is unavailable.

(2) Information for fiscal years ended September 30, 2009 through 2010 is unavailable.

Source: City Departments

CITY OF MIRAMAR, FLORIDA
SCHEDULE 16 - CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS (1)

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government										
High schools	2	2	2	2	2	2	2	2	2	2
Middle schools	3	3	3	3	3	3	3	3	3	3
Elementary schools	11	11	11	11	11	11	11	11	11	11
Special education programs	1	1	1	1	1	1	1	1	1	1
Public safety										
Police:										
Police officers	198	199	199	199	202	205	205	211	216	217
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units and motorcycle units	116	117	117	117	177	180	180	133	148	148
Fire:										
Firefighters	128	126	125	125	138	140	138	138	151	151
Fire civilians	31	29	22	22	12	13	13	13	15	15
Stations	4	4	4	4	5	5	5	5	5	5
Trucks	7	7	7	7	8	8	8	8	8	10
ALS Rescue Units	8	8	8	8	8	8	8	8	8	9
Streets										
Streets (miles)	402	394	394	396	401	402	402	410	408	408
Streetlights	3,701	3,704	3,728	3,728	3,736	3,736	3,736	4,332	4,332	4,332
Culture and recreation										
Baseball/softball diamonds	16	16	16	16	9	11	11	11	11	11
Basketball courts	20	20	20	21	14	22	22	22	22	21
Community centers	6	6	6	8	4	4	4	4	4	4
Libraries	1	1	1	1	1	1	1	1	1	1
Parks	47	40	40	40	41	40	40	45	45	42
Parks acreage	705	577	577	385	405	405	405	405	405	458
Pavilions	17	17	17	19	21	21	21	23	24	24
Playgrounds	20	21	21	22	23	23	23	23	24	25
Soccer/football fields	16	16	16	17	18	18	18	18	19	21
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	34	34	34	30	24	29	29	29	29	29
Water										
Water plants	2	2	2	2	2	2	2	2	2	2
Water mains (miles)	404	410	420	423	428	442	455	457	457	457
Water well sites	15	15	15	15	15	15	15	15	15	15
Water storage tanks	4	4	4	4	4	4	4	4	4	4
Fire hydrants	4,101	4,246	4,292	4,297	4,396	4,432	4,522	4,538	4,541	4,522
Storage capacity (thousands of gallons)	10	10	10	10	10	10	10	10	10	10
Wastewater										
Wastewater treatment plant	1	1	1	1	1	1	1	1	1	1
Sanitary sewers (miles)	248	251	253	254	261	261	262	263	263	263
Forcemain sewers (miles)	81	81	81	81	81	80	80	81	82	81
Sewer manholes	6,163	6,316	6,342	6,369	6,536	6,534	6,570	6,736	6,739	6,604
Booster stations	1	1	1	1	1	1	1	1	1	1
City lakes and canals (acres)	73	73	73	73	102	102	102	102	102	102
Treatment capacity (thousands of gallons)	10	10	10	10	13	13	13	13	10	10

Source: City Departments

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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 and Members of the City Commission
City of Miramar, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Miramar, Florida (the "City"), as of and for the fiscal 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 (DATE). Our report includes reference to other auditors who audited the financial statements of the Pension Trust Funds for the General Employees', Police Officers', Firefighters', and Management Retirement Plans, as described in our report on the City's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those other auditors.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
(DATE)

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

Honorable Mayor and Members of the City Commission
City of Miramar, Florida

Report on Compliance for Each Major Federal Program and State Financial Assistance Project

We have audited the City of Miramar, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2018. The City's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs and state financial assistance.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General of the State of Florida. Those standards, Uniform Guidance and Chapter 10.550, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program and State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2018.

