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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

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Fiscal Year Ended September 30, 2015

**COMPREHENSIVE  
ANNUAL FINANCIAL  
REPORT  
of the  
CITY OF SUNRISE,  
FLORIDA**

**Fiscal Year Ended  
September 30, 2015**



**prepared by the  
Finance and Administrative Services Department**

*Section I*  
*City of Sunrise, Florida*  
*Introductory Section*

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

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March 14, 2016

To the Honorable Mayor and Members of the City Commission:

We are pleased to present the City of Sunrise's (the City) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2015. State law requires that all general-purpose local governments publish a complete set of financial statements within nine months of the close of each fiscal year. The financial statements included in this report conform to generally accepted accounting principles (GAAP) and are audited by a firm of licensed certified public accountants 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.

This report consists of management's representations concerning the finances of the City. Responsibility for both the reliability of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Marcum LLP, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit and the reports of other auditors, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2015, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader federal and state mandated "Single Audit" designed to meet the special needs of the federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report on the fair presentation of the financial statements and on the audited government's internal controls over financial reporting and compliance and other matters.

GAAP requires that management provide a narrative introduction overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## **City Profile**

The City of Sunrise, incorporated in 1961, is located in southeastern Florida in Broward County. The City encompasses an area of approximately 18 square miles with a population of almost 90,000, making Sunrise the 26<sup>th</sup> largest city in Florida. The City is convenient to three international airports and three deep-water ports, and hosts more than 30 million visitors each year.

The City has operated under a City Commission/City Manager form of government since 1989. The City Commission is comprised of the Mayor, Deputy Mayor, Assistant Deputy Mayor, and two Commissioners, who enact laws, determine policies and adopt the annual budget. The City Commission appoints the charter officers, which include the City Manager, City Clerk, City Attorney and Chief of Police. The City Manager is responsible for carrying out the policies of the City Commission and for overseeing the daily management of the City. The City Manager appoints the heads of the various departments.

The City provides a full range of services including police and fire protection, emergency medical service, water, wastewater and gas services, sanitation and recycling services, stormwater services, recreational and cultural activities/events, construction and maintenance of streets and other infrastructure and general administrative services. Internal services of the City, accounted for on a cost reimbursement basis, include workers' compensation insurance, fleet management, information technology and communications services, and self-funded health insurance. The City is financially accountable for one legally separate special recreation district, one special improvement district and one special tax district, all of which are included as an integral part of the City's CAFR. Additional information on legally separate entities can be found in the notes to the financial statements (See Note I.A.).

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the City Manager. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents the proposed budget to the City Commission on or before August 1<sup>st</sup> of each year. The City Commission is required to hold public hearings on the proposed budget and to adopt a final budget by September 30<sup>th</sup> of each year. The appropriated budget is prepared by fund, function (e.g. Public Safety), and department (e.g. Police). The City Manager is authorized to transfer appropriations within a department, office or agency; however, any other revisions require approval of the City Commission. Program based budgeting has been implemented for General Fund departments and all funds to help the reader understand the true cost of various programs.

Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated annual budget has been adopted.

## **Economic Outlook and Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the environment within which the City operates.

### **Local Economy**

The City of Sunrise, situated in the heart of the tri-county region (Miami-Dade, Broward and Palm Beach), is well diversified and continues to be a prime location for corporate headquarters and major office operations. The City continues to be a leader in the region for the attraction of new corporate investment, job growth and business expansion. The City offers developers and business owners superior access to a lucrative customer base. As the region's population base continues to shift north and west, the Sawgrass area of Sunrise has become the population center of the tri-county area. As such, the City is uniquely situated to offer a large pool of prospective employees and customers to many multi-national corporations, regional corporate offices and headquarters for leading domestic and international corporations.

The City of Sunrise is home to a diversified group of businesses, including corporate offices, financial services, research and development companies, the largest outlet mall in the United States - Sawgrass Mills and the 20,000 seat BB&T Center, one of the finest arenas in the country and home to the National Hockey League's Florida Panthers. A strong endorsement of the City's business appeal is that corporations, hotels, restaurants, office parks and attractions already located in our community continue to expand and invest in the area.

Strong interest from the hotel development community continues as demand for corporate lodging and tourism in Sunrise has been on the rise. The City is home to Broward County's highest rate of hotel occupancy for the third year in a row. As demand for quality office, industrial, manufacturing and hospitality projects in South Florida increases, Sunrise is poised to become even more desirable to investors, residents and visitors in 2016 and beyond.

The multifamily housing market is the strongest sector for new development. *Portico*, a 417 unit luxury rental development directly across from Metropica, is just a few months away from getting a certificate of completion. *Sawgrass Village*, a 325 unit rental complex by AMLI, was completed and opened in late 2015. Minto is finishing the build-out process at *Artesia*, while other multi-family and townhome projects are currently evaluating several in-fill sites and are expected to announce plans for new development in 2016.

The City's four major industrial parks consist of Sawgrass International Corporate Park with 612 acres, Sunrise Commerce Center with 550 acres, Broward Lakes Business Center with 120 acres and Sawgrass Technology Park with 100 acres. The Sawgrass International Corporate Park is the most significant of these, ranking as the largest corporate office park in South Florida and one of the largest in the State of Florida. The culmination of businesses relocating and expanding in Sunrise resulted in the absorption of nearly 150,000 square feet of existing office space in 2015. The City's office market vacancy rate now sits below 10% for the first time in a decade and commercial industrial space fell below 8% in 2015. This low rate will usher in a new round of development throughout the City.

Fiscal year 2015 marked yet another impressive year for Sunrise in terms of economic development activity. The City continues to be a job growth leader in South Florida, ranking among the top municipalities in job creation and new employment opportunities for our

residents. The City issued 697 new business licenses and 4,291 renewals. The Community Development Department processed 7,313 building permits with a construction value of nearly \$400 million.

Some of the more notable activities in 2015 included:

*Qatar Airways* is establishing their U.S. Administrative Offices and National Reservation Center with over 40,000 square feet of office space and 78 new jobs; *Sunera Cyber Systems* is expanding their office footprint by 2,000 square feet and adding 32 new jobs; *ProcessMap Engineering* expanded their office to 18,000 square feet and will increase their Sunrise employee count from 50 to 94; *HBO Latin America* began development on their new, 50,000 square foot, \$40 million production facility and will add 45 new jobs in our community as a result of the expansion; *AirCost Control*, an avionics company from France, licensed by the Federal Aviation Administration recently signed a lease for 40,000 square feet of manufacturing & distributing space that will employ 30; and *Huron Machine Products* relocated their headquarters and manufacturing plant from Fort Lauderdale to an 11,000 square foot building in the Sunrise Industrial Park.

Fiscal year 2015 was also the year of the much anticipated commencement of *Metropica*, a billion dollar mixed-use project that has received international attention. The master plan was adopted and the ground breaking ceremony was held in November 2015. Nearly 50% of the first residential condo tower is sold out. This commercial, office, retail and multi-family project will be responsible for generating over 5,000 jobs and will be a significant economic component of the City. In 2015, *Metropica* announced retail and entertainment tenants to include:

*True Food Kitchen*, opening its first Florida location, is a nationally acclaimed restaurant providing an organic dining experience; *Shake Shack*, a trendy uptown bistro out of New York opening its first location in Broward County; *Salsa Fiesta*, the popular casual chain bringing a flavorful Mexican fare; *Oil and Vinegar*, a global sensation and tasteful culinary shop known for offering a unique variety of cooking oils; *Anthropologie*, opening its first store in Broward County, known for its curated mix of clothing, accessories, gifts and home décor; *Free People*, a lifestyle brand offering the latest trends in bohemian fashions from apparel and accessories, to home and beauty; *Kendra Scott*, opening her first store in Broward County, offers a unique, colorful and inspired brand of jewelry; *iPic*, the ultimate in luxury cinematic experience, combines the latest digital technology, premium sound systems and oversized seating with chef-driven gourmet menus and an assortment of cocktails, beer and wine; and *Kings Bowl*, a unique dining and entertainment experience combining bowling, billiards and a diverse gourmet menu, all in a nostalgic setting.

Sawgrass Mills Mall, a 2.7 million square foot shopping mall and entertainment complex located in the City, is second only to Walt Disney World as a tourist attraction in Florida. With the most amount of leasable retail space under one roof, Sawgrass Mills is the largest value priced mall in the United States. The success of Sawgrass Mills continued in 2015 with the mall opening additional retail space at the Colonnades. Known as the luxury shopping area of Sawgrass Mills Mall, the Colonnades is currently undergoing an expansion that will add 80,000 square feet of retail space and two upscale restaurants. One of them, *Matchbox*, will be an American pizza bistro that's set to open in early 2016. New retailers include: *Marc Jacobs*, *Rag & Bone*, *CH Carolina Herrera*, *Helmut Lang*, *John Varvatos Outlet*, *Tod's*, *Alexis Bittar*, *Ted Baker London*, and *Vince*.

In June 2015, Sawgrass Mills announced that it was planning to add 118,000 square feet of retail & dining space in an open-air expansion, which is tentatively being called Town Center, and will feature 25 full-price retail stores, four new restaurants, and a parking deck with 2,000 spaces. Simon Property Group, owner of Sawgrass Mills Mall, is targeting a late 2018 completion date for the retail and dining, while the new parking garage is expected to be completed by mid-2016.

### **Long-term Financial Planning**

The City maintains a general fund revenue stabilization account with a funding level of five percent (5%) of last known audited actual operating expenditures to mitigate impacts of future general fund revenue shortfalls. Additionally, a contingency reserve account with a funding level of three times that of the revenue stabilization account was created to provide funding for disasters, emergencies, or other exigent circumstances. These measures are intended to buffer unforeseen economic changes.

The City completed the sale of \$70,120,000 of Taxable Special Assessment Bonds in March 2015 and the sale of \$37,630,000 of General Obligation Bonds in April 2015. The Special Assessment Bonds were issued for the benefit of Simon Property Group to fund construction of the two public parking garage structures previously referenced. The City bears no responsibility for repayment of the bonds. The General Obligation Bonds were issued to fund various parks, recreation and leisure projects within the City.

### **Major Initiatives**

Park projects include:

- § The construction of Veterans Park at Nob Hill Road and NW 55<sup>th</sup> Street will have parking, restroom facilities, walking trails, playgrounds and an amphitheater.
- § The Shotgun Road Linear Park is slated for improvements to the trail, exercise stations, benches and trash receptacles.

Utility projects include:

- § The Sawgrass 4MGD Reuse Treatment Plant Expansion is required as a condition of the City's wastewater operating permits. The project will provide for up to 4 million gallons per day treatment and 2 million gallons per day distribution with deep bed sand filtration and high level disinfection.
- § The Springtree Industrial Injection Wells Flow Delivery System Project includes construction of a new injection well, pump, and motor for disposal of treated wastewater from the City's new Reverse Osmosis Water Treatment Plant.
- § Springtree Thickening Reliability Improvements and Anaerobic Digestion Project replaces pumps, piping and valves in the gravity belt thickener and the digester.
- § Southwest Water Treatment Plant Improvements and installation of an ion exchange process to eliminate volatile organic chemicals (VOCs).
- § Springtree Water Treatment Plant Rehabilitation includes improvements to restore and renew treatment processes at the Springtree Water Plant.
- § Water Main Replacements at Escape, Valencia, along NW 44<sup>th</sup> Street and Pine Island Road will improve the existing infrastructure and provide additional capacity.

The City hosts many community and regional events, including festivals, concerts and sporting events. In support of the City's commitment to enhancing the quality of life for its residents and attracting visitors and tourism, Sunrise hosted the Fort Lauderdale Film Festival for the fifth consecutive year. The festival attracts film enthusiasts, directors, producers, writers and actors to the City.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sunrise, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2014. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. 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. We believe that our current comprehensive annual financial report 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.

The preparation of this report was made possible by the efficient and dedicated service of the Finance and Administrative Services Department staff. Sincere appreciation is expressed for the contributions made by all individuals in the preparation of this report. Credit also must be given to the City Commission for their commitment to prudent fiscal management practices that emphasize long-term financial stability.

Respectfully submitted,

A handwritten signature in blue ink that reads "Wendy Dunbar". The signature is written in a cursive, flowing style.

Wendy Dunbar, CPA  
Director of Finance and Administrative Services



Government Finance Officers Association

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

Presented to

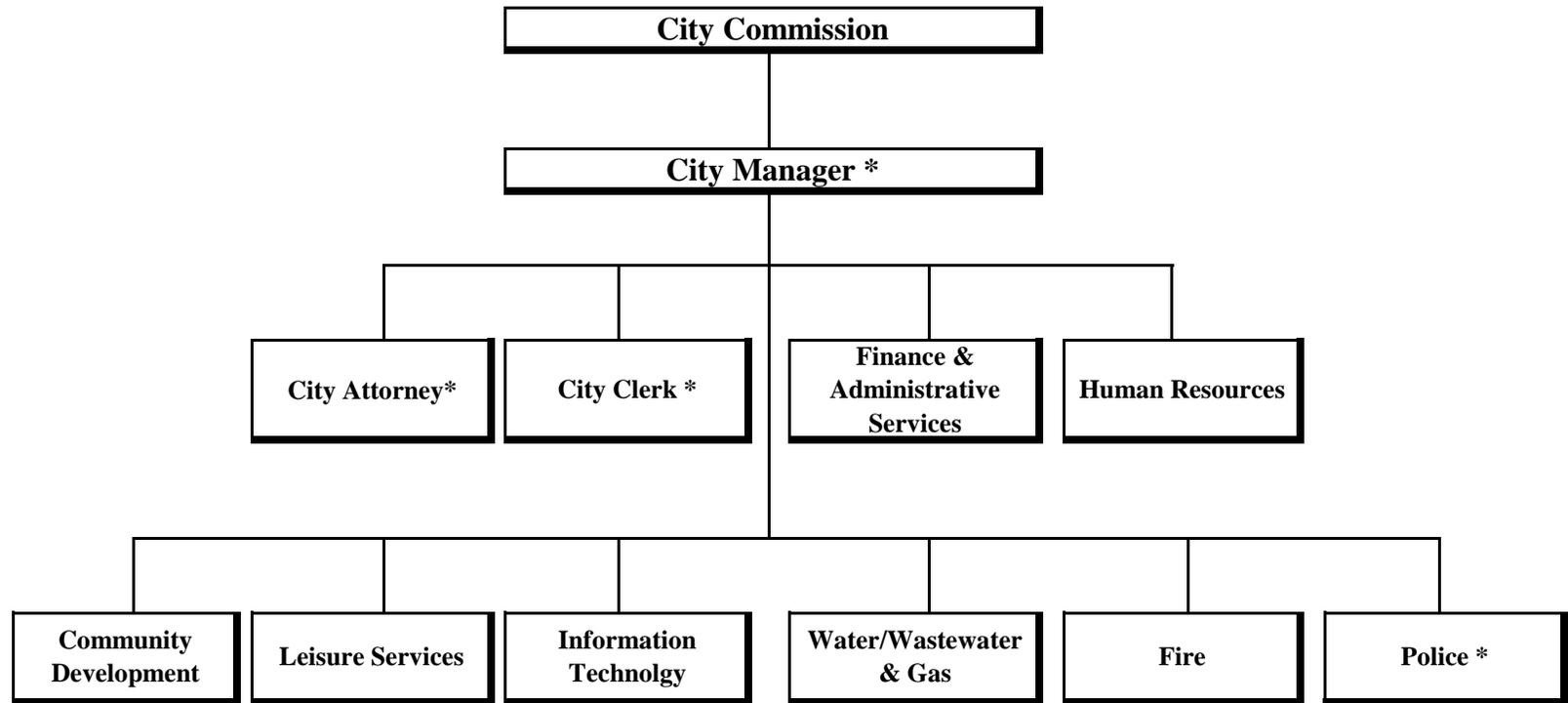
**City of Sunrise  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2014**

Executive Director/CEO

**City of Sunrise  
Departmental Organizational Chart  
Fiscal Year 2014/2015**



\* Charter Officer

**City of Sunrise, Florida  
List of City Officials  
September 30, 2015**

**Elected Officials**

**Mayor  
Deputy Mayor  
Assistant Deputy Mayor  
Commissioner  
Commissioner**

**Michael J. Ryan  
Donald K. Rosen  
Joseph A. Scutto  
Neil C. Kerch  
Lawrence A. Sofield**

**Principal Officials**

**Manager  
Attorney  
Clerk  
Director of Finance & Administrative Svcs  
Acting Director of Leisure Services  
Director of Information Technology  
Director of Human Resources  
Director of Community Development  
Director of Utilities  
Fire Chief  
Police Chief**

**Richard Salamon  
Kimberly A. Kisslan  
Felicia Bravo  
Wendy Dunbar  
Rosemarie Marco  
Laurie Gagner  
Carla Gomez  
Shannon Ley  
Tim Welch  
Thomas DiBernardo  
John E. Brooks**

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## INDEPENDENT AUDITORS' REPORT

Honorable Mayor, City Commission and City Manager  
**City of Sunrise, Florida**

### *Report on the Financial Statements*

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

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

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

### *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, which represent 72%, 75% and 41%, respectively, of the assets, net position/fund balance and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Funds is 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal control relevant to the 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 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, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

As discussed in Note 1B to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*. 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 on pages 15 through 25, the Schedules of Changes in the City's Net Pension Liability and Related Ratios, the Schedules of Funding Progress and the Schedules of Employer Contributions on pages 84 through 88 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.

### *Supplementary and 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 combining and individual fund statements and schedules and the schedule of expenditures of federal awards and state financial assistance, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.550, Rules of the Auditor General of the State of Florida, and Other Information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules and the schedule of expenditures of federal awards and state financial assistance is the responsibility of management and was derived from and relates 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 by us and the other auditors. In our opinion, based on our audit, the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards and state financial assistance is 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 it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Marcum LLP*

Fort Lauderdale, FL  
March 14, 2016

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS** **(unaudited)**

The following discussion and analysis of the City of Sunrise's financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2015. Please read it in conjunction with the letter of transmittal which can be found on pages 1-6 of this report and the City's financial statements, which follow this section.

### **FINANCIAL HIGHLIGHTS**

#### **Government-wide**

- The City's total net position, on a government-wide basis, totaled \$561,793,152 at September 30, 2015, an increase of 19.4% from the restated net position at September 30, 2014.
- The City implemented Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, during the current fiscal year. Net pension liability, deferred outflows and inflows of resources, pension expense and information about the fiduciary net position, including additions and deductions to fiduciary net position have been determined and reported. Implementation of this statement has resulted in a restatement of the fiscal year 2014 government-wide and proprietary fund net position.

#### **Governmental Activities**

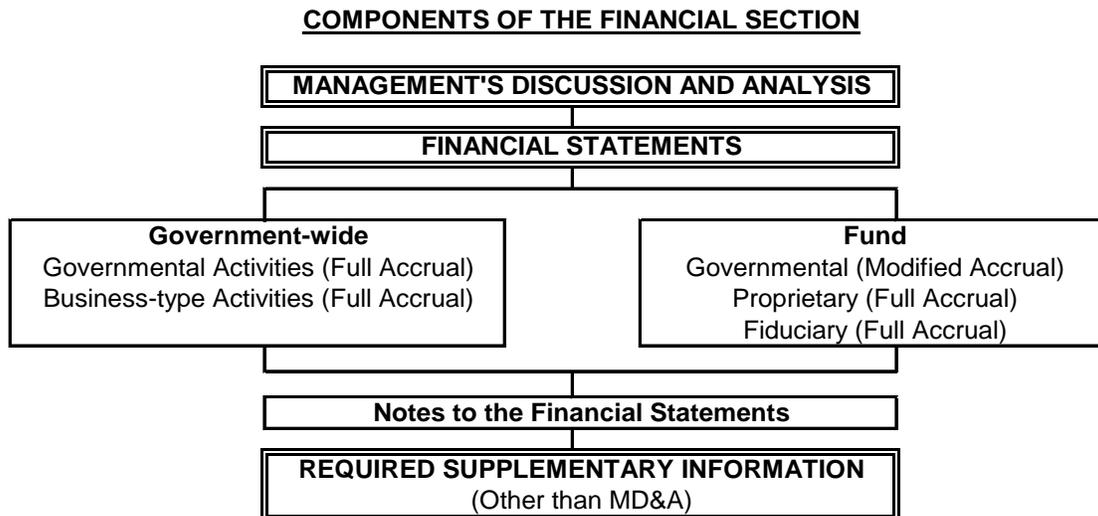
- On a government-wide basis for governmental activities, the City's general revenues of \$70,916,417 were \$59,184,138 more than the \$11,732,279 of expenses net of program revenue. Additionally, general revenues were \$6,481,960 more than the prior year representing an increase of 10.1%.
- As of September 30, 2015, the City's governmental activities reported a total ending net position of \$202,527,317. Unrestricted net position has a negative amount of \$59,704,740 due to the deferred outflows, deferred inflows and the full net pension liability now being included as required by GASB 68 reporting requirements.

#### **General Fund**

- At the end of the current fiscal year, fund balance for the general fund was \$63,214,613. Of this balance, \$215,061 for inventories, prepaid items and advances was nonspendable; \$29,072,446 was committed for revenue stabilization, contingency, economic and job growth, and reforestation replacement; and \$426,655 was assigned for encumbrances. The balance of \$33,500,451 was unassigned and available for new spending.
- At the end of the fiscal year, the unassigned fund balance was \$33,500,451 or 29.7% of general fund revenues and 31.8% of general fund expenditures.
- General fund revenues and other financing sources decreased by \$5,995,546, a decrease of 4.8% from fiscal year 2014 due to building fee revenues being recognized in the new Building Fees special revenue fund.
- General fund expenditures and other financing uses increased by \$16,227,661, or 14.9% more than last fiscal year primarily due to the transfer of \$9,292,889 in restricted building fees to the Building Fees special revenue fund and the transfer of \$4,711,540 to the I.T. and Communications internal service fund.

## USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

The City's basic financial statements are presented within the financial section of this Comprehensive Annual Financial Report (CAFR). As illustrated in the following chart, the financial section has three components: management's discussion and analysis (this section), the basic financial statements and required supplementary information.



### GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements, the Statement of Net Position and the Statement of Activities, report information about the City as a whole using accounting methods similar to those used by private-sector companies; they provide both long-term and short-term information about the City's overall financial status. The Statement of Net Position presents financial and capital resources of the City. It includes all of the City's assets, liabilities and deferred inflows/outflows of resources reported using the full accrual basis of accounting. The Statement of Activities accounts for all of the current year's revenues and expenses, regardless of when cash is received or paid.

The government-wide financial statements report the City's net position and the changes in net position. The City's net position - the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources - are one way to measure the financial health, or financial position, of the City. Over time, increases or decreases in net position is an indicator of whether the financial position of the City is improving or deteriorating. However, in order to assess the overall health of the City, other non-financial factors such as changes in the City's property tax base and condition of the infrastructure must be considered.

The City's government-wide financial statements are divided into two categories:

**Governmental activities** – Most of the City's basic services are reported here, such as police, fire and other public safety services, culture and recreation, transportation and general administration. Property, utility service and sales taxes, charges for services, franchise fees, and state and federal grants finance most of these activities. Three other legal entities for which the City is financially accountable - Special Recreation District Phase I, Special Tax District No. 1 and Metropica Improvement District - are blended component units of the City. Metropica Improvement District does not have any financial activity to date.

**Business-type activities** – The City’s water, wastewater and gas, sanitation, recycling, stormwater and golf course operations are reported here. Fees are charged to customers to recover all or a significant portion of the costs of providing these services.

## **FUND FINANCIAL STATEMENTS**

The fund financial statements provide more information about the City’s most significant funds on an individual basis. The fund financial statements focus on reporting the City’s operations in more detail than the government-wide statements. The City has three types of funds – Governmental, Proprietary and Fiduciary.

### **Governmental Funds**

General, special revenue, debt service and capital projects funds are governmental funds, funds which focus on 1) near-term inflows and outflows of spendable resources and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information follows the governmental funds statements that explain the differences between them.

In fiscal year 2015, the City maintained nineteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Special Assessment Bonds, Series 2015 capital projects fund. Data from the other seventeen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

### **Proprietary Funds**

Services for which the City charges customers a fee are generally reported in proprietary funds. These funds, like the government-wide statements, provide both long-term and short-term financial information. The City’s enterprise funds (one type of proprietary fund) are the same as its business-type activities, but the fund financial statements provide more detail and additional information, such as cash flows. The City uses enterprise funds to account for its water, wastewater and gas, sanitation, recycling, stormwater, and golf course operations. The City uses internal service funds (the other type of proprietary fund) to report activities that provide services for the City’s other programs and activities. The Workers’ Compensation, Fleet Management, Information Technology and Communications, and Self-Insured Health funds are the City’s four internal service funds. Because these services benefit both governmental activities and business-type activities, they have been allocated accordingly in the government-wide financial statements.

The proprietary fund financial statements provide separate information for the water, wastewater and gas utility system and the sanitation funds, both of which are considered to be major funds of the City. Data from the other three proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report.

## Fiduciary Funds

The City is the trustee, or fiduciary, for its employees' pension plans and for the special assessment agency fund. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position for the pension plans and agency fund, a separate Statement of Changes in Fiduciary Net Position for the pension plans, and a Statement of Changes in Assets and Liabilities for the Agency Fund. The City excludes these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations. The accounting used for fiduciary funds is similar to accounting used for proprietary funds. Data from the three pension trust funds are combined into a single aggregated presentation. Individual fund data is provided in the form of combining statements elsewhere in this report.

## FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

### Summary of Net Position

The following table presents the condensed comparative Summary of Net Position for fiscal year 2015 and restated for fiscal year 2014:

	Summary of Net Position As of September 30, 2015 and 2014 (in thousands), as restated					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$249,902	\$144,568	\$255,707	\$253,902	505,609	\$398,470
Capital assets	186,332	178,494	384,911	360,754	571,243	539,248
Total assets	<u>436,234</u>	<u>323,062</u>	<u>640,618</u>	<u>614,656</u>	<u>1,076,852</u>	<u>937,718</u>
Deferred outflows of resources	22,218	19,176	7,565	6,006	29,783	25,182
Current and other liabilities	25,185	11,093	35,875	26,191	61,060	37,284
Long-term liabilities	224,231	190,021	252,824	263,112	477,055	453,133
Total liabilities	<u>249,416</u>	<u>201,114</u>	<u>288,699</u>	<u>289,303</u>	<u>538,115</u>	<u>490,417</u>
Deferred inflows of resources	6,509	1,889	218	-	6,727	1,889
Net position:						
Net investment in capital assets	168,525	161,496	187,355	194,209	355,880	355,705
Restricted	93,707	8,471	139,945	142,517	233,652	150,988
Unrestricted	(59,705)	(30,732)	31,966	(5,367)	(27,739)	(36,099)
Total net position	<u>\$202,527</u>	<u>\$139,235</u>	<u>\$359,266</u>	<u>\$331,359</u>	<u>\$561,793</u>	<u>\$470,594</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2015, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$561,793 thousand.