Report on Internal Control over Compliance

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

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

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

Purpose of this Report

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

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
(DATE)

CITY OF MIRAMAR, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

Federal Agency/Pass-Through Entity/Program Title	CFDA Number	Grant / Contract Number	Expenditures
U.S. Department of Health and Human Services			
Pass-Through State of Florida Department of Elder Affairs			
Pass-Through Areawide Council on Aging of Broward County, Inc.			
Special Program for the Aging, Title III, Part B, Part D & Part E			
Area Agency on Aging	93.043	JA117-05-2017	\$ 10,268
Area Agency on Aging	93.043	JA118-05-2018	26,488
			<u>36,756</u>
Area Agency on Aging	93.044	JA117-05-2017	124,798
Area Agency on Aging	93.044	JA118-05-2018	394,973
			<u>519,771</u>
Area Agency on Aging	93.052	JA117-05-2017	4,120
Area Agency on Aging	93.052	JA118-05-2018	23,162
			<u>27,282</u>
Low Income Home Energy Assistance 2017-2018	93.568	JP117-05-2018	24,467
			<u>24,467</u>
			<u>608,276</u>
Total U.S. Department of Health and Human Services			
U.S. Department of Homeland Security			
Pass-Through Florida Division of Emergency Management			
Pass-through City of Miami, Florida			
Urban Areas Security Initiative (UASI)	97.067	17-DS-V9-11-23-02-346	112,818
Subtotal indirect programs			<u>112,818</u>
Pass-through Volunteer Florida			
Emergency Management Performance Grant	97.042	03-551-4293	6,203
Subtotal indirect programs			<u>6,203</u>
Total U.S. Department of Homeland Security			<u>119,021</u>
U.S. Department of Housing and Urban Development			
Community Development Block Grant	14.218	B13MC120047	78,545
Community Development Block Grant	14.218	B15MC120047	19,474
Community Development Block Grant	14.218	B16MC120047	541,893
Community Development Block Grant	14.218	B17MC120047	304,842
Neighborhood Stabilization Program	14.218	B08MN120018	207,028
Subtotal direct programs			<u>1,151,782</u>
Pass-Through Broward County			
HOME Investment Partnerships Program	14.239	ILA 2015-2016	22,873
HOME Investment Partnerships Program	14.239	16-HFCD-174-HOME	113,756
Subtotal indirect programs			<u>136,629</u>
Total U.S. Department of Housing and Urban Development			<u>1,288,411</u>
U.S. Department of Justice			
Pass-Through Office of the Attorney General			
Victims of Crime Act 2017-2018	16.575	VOCA-2017-City of Miramar-00078	51,977
Subtotal indirect programs			<u>51,977</u>
Pass-Through Broward County Sheriff's Office			
Edward Byrne Memorial Justice Assistance Grant	16.738	2015-DJ-BX-1021	4,622
Edward Byrne Memorial Justice Assistance Grant	16.738	2016-DJ-BX-0574	34,240
Subtotal indirect programs			<u>38,862</u>
Total U.S. Department of Justice			<u>90,839</u>
U.S. Environmental Protection Agency			
Pass-Through Florida Department of Environmental Protection			
Clean Water SRF - Wastewater	66.458	WW060801	2,026,707
Clean Water SRF - Stormwater	66.458	WW060801	2,177,873
			<u>4,204,580</u>
Drinking Water SRF	66.468	DW060820	14,000,748
			<u>14,000,748</u>
Total U.S. Environmental Protection Agency			<u>18,205,328</u>
National Endowment for the Arts			
Promotions of the Arts - Local Arts Agencies	45.024	17-6200-7043	40,000
Total National Endowment for the Arts			<u>40,000</u>
Federal Emergency Management Agency			
Pass-Through Florida Division of Emergency Management			
Disaster Grants - Public Assistance- Hurricane Matthew	97.036	17-PA-US-11-16-01-015	226,980
Total Federal Emergency Management Agency			<u>226,980</u>
Total Expenditures of Federal Awards			<u>\$ 20,578,855</u>