The majority of the City's net position (63.3%) reflects its investment in capital assets, less any outstanding related debt and deferred outflows/inflows used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (41.6%) represents resources that are subject to external restrictions on how they may be used, such as debt or capital projects. These amounts are offset by a negative unrestricted net position of 4.9% which is primarily due to the pension reporting requirements of GASB 68.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position for the business-type activities and positive balances in two of the three categories of net position (net investment in capital assets and restricted) for the governmental activities.

There was an overall increase in net position of \$91,199 thousand for the current fiscal year. The increase of \$27,907 thousand for business-type activities is primarily due to an increase in water/wastewater and stormwater revenues. The increase of \$63,292 thousand for governmental activities is primarily due to funds received from special assessment debt issued for the construction of two parking garages at the Sawgrass Mills Mall. The City is not obligated in any way for the principal and interest payments related to this debt.

## Summary of Activities

The following table provides a condensed comparative summary of the City's operations for the fiscal years ended September 30, 2015 and 2014, as restated:

	<b>Changes in Net Position</b>					
	<b>For the Fiscal Years Ended September 30, 2015 and 2014</b>					
	<b>(in thousands), as restated</b>					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2015	2014	2015	2014	2015	2014
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 50,704	\$ 48,486	\$128,802	\$123,171	\$179,506	\$171,657
Operating grants and contributions	6,171	9,380	-	-	6,171	9,380
Capital grants and contributions	65,245	2,182	3,554	2,360	68,799	4,542
General revenues:						
Property taxes	33,486	31,708	-	-	33,486	31,708
Utility service tax	9,243	9,047	-	-	9,243	9,047
Communications services tax	3,558	3,017	-	-	3,558	3,017
Local business tax	2,218	2,427	-	-	2,218	2,427
Franchise fees	9,373	9,199	-	-	9,373	9,199
Contributions not restricted to specific programs	7,900	8,078	-	-	7,900	8,078
Unrestricted investment earnings	854	181	831	438	1,685	619
Miscellaneous	4,285	757	2,850	2,843	7,135	3,600
Gain on sale of capital assets	-	20	-	-	-	20
<b>Total revenues</b>	<u>193,037</u>	<u>124,482</u>	<u>136,037</u>	<u>128,812</u>	<u>329,074</u>	<u>253,294</u>
<b>Expenses</b>						
General government	26,786	22,117	-	-	26,786	22,117
Public safety	76,421	75,726	-	-	76,421	75,726
Physical environment	19	-	-	-	19	-
Economic development	783	1,451	-	-	783	1,451
Transportation	11,209	11,113	-	-	11,209	11,113
Culture and recreation	15,114	15,070	-	-	15,114	15,070
Interest on long-term debt	3,521	860	-	-	3,521	860
Water and wastewater	-	-	80,098	74,498	80,098	74,498
Gas	-	-	6,484	7,028	6,484	7,028
Sanitation	-	-	10,475	10,072	10,475	10,072
Recycling	-	-	815	854	815	854
Stormwater	-	-	4,239	4,101	4,239	4,101
Golf course	-	-	1,911	1,958	1,911	1,958
<b>Total expenses</b>	<u>133,853</u>	<u>126,337</u>	<u>104,022</u>	<u>98,511</u>	<u>237,875</u>	<u>224,848</u>
Increase (decrease) in net position before transfers	59,184	(1,855)	32,015	30,301	91,199	28,446
Transfers	4,108	7,961	(4,108)	(7,961)	-	-
Change in net position	63,292	6,106	27,907	22,340	91,199	28,446
Net position – beginning	<u>139,235</u>	<u>253,233</u>	<u>331,359</u>	<u>336,347</u>	<u>470,594</u>	<u>589,580</u>
Net position – ending, as previously stated	202,527	259,339	359,266	358,687	561,793	618,026
Restatement of net position	-	(120,104)	-	(27,328)	-	(147,432)
Net position – ending, as restated	<u>\$202,527</u>	<u>\$139,235</u>	<u>\$359,266</u>	<u>\$331,359</u>	<u>\$561,793</u>	<u>\$470,594</u>

## Revenues

For the fiscal year ended September 30, 2015, revenues from governmental activities totaled \$193,037 thousand.

General property taxes were \$33,486 thousand, an increase of \$1,778 thousand as compared to fiscal year 2014. Assessed property values increased slightly compared to 2014 while the City maintained its previous year's millage rate.

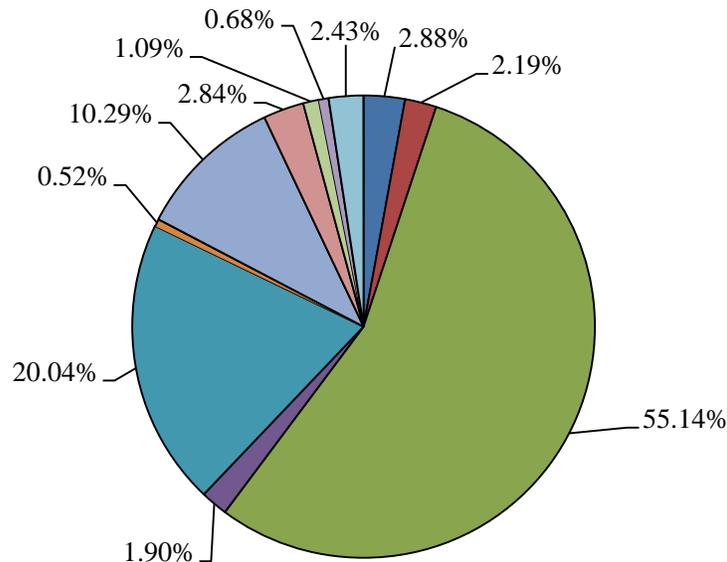
Charges for services increased by \$7,849 thousand mainly due to an increase in planning permit fees collected as well as an increase in administrative charges collected. Additionally, water and wastewater revenues, as well as stormwater rates, increased due to a 3.42% CPI rate adjustment on October 1, 2014.

Operating grants and contributions decreased by \$3,209 thousand primarily due to a decrease in forfeiture confiscation and public safety grant revenues. Capital grants and contributions increased by \$64,257 thousand due to funds received for the construction of two parking garages.

Miscellaneous revenues increased by \$3,535 thousand primarily due to a settlement received from Broward County, a settlement received on a construction project, and various insurance settlements.

Unrestricted investment earnings increased by \$1,066 thousand due to "mark-to-market" accounting, which resulted in unrealized investment gains of \$68 thousand, an increase in the average interest rate from 0.3% in fiscal year 2014 to 0.4% in fiscal year 2015, and the final distribution of \$538 thousand for the November 2007 interest payment related to State Board of Administration Fund B.

**Sources of Revenue: Government-wide  
for FY 2015**



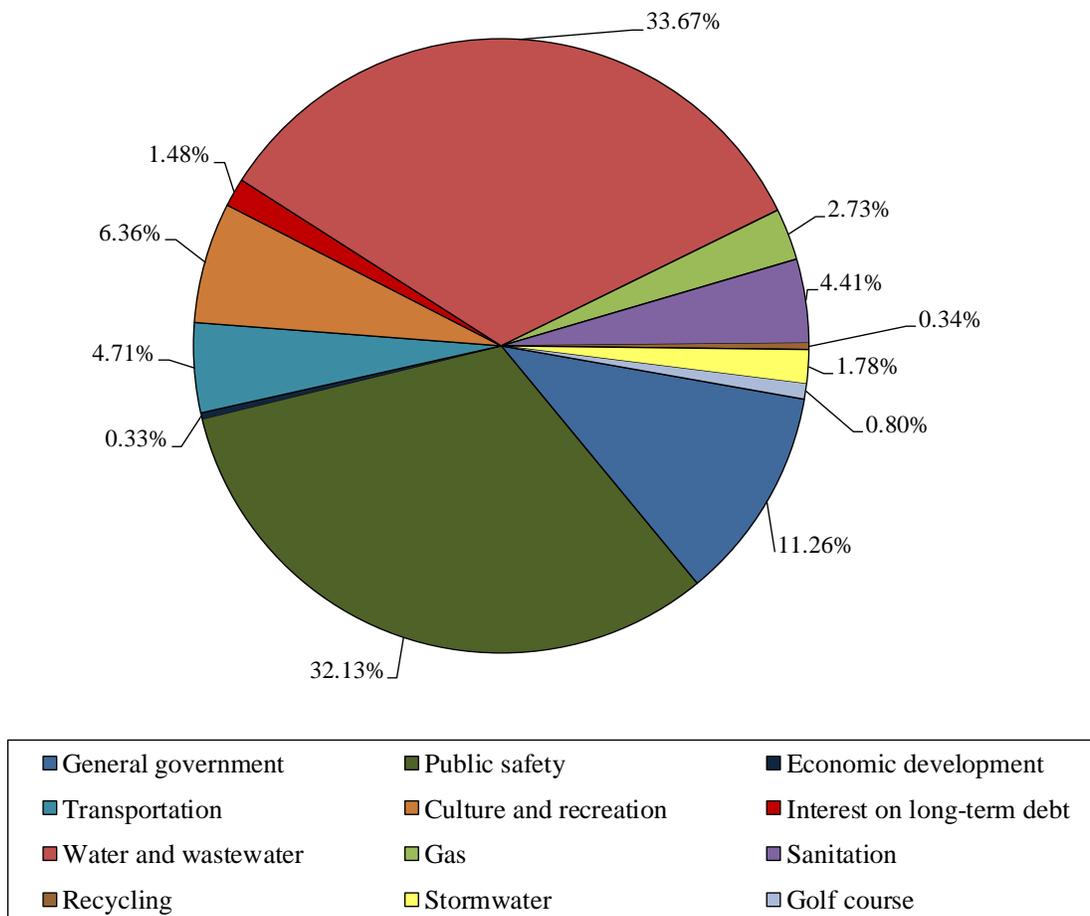
■ Franchise fees	■ Miscellaneous
■ Charges for services	■ Operating grants and contributions
■ Capital grants and contributions	■ Unrestricted investment earnings and other
■ Property taxes	■ Utility service taxes
■ Communications services tax	■ Local business tax
■ Unrestricted grants/ contributions	

## Expenses

For the fiscal year ended September 30, 2015, expenses for governmental activities totaled \$133,853 thousand, an increase of \$7,516 thousand, primarily due to increases for employee compensation and increased expense for long term debt interest.

Expenses for the City's business-type activities, which provide water, wastewater and gas, sanitation, recycling and stormwater services and golf course operations, totaled \$104,022 thousand, an increase of \$5,511 thousand from fiscal year 2014. This increase is due to increases for employee compensation across funds and an increase in operational expenses for sanitation and water and wastewater, especially the cost of maintaining and depreciating capital assets.

**Functional Expenses: Government-wide  
for FY 2015**



## **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

For the fiscal year ended September 30, 2015, the governmental funds reflect a combined fund balance of \$203,898,187, an increase of \$89,255,144 in comparison with the prior year. Approximately 99.9% of this total amount (\$203,603,237) constitutes spendable fund balance. The remainder of fund balance is non-spendable and not available for new spending because it has already been committed for advances (\$212,903), prepaid items (\$2,550) and inventories (\$79,497). This year's increase in fund balance is due to a number of reasons. Special Assessment Bonds, Series 2015 capital improvement bonds were issued increasing fund balance by \$53,886,204. The other governmental funds fund balance increased by \$42,201,990 primarily due to the issuance of General Obligation Bonds, Series 2015 capital improvement bonds and a transfer from the general fund to the Building Fees special revenue fund increasing fund balance by \$33,477,608 and \$9,292,889, respectively. The General Fund's expenditures and other financing uses were \$6,833,050 in excess of its revenues and other financing sources due to the transfer from the General Fund to the Building Fees special revenue fund in the amount of \$9,292,889.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The difference between the original budget and the final amended budget amounted to a \$4,821,729 increase in appropriations. Of this increase, \$2,131,708 was funded from a solid waste settlement received from Broward County, \$450,000 was funded through tennis center revenues, \$53,662 was funded through various grants and \$2,186,359 was funded from the General Fund unassigned fund balance. Highlights of the supplemental appropriation follow:

- \$625,720 in increases for general government activities. The increase was comprised of a supplemental appropriation of \$863,420 for the purchase of land and budget reductions for appropriations to police department and code enforcement division in the amounts of \$234,630 and \$3,070, respectively.
- \$291,362 in increases allocated to public safety. Included in this amount was a supplemental appropriation to fund salaries and benefits in the police department and code enforcement division in the amounts of \$234,630 and \$3,070, respectively, and \$53,662 for public safety related grants.
- \$450,000 in increases for culture & recreation for contractual tennis center management services.
- \$3,454,647 in increases for transfers out to Capital Improvements capital projects fund for various capital projects (\$2,131,708) and a transfer to the building fees special revenue fund of restricted revenues (\$1,322,939).

**General Fund**  
Summary of Revenues, Expenditures and Changes in Fund  
Balance – Budget to Actual  
**FY 2015**  
(in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
Revenues			
Taxes	\$ 47,652	\$ 47,652	\$ 47,615
Permits and fees	2,827	2,827	3,165
Franchise fees	9,161	9,161	9,453
Intergovernmental	7,651	7,704	8,070
Charges for services	20,240	20,690	22,983
Other	19,075	21,207	21,629
Total	<u>106,606</u>	<u>109,241</u>	<u>112,915</u>
Expenditures	<u>110,562</u>	<u>111,928</u>	<u>105,394</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,956)</u>	<u>(2,687)</u>	<u>7,521</u>
Other financing sources (uses)			
Transfers in	5,804	5,843	5,661
Transfers out	(16,575)	(20,029)	(20,029)
Sale of capital assets	20	20	14
Total	<u>(10,751)</u>	<u>(14,166)</u>	<u>(14,354)</u>
Net change in fund balance	<u>\$ (14,707)</u>	<u>\$ (16,853)</u>	<u>\$ (6,833)</u>

Actual general fund revenues exceeded original budgeted revenues by \$6,309 thousand. This increase is primarily due to receipt of \$338 thousand in planning permit fees, \$1,727 thousand for cost recovery charges, \$299 thousand in ambulance service fees, \$242 thousand for tennis center revenues, \$329 thousand in utility service taxes, \$292 thousand in franchise fees, and \$2,132 thousand from a solid waste settlement received from Broward County. The original budget was amended to account for \$53 thousand in additional grant awards, \$2,132 thousand for the solid waste settlement from Broward County, and \$450 thousand for revenues related to a new tennis center contract. Actual general fund expenditures were less than the original budget by \$5,168 thousand primarily due to less than anticipated expenditures for economic development commercial and multi-family incentive programs as well as position vacancies resulting in salary and related payroll cost savings.