See notes to schedule of expenditures of federal awards

CITY OF MIRAMAR, FLORIDA

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2018

State Agency/Pass-Through Entity/State Project	CSFA Number	Grant/Contract Number	Expenditures
Florida Housing Finance Corporation			
State Housing Initiatives Partnership Program 2015-2016	40.901	NA	\$ 120,845
State Housing Initiatives Partnership Program 2016-2017	40.901	NA	276,765
State Housing Initiatives Partnership Program 2017-2018	40.901	NA	103,357
State Housing Initiatives Partnership Program 2018-2019	40.901	NA	4,770
Total Florida Housing Finance Corporation			505,737
State of Florida Department of Elder Affairs			
Pass-Through Areawide Council on Aging of Broward County, Inc.			
Local Services Program 2017-2018	65.009	JL117-05-2018	109,189
Local Services Program 2018-2019	65.009	JL118-05-2019	38,905
Total State of Florida Department of Elder Affairs			148,094
State of Florida Department of Environmental Protection			
Florida Recreation Development Assistance Program (FRDAP)	37.017	U7008	110,000
Wastewater Collection & Stormwater	37.077	SW060840	27,122
Total State of Florida Department of Environmental Protection			137,122
State of Florida Department of State			
General Program Support	45.061	18.c.ps.180.596	43,852
Total State of Florida Department of State			43,852
State of Florida Department of Health			
Emergency Medical Services (EMS) Matching Grant	64.003	M5014	41,802
Total State of Florida Department of Health			41,802
State of Florida Department of Transportation			
Pass-Through Broward County			
County Incentive Grant Program(CIGP) - Pembroke Road Widening	55.008	N/A	377,726
Total State of Florida Department of Transportation			377,726
State of Florida Department of Financial Services			
Local Government Fire Services Grant	43.007	FM392	750,000
Total State of Florida Department of Financial Services			750,000
Total State Financial Assistance			\$ 2,004,333

Notes:

N/A - not available or not applicable.

CITY OF MIRAMAR, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the federal and state grant activity of the City of Miramar for the fiscal year ended September 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the City of Miramar, it's not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City of Miramar.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for grants which are accounted for in the governmental fund types and on the accrual basis of accounting for grants which are accounted for in the proprietary fund types. Such expenditures are recognized following the cost principles contained in the Rules of the Department of Financial Services of the State of Florida and Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 - CONTINGENCY

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

NOTE 4 - INDIRECT COST RECOVERY

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF MIRAMAR, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: *Unmodified Opinion*
 Internal control over financial reporting:
 Material weakness(es) identified? ___ yes X no

Significant deficiencies identified not considered to be
 Material weakness? ___ yes X None reported

Non-compliance material to financial statements noted? ___ yes X no

Federal Awards Programs and State Financial Assistance

Internal control over major federal awards programs and state financial
 assistance:
 Material weakness(es) identified? ___ yes X no

Significant deficiencies identified not considered to be
 Material weakness? ___ yes X None reported

Type of auditors' report issued on compliance for major federal awards
 programs and state financial assistance: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance
 with CFR 200.516(a) or Chapter 10.557, Rules of the Auditor General?
___ yes X no

Identification of major programs:

<u>Federal CFDA No.</u>	<u>Federal Awards Program</u>
66.458	Capitalization Grants for Clean Water State Revolving Funds
66.468	Capitalization Grants for Drinking Water State Revolving Funds

<u>State CFSA No.</u>	<u>State Financial Assistance</u>
43.007	Local Government Fire Services Grants
55.008	County Incentive Grant Program

Dollar threshold used to distinguish between Type A
 and Type B programs: Federal \$750,000
 State \$300,000

Auditee qualified as low risk auditee for audit of federal
 awards programs? yes X no

CITY OF MIRAMAR, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS AND STATUS

None.

II. PRIOR YEAR FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

III. PRIOR YEAR RECOMMENDATION AND STATUS

None.

DRAFT



**MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES
OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

Honorable Mayor and Members of the City Commission
City of Miramar, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Miramar (the "City"), as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated (DATE).

Auditors' Responsibility

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

Other Reporting Requests

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Financial Assistance Project, and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated (DATE), 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 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. This information is disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to we 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. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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 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 awarding agencies, the Mayor, Members of the City Commission and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
(DATE)



CABALLERO FIERMAN
LLERENA + GARCIA LLP
accountants | advisors

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION
218.415 FLORIDA STATUTES**

Honorable Mayor and Members of the City Commission
City of Miramar, Florida

We have examined City of Miramar, Florida, (the "City") compliance with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2017 to September 30, 2018. Management of the City is responsible for The City's compliance with those specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

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 requirements of Section 218.415 Florida Statutes during the period of October 1, 2017 to September 30, 2018.

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

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
(DATE)