Actual revenue collections exceeded the final budget by \$3,674 thousand. Differences between actual revenues and the final budget occurred in various revenue sources: utility service taxes increased \$329 thousand; local business tax revenues increased approximately \$119 thousand; permits and fees increased approximately \$339 thousand due to increased development; franchise fees increased \$292 thousand; intergovernmental revenues increased by \$365 thousand; charges for services increased by \$2,293 thousand primarily due to ambulance service fees and cost recovery charges; contributions and donations increased \$109 thousand; and investment earnings increased by approximately \$235 thousand. In addition, total expenditures were approximately \$6.5 million less than final budget due to less than anticipated spending for commercial and multi-family incentive programs and capital items as well as position vacancies.

## CAPITAL ASSETS

At the end of fiscal year 2015, the City's governmental activities had invested \$186,332,283 in a variety of capital assets and infrastructure, which represents a net increase of \$7,837,896 from the prior year. The City's investment in capital assets for its business-type activities amounted to \$384,910,437, which represents a net increase of \$24,156,796 from the prior year. The following table reflects the components of capital assets and their changes:

	<b>Government-wide Change in Capital Assets (in thousands)</b>					
	Governmental Activities			Business-type Activities		
	Balance 10/1/14	Net Additions/ Deletions	Balance 9/30/15	Balance 10/1/14	Net Additions/ Deletions	Balance 9/30/15
Non-depreciable assets:						
Land	\$ 16,216	\$ 7,444	\$ 23,660	\$ 12,147	\$ -	\$ 12,147
Construction in progress	6,666	5,813	12,479	60,278	1,306	61,584
Depreciable capital assets:						
Intangibles	1,789	183	1,972	1,001	(128)	873
Buildings and system Improvements other than buildings	128,345	(3,050)	125,295	493,334	37,525	530,859
Machinery and equipment	44,356	8,735	53,091	11,822	793	12,615
Vehicles	17,859	532	18,391	8,501	99	8,600
Infrastructure	20,640	2,453	23,093	8,677	770	9,447
Accumulated depreciation on capital assets	331,894	-	331,894	-	-	-
Totals	<u>(389,271)</u>	<u>(14,272)</u>	<u>(403,543)</u>	<u>(235,006)</u>	<u>(16,209)</u>	<u>(251,215)</u>
	<u>\$ 178,494</u>	<u>\$ 7,838</u>	<u>\$ 186,332</u>	<u>\$ 360,754</u>	<u>\$ 24,156</u>	<u>\$ 384,910</u>

Major capital asset events during the current fiscal year included the following:

- The City made several public safety purchases including two fire engines at a cost of \$1,187,684, other fire vehicles totaling \$223,109, a police mobile Crime Scene Investigation truck for \$104,971, and other police vehicles totaling \$924,922.
- Various major projects were completed in the Water/Wastewater Utility System to include Sawgrass and Springtree wastewater sludge pump improvements, Sawgrass wastewater headworks improvements, Park City water main replacements, phase one of the Sawgrass and Southwest water plant security enhancements, Springtree water plant reverse osmosis phase one, and the Sawgrass water plant rerate 18 mgd to 24 mgd.
- Two new parks were completed and had their grand openings: Cypress Preserve Park and Oak Hammock Park, increasing the City's park area by over 19 acres. Welleby Park trail improvements were also completed.

Planning, design or construction is in progress on the following projects:

- Park/Recreation Improvements: Welleby Park expansion, Flamingo Park renovation, a new Athletic Center at Pine Island Road and NW 50<sup>th</sup> Street, and expansions to the Senior Center and Civic Center.
- Various system additions and improvements are under construction in the Water/Wastewater Utility and Stormwater System.

Additional information on the City's capital assets can be found in note IV.C to the financial statements.

## **LONG-TERM DEBT**

At the end of the current fiscal year, the City had total debt principal outstanding of \$264,047,488. Of this amount, \$210,372,488 represents bonds secured solely by specified revenue sources, \$1,055,000 comprises public improvement bonds (bank notes), \$14,990,000 is special tax district ad valorem tax bonds and \$37,630,000 is general obligation bonds. More detailed information about the City's long-term liabilities is presented in Note IV.G and IV.H to the financial statements.

The City's special tax district ad valorem tax bonds have an insured rating of "A2" by Moody's Investors Service and an insured rating of "AA" by Standard and Poor's. The public improvement bonds (bank notes) are not rated. The Series 2010 utility bonds have a rating of "AA-" by Standard and Poor's and "AA" by Fitch. The other existing utility revenue bonds were also rated "AA-" by Standard and Poor's.

In April 2015, the City received bond proceeds in the amount of \$39,995,865 in general obligation bonds (Series 2015), which includes a premium of \$2,365,865. The bonds were issued to pay costs related to the development, design, acquisition, construction, equipment and installation of certain parks, recreation and leisure projects within the City. The bonds were given a rating of "Aa2" by Moody's and "AA" by Fitch.

In March 2015, the City issued \$70,120,000 in special assessment bonds (Series 2015). The bonds were issued to fund design and construction of two public parking garage structures and improvements to public infrastructure, intersections, traffic signalization and rights-of-way and a portion of existing parking lots on land owned by benefitted owners located at Sawgrass Mills Mall. The bonds were given a rating of "BBB" by Fitch. The City is not obligated in any manner for the payment of principal and interest for these bonds. Funds are collected through special assessments on the affected property owners. The City acts as the fiduciary agent for these funds.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The millage rate of \$6.0543 adopted for fiscal year 2016 was the same as fiscal year 2015. The millage rate has remained the same since fiscal year 2010.

According to the U.S. Department of Labor, Bureau of Labor Statistics, the City's total resident employment as of September 2015 was 48,610 compared to 48,337 as of September 2014. The City's resident unemployment rate decreased from 5.3% in September 2014 to 5.0% in September 2015. The State of Florida's unemployment rate in September 2015 was 5.2%.

As of September 2015 (the latest data available from the U. S. Census Bureau), the City's median household income was \$51,190, while the State's median household income was \$47,463.

## **REQUEST FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance and Administrative Services Director, 10770 West Oakland Park Blvd., Sunrise, Florida 33351.

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*Section II*  
*City of Sunrise, Florida*  
*Financial Section*

## ***BASIC FINANCIAL STATEMENTS***

CITY OF SUNRISE, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2015

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 210,995,270	\$ 40,885,709	\$ 251,880,979
Investments	33,139,619	13,812,282	46,951,901
Receivables, net of allowance for uncollectibles	6,587,189	17,561,177	24,148,366
Internal balances	(1,287,744)	1,287,744	-
Inventories	416,582	1,846,773	2,263,355
Prepays	50,937	61,224	112,161
Restricted assets:			
Cash and cash equivalents	-	142,091,072	142,091,072
Investments	-	37,669,437	37,669,437
Interest receivable on investments	-	70,144	70,144
Intergovernmental receivable	-	421,430	421,430
Capital assets not being depreciated:			
Land	23,660,566	12,147,246	35,807,812
Construction in progress	12,478,575	61,584,085	74,062,660
Capital assets (net of accumulated depreciation):			
Intangibles	604,909	28,870	633,779
Buildings and system	87,418,542	298,411,762	385,830,304
Improvements other than buildings	20,266,190	6,830,096	27,096,286
Machinery and equipment	6,458,219	2,541,839	9,000,058
Vehicles	8,925,997	3,366,539	12,292,536
Infrastructure	26,519,285	-	26,519,285
Total assets	<u>436,234,136</u>	<u>640,617,429</u>	<u>1,076,851,565</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge on refunding	-	1,572,194	1,572,194
Pension	22,218,329	5,992,818	28,211,147
Total deferred outflows of resources	<u>22,218,329</u>	<u>7,565,012</u>	<u>29,783,341</u>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	13,024,596	5,533,246	18,557,842
Retainage payable	1,223,396	147,312	1,370,708
Intergovernmental payable	214,412	1,723,395	1,937,807
Interest payable	2,791,868	-	2,791,868
Accrued liabilities	3,220,049	923,622	4,143,671
Unearned revenue	772,393	322,059	1,094,452
Other liabilities	3,938,083	-	3,938,083
Liabilities payable from restricted assets	-	20,835,805	20,835,805
Non-current liabilities:			
Due within one year	4,919,101	6,389,896	11,308,997
Due in more than one year			
Net pension liability	133,930,063	32,781,439	166,711,502
Other	85,381,889	220,042,147	305,424,036
Total liabilities	<u>249,415,850</u>	<u>288,698,921</u>	<u>538,114,771</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension	4,641,834	217,685	4,859,519
Business license tax	1,867,464	-	1,867,464
Total deferred inflows of resources	<u>6,509,298</u>	<u>217,685</u>	<u>6,726,983</u>
<b>NET POSITION</b>			
Net investment in capital assets	168,525,248	187,354,916	355,880,164
Restricted:			
Debt service	2,778,612	-	2,778,612
Renewal and replacement	-	67,555,449	67,555,449
Operations and maintenance	-	3,186,799	3,186,799
System reserve	-	69,202,594	69,202,594
Capital projects	77,674,915	-	77,674,915
Transportation	2,682,041	-	2,682,041
Building fees	9,727,353	-	9,727,353
Impact fees	843,888	-	843,888
Unrestricted	(59,704,740)	31,966,077	(27,738,663)
Total net position	<u>\$ 202,527,317</u>	<u>\$ 359,265,835</u>	<u>\$ 561,793,152</u>

The notes to the financial statements are an integral part of this statement.

CITY OF SUNRISE, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

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
<b>Governmental activities:</b>							
General government	\$ 26,785,702	\$ 10,742,083	\$ -	\$ -	\$ (16,043,619)	\$ -	\$ (16,043,619)
Public safety	76,420,597	23,424,381	3,371,173	174,838	(49,450,205)	-	(49,450,205)
Physical environment	19,213	14,756,282	-	-	14,737,069	-	14,737,069
Economic development	783,130	-	766,284	-	(16,846)	-	(16,846)
Transportation	11,208,805	67,284	1,894,529	64,794,603	55,547,611	-	55,547,611
Culture and recreation	15,114,540	1,714,226	138,832	275,897	(12,985,585)	-	(12,985,585)
Interest on long-term debt	3,520,704	-	-	-	(3,520,704)	-	(3,520,704)
<b>Total governmental activities</b>	<b>133,852,691</b>	<b>50,704,256</b>	<b>6,170,818</b>	<b>65,245,338</b>	<b>(11,732,279)</b>	<b>-</b>	<b>(11,732,279)</b>
<b>Business-type activities:</b>							
Water and wastewater	80,097,871	102,977,721	-	3,553,989	-	26,433,839	26,433,839
Gas	6,483,831	7,511,570	-	-	-	1,027,739	1,027,739
Sanitation	10,475,071	9,596,577	-	-	-	(878,494)	(878,494)
Recycling	815,541	1,141,180	-	-	-	325,639	325,639
Stormwater	4,239,043	6,440,263	-	-	-	2,201,220	2,201,220
Golf course	1,910,545	1,134,232	-	-	-	(776,313)	(776,313)
<b>Total business-type activities</b>	<b>104,021,902</b>	<b>128,801,543</b>	<b>-</b>	<b>3,553,989</b>	<b>-</b>	<b>28,333,630</b>	<b>28,333,630</b>
<b>Total</b>	<b>\$ 237,874,593</b>	<b>\$ 179,505,799</b>	<b>\$ 6,170,818</b>	<b>\$ 68,799,327</b>	<b>(11,732,279)</b>	<b>28,333,630</b>	<b>16,601,351</b>
<b>General revenues:</b>							
Property taxes					33,486,368	-	33,486,368
Utility service tax					9,242,584	-	9,242,584
Communications services tax					3,557,460	-	3,557,460
Local business tax					2,217,511	-	2,217,511
Franchise fees based on gross receipts					9,373,129	-	9,373,129
Contributions not restricted to specific programs					7,900,405	-	7,900,405
Unrestricted investment earnings					854,372	830,950	1,685,322
Miscellaneous					4,284,588	2,850,209	7,134,797
Transfers					4,107,533	(4,107,533)	-
<b>Total general revenues and transfers</b>					<b>75,023,950</b>	<b>(426,374)</b>	<b>74,597,576</b>
<b>Change in net position</b>					<b>63,291,671</b>	<b>27,907,256</b>	<b>91,198,927</b>
<b>Net position - beginning, as previously stated</b>					<b>259,339,246</b>	<b>358,687,034</b>	<b>618,026,280</b>
<b>Restatement of net position due to implementation of GASB 68</b>					<b>(120,103,600)</b>	<b>(27,328,455)</b>	<b>(147,432,055)</b>
<b>Net position - beginning, as restated</b>					<b>139,235,646</b>	<b>331,358,579</b>	<b>470,594,225</b>
<b>Net position - ending</b>					<b>\$ 202,527,317</b>	<b>\$ 359,265,835</b>	<b>\$ 561,793,152</b>

The notes to the financial statements are an integral part of this statement.

CITY OF SUNRISE, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2015

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
		Special Assessment Bonds, Series 2015		
<b>ASSETS</b>				
Cash and cash equivalents	\$ 49,910,162	\$ 64,080,186	\$ 81,657,515	\$ 195,647,863
Investments	16,900,531	-	10,922,040	27,822,571
Receivables, net of allowance for uncollectibles:				
Interest	31,470	-	20,382	51,852
Taxes	666,756	-	-	666,756
Franchise fees	1,093,614	-	-	1,093,614
Accounts receivable	749,530	-	-	749,530
Special assessments	-	-	893,106	893,106
Other	56,543	-	62,436	118,979
Due from other funds	773,448	-	459,505	1,232,953
Interfund	107,272	-	-	107,272
Intergovernmental	2,449,983	-	442,452	2,892,435
Prepaid items	1,350	-	1,200	2,550
Inventories	808	-	78,689	79,497
Advances to other funds	212,903	-	-	212,903
<b>Total assets</b>	<b>\$ 72,954,370</b>	<b>\$ 64,080,186</b>	<b>\$ 94,537,325</b>	<b>\$ 231,571,881</b>
<b>LIABILITIES</b>				
Accounts payable	1,206,910	9,174,584	1,067,430	11,448,924
Accrued liabilities	2,950,193	-	204,638	3,154,831
Retainage payable	-	1,019,398	203,998	1,223,396
Intergovernmental payable	212,695	-	1,717	214,412
Due to other funds	1,115,934	-	478,516	1,594,450
Matured bonds payable	-	-	2,085,000	2,085,000
Matured interest payable	-	-	381,635	381,635
Unearned revenue	758,143	-	14,250	772,393
Other	1,628,418	-	2,309,665	3,938,083
Advances from other funds	-	-	100,000	100,000
<b>Total liabilities</b>	<b>7,872,293</b>	<b>10,193,982</b>	<b>6,846,849</b>	<b>24,913,124</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue-business license tax	1,867,464	-	-	1,867,464
Unavailable revenue-special assessments	-	-	893,106	893,106
<b>Total deferred inflows of resources</b>	<b>1,867,464</b>	<b>-</b>	<b>893,106</b>	<b>2,760,570</b>
<b>FUND BALANCES</b>				
<b>Nonspendable:</b>				
Inventories	808	-	78,689	79,497
Prepaid items	1,350	-	1,200	2,550
Advances	212,903	-	-	212,903
<b>Restricted for:</b>				
Building Department	-	-	9,727,353	9,727,353
Capital projects	-	53,886,204	33,477,608	87,363,812
Recreation	-	-	256,515	256,515
Public safety	-	-	6,515,068	6,515,068
Fire equipment	-	-	162,630	162,630
Median strips	-	-	318,711	318,711
Housing	-	-	899,109	899,109
Transportation	-	-	2,470,189	2,470,189
Developer Agreements	-	-	726,667	726,667
<b>Committed:</b>				
Revenue stabilization	5,181,693	-	-	5,181,693
Contingency	15,545,079	-	-	15,545,079
Economic & job growth	8,282,417	-	-	8,282,417
Reforestation replacement	63,257	-	-	63,257
<b>Assigned to:</b>				
Subsequent year's expenditures	-	-	21,794,113	21,794,113
Other purposes	426,655	-	-	426,655
Construction contracts	-	-	1,739,749	1,739,749
Transportation	-	-	133,163	133,163
Debt service funds	-	-	3,103,845	3,103,845
Capital projects funds	-	-	5,434,265	5,434,265
<b>Unassigned</b>				
General fund	33,500,451	-	-	33,500,451
Special revenue funds	-	-	(41,504)	(41,504)
<b>Total fund balances</b>	<b>63,214,613</b>	<b>53,886,204</b>	<b>86,797,370</b>	<b>203,898,187</b>
<b>Total liabilities, deferred inflow of resources and fund balances</b>	<b>\$ 72,954,370</b>	<b>\$ 64,080,186</b>	<b>\$ 94,537,325</b>	<b>\$ 231,571,881</b>

The notes to the financial statements are an integral part of this statement.

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

<b>Fund balances - total governmental funds</b>	<b>203,898,187</b>
<b>Amounts reported for governmental activities in the statement of net position are different because:</b>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	179,016,425
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred inflows in the funds.	893,106
Debt interest payable that will not be liquidated with current financial resources is not reported in the funds.	(2,410,233)
Deferred inflows of resources related to pension earnings are not recognized in the governmental funds; however, they are reported in the statement of net position under full accrual accounting.	(4,622,093)
Deferred outflows of resources related to pension contributions are not recognized in the governmental funds; however, they are reported in the statement of net position under full accrual accounting.	21,674,845
The internal service funds are used by management to charge the costs of workers' compensation, fleet management, information technology and communications, and self-insured health to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	18,201,036
Net pension liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(130,957,130)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(83,166,826)</u>
<b>Net position of governmental activities</b>	<b><u><u>202,527,317</u></u></b>

The notes to the financial statements are an integral part of this statement.

CITY OF SUNRISE, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	General	Capital Projects  Special Assessment Bonds, Series 2015	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Taxes:				
Property	\$ 31,104,867	\$ -	\$ 2,381,501	\$ 33,486,368
Local option fuel	-	-	1,549,307	1,549,307
Insurance premium	1,492,420	-	-	1,492,420
Utility service	9,242,584	-	-	9,242,584
Communications services	3,557,460	-	-	3,557,460
Local business	2,217,511	-	-	2,217,511
Permits and fees	3,165,250	-	5,678,369	8,843,619
Franchise fees	9,453,202	-	-	9,453,202
Intergovernmental	8,070,093	-	1,681,690	9,751,783
Charges for services	22,983,281	-	118,034	23,101,315
Administrative charges	6,980,000	-	-	6,980,000
Judgments, fines and forfeitures	1,681,490	-	1,727,587	3,409,077
Special assessments	8,586,255	-	271,440	8,857,695
Impact fees	-	-	453,942	453,942
Investment earnings	381,785	44,548	323,668	750,001
Contributions and donations	116,720	-	-	116,720
Miscellaneous	3,882,743	-	302,241	4,184,984
Total revenues	<u>112,915,661</u>	<u>44,548</u>	<u>14,487,779</u>	<u>127,447,988</u>
<b>EXPENDITURES</b>				
Current:				
General government	24,225,744	-	275,308	24,501,052
Public safety	68,308,463	-	6,895,572	75,204,035
Economic development	-	-	783,130	783,130
Transportation	-	-	2,761,671	2,761,671
Culture and recreation	10,189,068	-	-	10,189,068
Debt service:				
Principal	-	-	2,085,000	2,085,000
Interest	-	-	1,102,407	1,102,407
Bond issuance costs	-	-	677,441	677,441
Other	-	-	51,488	51,488
Capital outlay	2,671,337	10,193,982	11,421,958	24,287,277
Total expenditures	<u>105,394,612</u>	<u>10,193,982</u>	<u>26,053,975</u>	<u>141,642,569</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,521,049</u>	<u>(10,149,434)</u>	<u>(11,566,196)</u>	<u>(14,194,581)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,661,173	-	14,564,277	20,225,450
Transfers out	(20,029,457)	-	(800,000)	(20,829,457)
Contributions from property owners	-	64,035,638	-	64,035,638
Ad valorem tax bonds issued	-	-	37,630,000	37,630,000
Premium on ad valorem tax bonds	-	-	2,365,865	2,365,865
Sale of capital assets	14,185	-	8,044	22,229
Total other financing sources (uses)	<u>(14,354,099)</u>	<u>64,035,638</u>	<u>53,768,186</u>	<u>103,449,725</u>
Net change in fund balances	(6,833,050)	53,886,204	42,201,990	89,255,144
Fund balances - beginning	<u>70,047,663</u>	<u>-</u>	<u>44,595,380</u>	<u>114,643,043</u>
Fund balances - ending	<u>\$ 63,214,613</u>	<u>\$ 53,886,204</u>	<u>\$ 86,797,370</u>	<u>\$ 203,898,187</u>

The notes to the financial statements are an integral part of this statement.

CITY OF SUNRISE, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

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

Net change in fund balances -- total governmental funds	\$	89,255,144
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		5,941,922
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, write-offs and donations) is to increase/(decrease) net position.		(348,086)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(40,166,830)
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.		(1,420,097)
Revenues reported in the funds that relate to prior periods are not reported in the statement of activities.		(271,557)
Cash pension contributions reported in the funds were greater than the calculated pension expense on the statement of activities and therefore reduced net pension liability.		3,720,818
Internal service funds are used by management to charge the costs of workers' compensation, fleet management, information technology and communications, and self-insured health to individual funds. The net revenue of certain activities of the internal service funds are reported with governmental activities.		6,580,357
Change in net position of governmental activities	\$	63,291,671

The notes to the financial statements are an integral part of this statement.

CITY OF SUNRISE, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
<b>Taxes:</b>				
Property	\$ 31,560,930	\$ 31,560,930	\$ 31,104,867	\$ (456,063)
Insurance premium	1,461,660	1,461,660	1,492,420	30,760
Utility service	8,913,220	8,913,220	9,242,584	329,364
Communications services	3,617,400	3,617,400	3,557,460	(59,940)
Local business	2,098,740	2,098,740	2,217,511	118,771
Permits and fees	2,826,550	2,826,550	3,165,250	338,700
Franchise fees	9,160,840	9,160,840	9,453,202	292,362
Intergovernmental	7,650,860	7,704,522	8,070,093	365,571
Charges for services	20,240,390	20,690,390	22,983,281	2,292,891
Administrative charges	6,980,000	6,980,000	6,980,000	-
Judgments, fines and forfeitures	1,782,420	1,782,420	1,681,490	(100,930)
Special assessments	8,405,580	8,405,580	8,586,255	180,675
Investment earnings	146,990	146,990	381,785	234,795
Contributions and donations	7,500	7,500	116,720	109,220
Miscellaneous	1,752,630	3,884,338	3,882,743	(1,595)
<b>Total revenues</b>	<b>106,605,710</b>	<b>109,241,080</b>	<b>112,915,661</b>	<b>3,674,581</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>General government:</b>				
City Commission	674,220	707,556	704,347	3,209
City Manager	1,102,420	1,102,420	1,069,521	32,899
City Clerk	568,530	568,530	546,134	22,396
City Attorney	1,144,723	1,178,659	1,021,261	157,398
Finance and Administrative Services	4,679,950	4,712,842	4,215,457	497,385
Human Resources	1,106,340	1,072,713	881,542	191,171
Facilities	3,550,317	3,565,317	2,879,958	685,359
Planning and Development	3,312,370	3,306,600	2,786,819	519,781
Non-departmental	11,901,936	11,548,499	10,120,705	1,427,794
<b>Total general government</b>	<b>28,040,806</b>	<b>27,763,136</b>	<b>24,225,744</b>	<b>3,537,392</b>
<b>Public safety:</b>				
Police	40,685,444	40,973,636	40,267,939	705,697
Fire	28,451,320	28,451,320	26,773,629	1,677,691
Code Enforcement	1,412,020	1,415,090	1,266,895	148,195
<b>Total public safety</b>	<b>70,548,784</b>	<b>70,840,046</b>	<b>68,308,463</b>	<b>2,531,583</b>
<b>Culture and recreation:</b>				
Leisure Services	9,921,866	10,537,885	10,189,068	348,817

(continued)

The notes to the financial statements are an integral part of this statement.

CITY OF SUNRISE, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL, continued  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Capital outlay:				
General government:				
Finance and Administrative Services	-	1,318	1,318	-
Human Resources	12,420	11,837	-	11,837
Facilities	331,309	316,309	290,195	26,114
Planning and Development	4,800	7,500	6,706	794
Non-departmental	-	914,955	914,955	-
Public safety:				
Police	100,260	100,360	86,606	13,754
Fire	936,410	936,410	932,440	3,970
Culture and recreation:				
Leisure Services	664,830	498,811	439,117	59,694
Total capital outlay	<u>2,050,029</u>	<u>2,787,500</u>	<u>2,671,337</u>	<u>116,163</u>
Total expenditures	<u>110,561,485</u>	<u>111,928,567</u>	<u>105,394,612</u>	<u>6,533,955</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,955,775)</u>	<u>(2,687,487)</u>	<u>7,521,049</u>	<u>10,208,536</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,803,760	5,843,501	5,661,173	(182,328)
Transfers out	(16,574,810)	(20,029,457)	(20,029,457)	-
Sale of capital assets	20,000	20,000	14,185	(5,815)
Total other financing sources (uses)	<u>(10,751,050)</u>	<u>(14,165,956)</u>	<u>(14,354,099)</u>	<u>(188,143)</u>
Net change in fund balances	(14,706,825)	(16,853,443)	(6,833,050)	10,020,393
Fund balances - beginning	<u>70,047,663</u>	<u>70,047,663</u>	<u>70,047,663</u>	-
Fund balances - ending	<u>\$ 55,340,838</u>	<u>\$ 53,194,220</u>	<u>\$ 63,214,613</u>	<u>\$ 10,020,393</u>

CITY OF SUNRISE, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and cash equivalents	\$ 31,151,156	\$ 219,170	\$ 9,515,383	\$ 40,885,709	\$ 15,347,407
Investments	10,381,434	251,238	3,179,610	13,812,282	5,317,048
Interest receivable	19,331	468	5,921	25,720	9,901
Accounts receivable, net of allowance for uncollectibles	15,200,476	1,660,606	640,286	17,501,368	4,961
Assessments receivable, net	17,989	-	-	17,989	-
Other receivables	-	2,714	13,386	16,100	106,055
Due from other funds	10,076	-	-	10,076	-
Inventories	1,805,563	-	41,210	1,846,773	337,085
Prepaid items	57,874	-	3,350	61,224	-
<b>Restricted assets:</b>					
Cash and cash equivalents	13,983,307	-	-	13,983,307	-
Intergovernmental receivable	421,430	-	-	421,430	-
<b>Total current assets</b>	<b>73,048,636</b>	<b>2,134,196</b>	<b>13,399,146</b>	<b>88,581,978</b>	<b>21,122,457</b>
<b>Noncurrent assets:</b>					
<b>Restricted assets:</b>					
Cash and cash equivalents	127,384,076	723,689	-	128,107,765	-
Investments	37,669,437	-	-	37,669,437	-
Interest receivable on investments	70,144	-	-	70,144	-
<b>Capital assets:</b>					
Land	10,858,101	-	1,289,145	12,147,246	-
Intangibles	870,504	-	2,425	872,929	238,630
Buildings and system	530,173,743	-	685,480	530,859,223	-
Improvements other than buildings	8,230,038	-	4,385,386	12,615,424	-
Machinery and equipment	6,455,606	-	2,144,822	8,600,428	693,317
Vehicles	8,638,095	-	808,536	9,446,631	9,456,863
Construction in progress	58,973,423	-	2,610,662	61,584,085	-
Less accumulated depreciation	(248,395,746)	-	(2,819,783)	(251,215,529)	(3,072,952)
<b>Total capital assets, net of accumulated depreciation</b>	<b>375,803,764</b>	<b>-</b>	<b>9,106,673</b>	<b>384,910,437</b>	<b>7,315,858</b>
<b>Total noncurrent assets</b>	<b>540,927,421</b>	<b>723,689</b>	<b>9,106,673</b>	<b>550,757,783</b>	<b>7,315,858</b>
<b>Total assets</b>	<b>613,976,057</b>	<b>2,857,885</b>	<b>22,505,819</b>	<b>639,339,761</b>	<b>28,438,315</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred charge on refunding	1,572,194	-	-	1,572,194	-
Pension	5,461,175	-	531,643	5,992,818	543,484
<b>Total deferred outflows of resources</b>	<b>7,033,369</b>	<b>-</b>	<b>531,643</b>	<b>7,565,012</b>	<b>543,484</b>

Business-type Activities - Enterprise Funds					
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable	2,962,938	1,292,536	1,219,420	5,474,894	491,302
Accrued liabilities	839,280	-	84,342	923,622	65,218
Due to other funds	556,135	175,178	54,115	785,428	5,873
Interfund payable	-	-	107,272	107,272	-
Compensated absences	283,049	-	36,847	319,896	18,582
Retainage payable	-	-	147,312	147,312	-
Intergovernmental payable	1,720,240	-	3,155	1,723,395	-
<b>Current liabilities payable from restricted assets:</b>					
Accounts payable	4,068,135	-	-	4,068,135	-
Revenue bonds payable	6,070,000	-	-	6,070,000	-
Accrued interest payable	5,563,132	-	-	5,563,132	-
<b>Total current liabilities</b>	<b>22,062,909</b>	<b>1,467,714</b>	<b>1,652,463</b>	<b>25,183,086</b>	<b>580,975</b>
<b>Noncurrent liabilities:</b>					
Revenue bonds payable (net of unamortized discounts/premiums)	205,400,883	-	-	205,400,883	-
Compensated absences	3,288,545	-	308,752	3,597,297	165,046
Other post employment benefits	4,561,479	-	361,806	4,923,285	28,594
Retiree subsidy	5,532,297	-	588,385	6,120,682	61,676
Net pension liability	29,873,292	-	2,908,147	32,781,439	2,972,933
Advances from other funds	-	-	112,903	112,903	-
Claims and judgments	-	-	-	-	4,726,879
Unearned revenue	27,717	27,653	266,689	322,059	-
<b>Noncurrent liabilities payable from restricted assets:</b>					
Retainage payable	1,819,289	-	-	1,819,289	-
Customer deposits payable	8,661,560	723,689	-	9,385,249	-
<b>Total noncurrent liabilities</b>	<b>259,165,062</b>	<b>751,342</b>	<b>4,546,682</b>	<b>264,463,086</b>	<b>7,955,128</b>
<b>Total liabilities</b>	<b>281,227,971</b>	<b>2,219,056</b>	<b>6,199,145</b>	<b>289,646,172</b>	<b>8,536,103</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension	198,373	-	19,312	217,685	19,741
<b>Total deferred inflows of resources</b>	<b>198,373</b>	<b>-</b>	<b>19,312</b>	<b>217,685</b>	<b>19,741</b>
<b>NET POSITION</b>					
Net investment in capital assets	179,276,690	-	8,078,226	187,354,916	7,178,674
<b>Restricted for:</b>					
Renewal and replacement	67,555,449	-	-	67,555,449	-
Operations and maintenance	3,186,799	-	-	3,186,799	-
System reserve	69,202,594	-	-	69,202,594	-
Unrestricted	20,361,550	638,829	8,740,779	29,741,158	13,247,281
<b>Total net position</b>	<b>\$ 339,583,082</b>	<b>\$ 638,829</b>	<b>\$ 16,819,005</b>	<b>357,040,916</b>	<b>\$ 20,425,955</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				2,224,919	
<b>Net position of business-type activities</b>				<b>\$ 359,265,835</b>	

The notes to the financial statements are an integral part of this statement.

CITY OF SUNRISE, FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	
<b>Operating revenues:</b>					
<b>Charges for sales and services:</b>					
Water sales	\$ 47,360,247	\$ -	\$ -	\$ 47,360,247	\$ -
Wastewater service	51,231,499	-	-	51,231,499	-
Gas sales	7,463,556	-	-	7,463,556	-
Fees	-	9,596,577	8,715,675	18,312,252	-
Service charges	2,209,518	-	-	2,209,518	20,265,584
Guaranteed revenues	823,741	-	-	823,741	-
Administrative charges	751,700	-	-	751,700	-
<b>Total operating revenues</b>	<b>109,840,261</b>	<b>9,596,577</b>	<b>8,715,675</b>	<b>128,152,513</b>	<b>20,265,584</b>
<b>Operating expenses:</b>					
<b>Costs of sales and services:</b>					
Power, water and wastewater purchases	3,768,541	-	137,733	3,906,274	38,308
Natural gas purchases	2,123,387	-	-	2,123,387	-
Chemical purchases	2,258,022	-	133,832	2,391,854	-
Solid waste/sludge removal	1,045,550	9,596,486	-	10,642,036	-
Recycling charges	-	-	709,478	709,478	-
Materials and supplies	397,167	-	91,687	488,854	1,321,744
Repairs and maintenance	5,919,345	-	290,964	6,210,309	2,134,095
Salaries, wages and employee benefits	25,196,958	-	2,509,991	27,706,949	2,164,298
Insurance and other expenses	10,887,924	25,000	2,036,405	12,949,329	3,288,670
Claims expense	-	-	-	-	8,431,492
Administrative fees	5,218,510	851,360	761,830	6,831,700	-
Depreciation	18,916,520	-	420,698	19,337,218	917,740
<b>Total operating expenses</b>	<b>75,731,924</b>	<b>10,472,846</b>	<b>7,092,618</b>	<b>93,297,388</b>	<b>18,296,347</b>
<b>Operating income (loss)</b>	<b>34,108,337</b>	<b>(876,269)</b>	<b>1,623,057</b>	<b>34,855,125</b>	<b>1,969,237</b>

**Business-type Activities - Enterprise Funds**

	<b>Water, Wastewater and Gas Utility System</b>	<b>Sanitation</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	<b>Governmental Activities - Internal Service Funds</b>
<b>Non-operating revenues (expenses):</b>					
Investment earnings	783,899	3,344	43,707	830,950	93,927
Interest and amortization expense	(9,783,411)	(2,225)	(16,910)	(9,802,546)	-
Gain (loss) on sale of capital assets	(705,275)	-	32,843	(672,432)	45,750
Sale of recyclable materials	-	-	130,785	130,785	-
Other	3,221,684	39,104	519,191	3,779,979	159,397
<b>Total non-operating revenues (expenses)</b>	<b>(6,483,103)</b>	<b>40,223</b>	<b>709,616</b>	<b>(5,733,264)</b>	<b>299,074</b>
<b>Income (loss) before contributions and transfers</b>	<b>27,625,234</b>	<b>(836,046)</b>	<b>2,332,673</b>	<b>29,121,861</b>	<b>2,268,311</b>
Capital contributions	2,493,434	-	-	2,493,434	-
Transfers in	-	865,320	688,320	1,553,640	4,711,540
Transfers out	(4,750,400)	-	(910,773)	(5,661,173)	-
<b>Change in net position</b>	<b>25,368,268</b>	<b>29,274</b>	<b>2,110,220</b>	<b>27,507,762</b>	<b>6,979,851</b>
<b>Total net position - beginning (restatement see Note IV, J)</b>	<b>314,214,814</b>	<b>609,555</b>	<b>14,708,785</b>		<b>13,446,104</b>
<b>Total net position - ending</b>	<b>\$ 339,583,082</b>	<b>\$ 638,829</b>	<b>\$ 16,819,005</b>		<b>\$ 20,425,955</b>
<b>Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.</b>				<b>399,494</b>	
<b>Change in net position of business-type activities</b>				<b>\$ 27,907,256</b>	

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The notes to the financial statements are an integral part of this statement.

CITY OF SUNRISE, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers and users	\$ 111,150,981	\$ 9,647,781	\$ 8,899,131	\$ 129,697,893	\$ 20,260,623
Receipts from interfund services provided	751,700	-	-	751,700	-
Payments to suppliers	(23,872,142)	(9,527,149)	(2,218,550)	(35,617,841)	(14,969,589)
Payments to and for employees	(24,556,788)	-	(2,312,381)	(26,869,169)	(1,867,081)
Payments for interfund services used	(5,218,510)	(851,360)	(761,830)	(6,831,700)	-
Net cash provided by (used for) operating activities	<u>58,255,241</u>	<u>(730,728)</u>	<u>3,606,370</u>	<u>61,130,883</u>	<u>3,423,953</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Advances from other funds	-	-	(101,921)	(101,921)	-
Transfer from other funds	-	865,320	688,320	1,553,640	4,711,540
Transfer to other funds	(4,750,400)	-	(910,773)	(5,661,173)	-
Net cash provided by (used for) noncapital financing activities	<u>(4,750,400)</u>	<u>865,320</u>	<u>(324,374)</u>	<u>(4,209,454)</u>	<u>4,711,540</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital contributions	1,510,669	-	-	1,510,669	-
Acquisition and construction of capital assets	(39,863,942)	-	(3,370,834)	(43,234,776)	(3,116,050)
Capital grants proceeds	-	-	250,000	250,000	-
Principal paid on capital debt	(5,860,000)	-	-	(5,860,000)	-
Interest paid on capital debt	(10,141,598)	-	(16,910)	(10,158,508)	-
Proceeds from sales of capital assets	29,871	-	11,660	41,531	-
Net cash (used for) capital and related financing activities	<u>(54,325,000)</u>	<u>-</u>	<u>(3,126,084)</u>	<u>(57,451,084)</u>	<u>(3,116,050)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sales and maturities of investments	39,424,826	365,630	4,196,724	43,987,180	7,243,578
Purchase of investments	(53,483,984)	(208,911)	(3,125,444)	(56,818,339)	(6,724,078)
Interest and dividends received	708,300	3,197	41,963	753,460	89,594
Net cash provided by (used for) investing activities	<u>(13,350,858)</u>	<u>159,916</u>	<u>1,113,243</u>	<u>(12,077,699)</u>	<u>609,094</u>
Net increase (decrease) in cash and cash equivalents	(14,171,017)	294,508	1,269,155	(12,607,354)	5,628,537
Cash and cash equivalents, September 30, 2014 (including \$126,463,312 and \$13,929 for the utility system and sanitation funds, respectively, reported in restricted accounts)	<u>186,689,556</u>	<u>648,351</u>	<u>8,246,228</u>	<u>195,584,135</u>	<u>9,718,870</u>
Cash and cash equivalents, September 30, 2015 (including \$141,367,383 and \$723,689 for the utility system and sanitation funds, respectively, reported in restricted accounts)	<u>\$ 172,518,539</u>	<u>\$ 942,859</u>	<u>\$ 9,515,383</u>	<u>\$ 182,976,781</u>	<u>\$ 15,347,407</u>

**Business-type Activities - Enterprise Funds**

	<u>Water, Wastewater and Gas Utility System</u>	<u>Sanitation</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>					
Operating income (loss)	\$ 34,108,337	\$ (876,269)	\$ 1,623,057	\$ 34,855,125	\$ 1,969,237
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>					
Miscellaneous operating income from re-evaluation of capital assets	-	-	11,550	11,550	-
Miscellaneous non-operating income from by-products of recycling activities	-	-	130,785	130,785	-
Miscellaneous non-operating income	3,233,677	36,879	269,191	3,539,747	159,397
Depreciation and amortization expense	18,916,520	-	420,698	19,337,218	917,740
(Increase) decrease in accounts receivable	(102,059)	55,015	39,905	(7,139)	(4,961)
(Increase) decrease in other receivables	-	22,700	21,967	44,667	(106,055)
Decrease in due from other funds	23,838	-	-	23,838	-
(Increase) in intergovernmental receivables	(160,699)	-	-	(160,699)	-
Decrease (increase) in inventories	314,499	-	24,334	338,833	(337,085)
(Increase) in prepaid items	(24,874)	-	(350)	(25,224)	-
(Increase) in deferred outflows	(1,474,363)	-	(143,529)	(1,617,892)	(146,724)
Increase (decrease) in customer deposits	147,189	(6,172)	-	141,017	-
Increase in accounts payable	1,772,673	46,637	993,032	2,812,342	487,351
Increase in accrued liabilities	77,236	-	22,258	99,494	61,079
Increase (decrease) in due to other funds	(1,215,777)	(643)	(7,016)	(1,223,436)	5,435
Increase (decrease) in intergovernmental payables	107,509	-	(95)	107,414	-
Increase (decrease) in unearned revenue	3,732	(8,875)	(264,892)	(270,035)	-
Increase in retainage payable	380,760	-	147,312	528,072	-
Increase (decrease) in compensated absences payable	(142,143)	-	43,382	(98,761)	169,647
Increase in other post employment benefits payable	466,065	-	57,188	523,253	28,594
Increase in retiree subsidy payable	642,328	-	102,643	744,971	61,676
Increase in net pension liability	982,420	-	95,638	1,078,058	97,769
Increase in deferred inflows	198,373	-	19,312	217,685	19,741
Increase in claims and judgments	-	-	-	-	41,112
Total adjustments	24,146,904	145,541	1,983,313	26,275,758	1,454,716
<b>Net cash provided by (used for) operating activities</b>	<b>\$ 58,255,241</b>	<b>\$ (730,728)</b>	<b>\$ 3,606,370</b>	<b>\$ 61,130,883</b>	<b>\$ 3,423,953</b>
<b>Noncash investing, capital and financing activities:</b>					
Contributions of capital assets	\$ 982,765	\$ -	\$ -	\$ 982,765	\$ -
Capital asset trade-ins	6,000	-	-	6,000	-
Net increase in fair value of investments	32,975	268	3,014	36,257	4,509

The notes to the financial statements are an integral part of this statement.

**CITY OF SUNRISE, FLORIDA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2015**

	Pension Trust Funds	Special Assessment Agency Fund
<b>ASSETS</b>		
Cash and cash equivalents	\$ 11,744,810	\$ 7,138,069
Receivable from sale of securities	1,237,372	-
Interest and dividends receivable	588,000	-
Due from other funds	1,142,722	-
Other receivables	1,735	-
Investments, at fair value:		-
U.S. government and agency securities	41,249,860	-
Corporate bonds	13,896,710	-
Mutual funds	109,375,617	-
Common stocks	174,590,866	-
International equity funds	26,958,515	-
Total investments	366,071,568	-
Prepaid items	444,016	-
Total assets	381,230,223	7,138,069
<b>LIABILITIES</b>		
Deposits held for others	-	7,138,069
Accounts payable	493,120	-
Payable for securities purchased	1,178,614	-
Total liabilities	1,671,734	7,138,069
<b>NET POSITION</b>		
Restricted for pensions	\$ 379,558,489	

The notes to the financial statements are an integral part of this statement.

CITY OF SUNRISE, FLORIDA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Pension Trust Funds
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 23,217,572
Plan members	5,632,751
Other sources	1,492,420
Total contributions	<u>30,342,743</u>
Investment earnings (loss):	
Interest	2,026,286
Dividends	6,554,294
Net (depreciation) in fair value of investments	(6,745,853)
Other	43,726
Total investment earnings	<u>1,878,453</u>
Less investment expense	<u>1,929,828</u>
Net investment loss	(51,375)
Total additions	<u>30,291,368</u>
<b>DEDUCTIONS</b>	
Benefits	28,279,724
Refunds of contributions	192,884
Administrative expenses	592,345
Total deductions	<u>29,064,953</u>
Change in net position	1,226,415
Net position - beginning	<u>378,332,074</u>
Net position - ending	<u>\$ 379,558,489</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF SUNRISE, FLORIDA**  
**INDEX TO THE NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

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**CITY OF SUNRISE, FLORIDA**  
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**SEPTEMBER 30, 2015**

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# CITY OF SUNRISE, FLORIDA

## I. Summary of Significant Accounting Policies

### A. Reporting entity

The City of Sunrise, Florida (the City) was incorporated in 1961 and has a population of approximately 90,000 living within an area of approximately 18 square miles. The City was established under Charter 61-2902, which was adopted in 1961 with a mayor/commission form of government. By referendum, the city commission/city manager form of government replaced the mayor/commission form of government in 1989. Five elected city commission members comprised of the Mayor, Deputy Mayor, Assistant Deputy Mayor and two Commissioners govern the City.

In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. If the component unit's governing body is substantively the same as the City's, the component unit is blended (reported as if it was part of the City's operations).

### Blended component units

**Special Recreation District Phase I** was created by Ordinance 183. It was established to provide recreational facilities. The governing body of the City is the governing body of the Special Recreation District and management of the City has operational responsibility for the component unit.

**Special Tax District No. 1** (the District) was created by Ordinance 373. The District provides, or assists in the provision of, public works lying within its territorial limits. All elected and appointed officials and employees of the City are, ex officio, the officials and employees of the District. Management of the City has operational responsibility for the component unit.

**Metropica Improvement District** (the District) was created by Ordinance 909-X. The District provides or assists in the provision of land and public improvements within its territorial boundaries or outside its boundaries which benefit property lying within its territorial limits. All elected and appointed officials and employees of the City are, ex officio, the officials and employees of the District. Management of the City has operational responsibility for the component unit.

The City Commission establishes rates for special assessments for Special Recreation District Phase I and ad valorem taxes for Special Tax District No. 1. If necessary, the City Commission would establish the ad valorem tax rate for the Metropica Improvement District.

Separate financial statements are not required or prepared for the special districts. The City reports fund balances and financial activity in the debt service funds, and the capital projects fund for Special Tax District No. 1.

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### **B. Government-wide and fund financial statements**

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. In June 2012, the GASB issued *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* (Statement No. 68). In January 2013, the GASB issued *Government Combinations and Disposals of Government Operations* (Statement No. 69). In November 2013, the GASB issued *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* (Statement No. 71) to be implemented simultaneously with the provisions of Statement No. 68. The City has applied the requirements, as applicable, of these Statements effective October 1, 2014.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been eliminated from these statements. Exceptions to this are administrative charges where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and wastewater function and various other functions of the City. The net residual amounts due between governmental and business-type activities are presented as internal balances in the statement of net position. Amounts reported in the funds as receivable from or payable to fiduciary funds are included in the statement of net position as receivable from and payable to external parties, rather than as internal balances.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges 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. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

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.

### **C. Measurement focus, basis of accounting and financial statement presentation**

Measurement focus is commonly used to describe the types of transactions and events that are reported in a fund's operating statement. Basis of accounting refers to the point at which revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements and relates to the timing of transactions, regardless of the measurement focus applied.

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. The economic resources measurement focus is on the determination of

## CITY OF SUNRISE, FLORIDA

net income and capital maintenance. All fund assets, deferred outflows/inflows of resources, and liabilities, current and non-current, are accounted for in the fund. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Certain indirect costs are included in the program expense reported for business-type activities.

Amounts reported as program revenues include 1) charges to customers 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. Taxes and other items not classified as program revenues are reported as general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The current financial resources measurement focus is on the determination of and changes in financial position. This concept emphasizes the acquisition, use and balance of governmental fund expendable available financial resources and related current liabilities. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred. The exception to this general rule is that principal and interest on general long-term debt and compensated absences are recognized when due.

Property taxes, gas taxes, utility service taxes, franchise fees, fuel tax refunds, administrative charges 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. In applying the susceptible to accrual concept to intergovernmental revenues, revenues are recognized when all eligibility requirements are met. All other revenue items are considered to be measurable and available only when cash is received by the City.

Governmental funds are used to account for the City's general government activities. The City reports the following major governmental funds:

- The General Fund is the operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- The Special Assessment Bonds, Series 2015 capital projects fund accounts for the development, construction, equipment and installation of two parking garages at Sawgrass Mills.

The other governmental funds are a summarization of all the non-major governmental funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. 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 enterprise funds include the cost of sales and services, administrative fees, general expenses and depreciation/ amortization on capital assets. Operating expenses for the internal service funds include claims, insurance premiums,

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general expenses and depreciation/amortization on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The City reports the following major proprietary funds:

- The Water, Wastewater, and Gas Utility System enterprise fund accounts for the provision of water, wastewater and natural gas services to customers inside and outside the City limits.
- The Sanitation enterprise fund accounts for the provision of solid waste disposal services to City residents.

The other proprietary funds are a summarization of all the non-major proprietary funds.

Additionally, the City reports the following fund types:

The internal service funds are used to account for goods or services provided by one department to other departments of the City on a cost-reimbursement basis. The City operates four internal service funds for the purpose of workers compensation services, fleet management, self-insured health and information technology and communications.

Fiduciary Funds include pension trust funds and an agency fund. The pension trust funds account for the activities of the City's general employees', police officers' and firefighters' pension plans, which accumulate resources for pension benefit payments to qualified employees. The agency fund is used to account for transactions related to \$70,120,000 Taxable Special Assessment Bonds, Series 2015 which include the establishment of a debt service reserve and the debt service transactions associated with the bonds. The bonds were issued by the City and secured by assessments on real property within a specified area that stands to benefit from the improvements provided by the bonds, known as the Parking Garages Assessment Area. The City has no liability for repayment of the bonds and is merely acting as the property owners' agent in handling the debt service transactions by collecting the assessments (which are reported as deposits held for others until paid) and forwarding for payment to the bondholders each May 1 and November 1. For fiscal year ended September 30, 2015, the agency fund reports total cash and cash equivalents of \$7,138,069, which consists of the debt service reserve of \$4,787,658 and \$2,350,411 received from the property owners for the 2016 debt service of the bonds. The proceeds from the bonds have been recorded as contributions from property owners in the agency fund as well as in the Special Assessments Capital Projects Fund, which will account for the construction of the parking garages.

### **D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance**

#### **1. Cash and cash equivalents**

The City has defined cash and cash equivalents to include cash on hand, demand deposits, short-term investments (including restricted assets) with original maturities at the time of purchase of three months or less, Florida State Board of Administration's (SBA) Florida PRIME Investment Pool, money market mutual funds, and equity in the City's pooled cash.

Pooled cash is an investment tool employed by the City that maximizes earning potential by investing large amounts of idle cash for short periods of time. It is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions. The City maintains pooled cash accounts in all of its funds except for the pension

## CITY OF SUNRISE, FLORIDA

trust funds, debt service funds, capital projects funds that are funded by special assessments or debt, and the Police Confiscation fund. Interest income is distributed monthly based on average daily balances. Each fund's equity in the City's pooled cash is considered to be a cash equivalent since the funds can deposit or withdraw cash at any time without prior notice or penalty.

The City invests surplus funds in a variety of investment vehicles. One such vehicle is the Florida PRIME, an external investment pool. The City owns shares of the pool, not the underlying securities. This fund is administered by the SBA, who provides regulatory oversight, and has been managed by Federated Investors since February 2008. Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for administration of the investment pool. Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however, the SBA 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 net asset value (NAV) of \$1 per share. The fair value of the position in Florida PRIME is equal to the value of the pool shares. The investments in Florida PRIME are not insured by FDIC or any other governmental agency.

Pooled cash is also invested in various certificates of deposit and three money market mutual funds including Fidelity Prime, Morgan Stanley Institutional Prime, and Public Financial Management (PFM) Prime Funds.

### **2. Investments**

On August 11, 2015, the City's Investment Policy was revised to include the following authorized investments: the Florida PRIME or any authorized intergovernmental investment pool, U.S. Government and Agency securities, certificates of deposit, corporate bonds, mortgage-backed securities, repurchase agreements, commercial paper, certain money market mutual funds, obligations of U.S. government sponsored enterprises implicitly or explicitly guaranteed by the U.S. government, obligations of state and local governments, and banker's acceptances. Investments purchased with maturities of three months or less are classified as cash equivalents.

Investments are stated at fair value (quoted market price or the best available estimate thereof). However, money market investments, including short-term, highly liquid investments with a remaining maturity at time of purchase of one year or less, are reported at amortized cost.

Bond ordinances authorize trust account investments in deposit accounts of any banks that are fully insured by federal depository insurance or fully collateralized by federal securities, repurchase agreements and general obligation or full faith credit bonds, notes or obligations of any state or subdivision provided such obligations meet certain rating requirements. The bond ordinances also provide that monies on deposit in the reserve account may be invested only in federal securities.

The City's pension funds' investment policies are determined by the respective Boards of Trustees. Their portfolios may consist of obligations guaranteed by the U.S. government, time or savings accounts, corporate bonds, common or preferred stocks, international equity funds (up to 25% of portfolios) and mutual funds. Fair values of investments are determined as follows: securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year at current exchange rates; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the past reported bid and ask prices; and investments that do not have an

## **CITY OF SUNRISE, FLORIDA**

established market are reported at estimated fair value as determined by the Board of Trustees. Time deposits and short-term investment pools are valued at cost that approximates market.

During fiscal year 2015, SBA's Fund B distributed excess reserves on a pro rata basis to all Florida PRIME participants entitled to receive interest on funds invested as of November 2007, prior to the establishment of Fund B. On July 15, 2015, only a small residual balance remained in Fund B. The City received approximately \$540,000 in the final distribution.

### **3. Receivables and payables**

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

Advances to other funds (an asset), as reported in the governmental fund financial statements, are classified as nonspendable fund balance to indicate they are not available for appropriation. Customer receivables are shown net of an allowance for uncollectibles. All assessments are reported, including delinquencies.

### **4. Inventories and prepaid items**

All City inventories are maintained on a consumption basis of accounting where items are purchased for inventory and charged as an expenditure/expense as the items are consumed. The reported governmental fund type inventories are offset by a fund balance classified as nonspendable that indicates unavailability of spendable resources. Inventories held by the General Fund consist of postage stamps while inventories included in the special revenue funds consist of irrigation parts and road materials. Inventories included in the enterprise funds consist of chemicals, meters, and parts and supplies. Inventories in the internal service funds consist of fuel. Governmental fund inventories are stated at cost, using the first-in/first-out (FIFO) method. The chemicals and fuel inventories in the enterprise and internal service funds are stated at lower of cost or market, using the FIFO method; the meters and parts and supplies inventories are stated at lower of cost or market, using the weighted average method.

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 governmental fund financial statements consider prepaid items to be nonspendable fund balance.

### **5. Restricted assets**

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The "revenue bond operations and maintenance" account is used to report resources set aside to pay operating and maintenance expenses. The "revenue bond debt service" account is used to segregate resources accumulated for debt service payments over the next twelve months. The "revenue bond reserve" account is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account. The "revenue bond renewal and replacement" account is used to report

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resources set aside to cure deficiencies in the debt service account or the reserve account, or to fund asset renewals and replacements.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first and then unrestricted resources as they are needed. In the governmental funds, when both restricted resources and other resources (committed, assigned, and unassigned) can be used, the spending priority is committed, assigned, then unassigned, except in the General Fund where the spending priority is assigned, unassigned, then committed.

### 6. Capital assets

Capital assets, which include property, plant, equipment, vehicles, intangibles and infrastructure assets (e.g., roads, bridges, etc.), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Generally, the City, with the exception of the firefighters' pension fund, defines capital assets as assets with an initial, individual cost of \$1,000 or greater and an estimated useful life in excess of one year. The firefighters' pension fund has established a capital threshold of \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Contributed assets are recorded at estimated fair market value as of the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs are capitalized when incurred in the business-type activities on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of specified qualifying assets is offset against interest costs in determining the amount to be capitalized. The City capitalizes interest as a component of capital assets constructed for its own use.

Capital assets are depreciated and amortized using the straight-line method over the following estimated useful lives.

Intangibles	5 years
Buildings	25 – 50 years
Improvements other than buildings	5 – 20 years
Water and wastewater plant	30 – 50 years
Gas plant	25 – 50 years
Deep well injection system	50 years
Machinery & equipment	3 – 10 years
Vehicles	5 – 10 years
Public domain infrastructure	30 – 50 years

Contributions of funds from federal, state or local sources for the purpose of purchasing property, plant and equipment and connection fees intended to recover the cost of connecting new customers to the system are recorded as capital contributions on the proprietary statement of revenues, expenses, and changes in fund net position.

### 7. Pensions

The City has implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB*

## CITY OF SUNRISE, FLORIDA

*Statement No. 27*, during the current fiscal year as required for defined benefit plans sponsors. Net pension liability, deferred outflows and inflows of resources, pension expense and information about the fiduciary net position, and additions and deductions to fiduciary net position have been determined and reported 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. Investments are reported at fair value.

### **8. Deferred outflows/inflows of resources**

The Statement of Net Position includes a separate section for deferred outflows of resources. This represents a consumption of net position applicable to future periods and will not be recognized as an expense/expenditure until the future period to which it applies. Items in this category include a deferred charge on refunding and a deferred pension expense (see note V.C.). A deferred charge on refunding is the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or the refunding debt.

The Statement of Net Position also includes a separate section, listed below total liabilities, for deferred inflows of resources that represents the acquisition of net position applicable to future periods and is not recognized as revenue until the period to which it applies. Items in this category include unavailable revenue and deferred pension income (see note V.C.) Governmental funds report unavailable revenue using the modified accrual basis of accounting from two sources: local business tax and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

### **9. Compensated absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from City service if certain criteria are met. The accumulated compensated absences and associated employee-related costs are accrued when incurred in the government-wide and proprietary fund financial statements. The current portion is the amount estimated to be used in the following fiscal year. The compensated absences balance in the governmental funds represents a reconciling item between the fund and the government-wide presentations.

### **10. Long-term obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums/discounts and future appreciated principal (on capital appreciation bonds) are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method except that the premium on the Series 2015 General Obligation bonds and the premium on the Series 2010 bonds in the Water, Wastewater and Gas Utility System enterprise fund are amortized using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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### **11. Net position or fund equity**

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net investment in capital assets represent the City's capital assets net of accumulated depreciation plus the capital-related deferred outflows of resources less any capital-related borrowings and deferred inflows of resources . Net position is reported as restricted when there are limitations imposed to meet the various covenants as may be specified and defined in the revenue bond indenture or other legal document.

The governmental funds' financial statements report five categories of fund balance: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balances include amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. 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 (which are both equal and the highest level of decision making authority) are classified as committed fund balances. These constraints remain binding unless removed or changed in the same manner employed to commit those resources. 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. Funds can only be assigned by City Commission. With the exception of the general fund, this is the residual fund balance classification for all governmental funds with positive balances. Unassigned fund balance is the residual classification that has not been restricted, committed or assigned. Any residual (unassigned) balance must be positive in the General Fund but may be negative in any other governmental funds as a result of overspending for specific purposes for which amounts have been restricted, committed or assigned.

### **12. Revenue stabilization**

A general fund revenue stabilization account was approved by City Commission through resolution to mitigate the impacts of future revenue shortfalls. The minimum funding level is five percent (5%) of audited actual operating expenditures based on the most recent year in which audited operating expenditures are available. Disbursements from the revenue stabilization account may be made by the City Commission by enactment of an ordinance requiring a majority plus one vote if the following criteria is met: the revenue shortfall in a fiscal year results from revenue collections short of the amount budgeted by five percent (5%) or more or the revenue shortfall results from projected budgeted revenues for any ensuing year that are less than the previous year's adopted revenue budget and the revenue shortfall is expected to persist through the end of the fiscal year.

### **13. Use of estimates**

The preparation of the financial statements in conformity with GAAP in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF SUNRISE, FLORIDA**

**E. Deficit fund balances**

At September 30, 2015, the City had a deficit fund balance of \$1,516 in the Community Development Block Grant special revenue fund. This deficit is expected to be eliminated by reimbursement from the granting agency in future years.

**II. Reconciliation of Government-wide and Fund Financial Statements**

**A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**

The governmental fund balance sheet includes the reconciliation between *fund balances – total governmental funds* and *net position of governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds”. The details of this \$83,166,826 are as follows:

Bonds payable	\$ 51,590,000
Plus: Issuance premiums	2,203,533
Less: Bond insurance costs	(48,387)
Compensated absences	9,698,234
Other post-employment benefits	13,104,878
Retiree subsidy	<u>6,618,568</u>
Net adjustment to reduce <i>fund balances - total governmental funds</i> to arrive at <i>net position of governmental activities</i>	<u><u>\$ 83,166,826</u></u>

**B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes the reconciliation between *net change in fund balances – total governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense”. The details of this \$5,941,922 difference are as follows:

Capital outlay	\$ 24,287,277
Depreciation expense	(16,962,812)
Capitalized operating expenditures	55,492
Non-capitalized capital outlay expenditures	<u>(1,438,035)</u>
Net adjustment to decrease <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position of governmental activities</i>	<u><u>\$ 5,941,922</u></u>

**CITY OF SUNRISE, FLORIDA**

Another element of that reconciliation states that “the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, write-offs and donations) is to increase/ (decrease) net position”. The details of this \$(348,086) difference are as follows:

Donations of capital assets increase net position in the statement of activities but do not appear in the governmental funds because they are not financial resources.	\$ 1,780,588
Trade-ins of existing capital assets to acquire new capital assets increase net position. Governmental funds do not report gains or losses on trade-ins.	98,760
The statement of activities reports losses arising from the write-off of capital assets. Governmental funds do not report any loss resulting from a capital asset write-off.	<u>(2,227,434)</u>
Net adjustment to decrease <i>net change in fund balances - total governmental funds to arrive at change in net position of governmental activities</i>	<u>\$ (348,086)</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position”. The details of this \$40,166,830 difference are as follows:

Ad valorem tax bonds issued	\$ 37,630,000
Premium on General Obligation Bonds	2,365,865
Amortization of bond premium	(162,332)
Interest accrual for GO/Special Assessment bonds	2,410,233
Amortization of bond insurance costs	8,064
Bond principal repayments	<u>(2,085,000)</u>
Net adjustment to increase <i>net change in fund balances - total governmental funds to arrive at change in net position of governmental activities</i>	<u>\$ 40,166,830</u>

Another element of that reconciliation states that "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”. The details of the \$(1,420,097) difference are as follows:

Increase in other post employment benefits	\$ (1,160,376)
Increase in retiree subsidy	(381,659)
Decrease in compensated absences	<u>121,938</u>
Net adjustment to decrease <i>net change in fund balances - total governmental funds to arrive at change in net position of governmental activities</i>	<u>\$ (1,420,097)</u>

The element of the reconciliation that states “revenues reported in the funds that relate to prior periods are not reported in the statement of activities” represents the Special Recreation District Phase I special assessment of \$(271,557).

## **CITY OF SUNRISE, FLORIDA**

### **III. Stewardship, Compliance and Accountability**

#### **A. Budgetary information**

Budgets are legally adopted for all governmental and proprietary fund types. Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Project-length budgets are adopted in the capital projects funds. All unencumbered, annual appropriations lapse at fiscal year-end. Significant appropriations outstanding at year-end are re-appropriated in the following year.

The appropriated budget is prepared by fund, function, and department. The city manager may make transfers of appropriations among programs within a department, office or agency. Transfers of appropriations between departments require the approval of the city commission.

Expenditures/expenses may not legally exceed appropriations at the individual fund level; exception is the general fund expenditures, which may not exceed appropriations at the department level. Supplemental appropriations for operating and capital expenditures of \$1,367,082 for the general fund, \$801,109 for the special revenue funds, \$2,362,220 for debt service funds and \$103,103,895 for the capital projects funds were approved during the year and are included in the final budget. The City follows these procedures in establishing the legally adopted budgetary data:

1. Prior to August 1<sup>st</sup>, the city manager submits to the city commission a proposed annual budget, budget message and capital program for the fiscal year commencing October 1<sup>st</sup>. The operating budget includes proposed expenditures/expenses and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1<sup>st</sup>, the budget is legally enacted through the passage of an ordinance as required by the City Charter.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders) outstanding at year-end are reported as assigned fund balance and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

### **IV. Detailed Notes on all Funds**

#### **A. Deposits and investments**

As of September 30, 2015, the fair value of the City's deposits and investments, exclusive of the Pension trust funds, was \$8,754,104 in U.S. Treasuries, \$50,586,202 in U.S. Government sponsored enterprises; \$25,281,032 in certificates of deposit, \$163,117,443 in the SBA Florida PRIME, \$117,438,457 in five money market mutual funds (PFM Prime Fund, Fidelity Institutional Prime Money Market fund with Wells Fargo Securities and Fidelity Institutional Money Market Treasury fund Class I with Bank of New York Mellon, Morgan Stanley Institutional Prime Money Market Liquidity fund with Regions Bank and Federated Government Obligations fund with Hancock Bank). The investments in Florida PRIME and the five money market mutual funds are classified as cash and cash equivalents. Additionally, cash and cash equivalents are comprised of \$70,430 on hand, \$99,362,414 with qualified public depositories

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and \$13,983,307 with authorized depositories pursuant to fiduciary agreements related to its utility bonds. Total restricted and unrestricted cash and cash equivalents at September 30, 2015 are \$393,972,051. Total investments, including restricted and unrestricted, amount to \$84,621,338.

As of September 30, 2015, the in the General Employees’ Pension trust fund had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>
Bond mutual funds	\$49,341,396	\$(8,421,027)	\$31,381,319	\$19,387,904	\$6,993,200

The City’s Police Officers’ Pension trust fund contained the following investments as of September 30, 2015:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Duration (Years)</u>	<u>Bond Rating</u>
U.S. treasuries	\$ 17,705,683	4.80	AA
U.S. agencies	19,956,733	5.40	AA
Corporate bonds	5,304,370	6.20	A-AAA
Total fair value	<u>\$ 42,966,786</u>		
Portfolio weighted average duration		5.25	

At September 30, 2015, the City’s Firefighters’ Pension trust fund had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>
U.S. treasuries	\$ 1,795,731	\$ -	\$ 1,312,016	\$ 203,126	\$ 280,589
U.S. agencies	1,791,713	100,004	550,077	95,703	1,045,929
Corporate bonds	8,592,340	309,705	3,090,291	4,064,480	1,127,864
	<u>\$ 12,179,784</u>	<u>\$ 409,709</u>	<u>\$ 4,952,384</u>	<u>\$ 4,363,309</u>	<u>\$ 2,454,382</u>

*Interest rate risk.* The City’s investment policy, exclusive of the Pension trust funds, addresses exposure to declines in fair value by limiting the weighted average duration of its investment portfolio to less than three years. The single U.S. Treasury investment that is in the City’s investment portfolio at September 30, 2015 matures in 152 days. The weighted average days to maturity of the SBA Florida PRIME is 29 days. The weighted average maturity for PFM Prime Series is 50 days. The weighted average maturity for Fidelity Institutional Prime Money Market is 25 days. The weighted average maturity for Morgan Stanley Institutional Liquidity Funds Prime Portfolio is 18 days. The weighted average maturity for Federated Government Obligations Fund is 31 days. The weighted average maturity for Fidelity Institutional Money Market Treasury Class I is 36 days. The City may withdraw its funds from any of the above mentioned investment vehicles, other than the U.S. Treasury investment, upon one day’s notice. To limit exposure to interest rate risk, the City and its three Pension Plans: General Employees, Firefighters and Police Officers diversify investments by security type and institution, and limit holdings in any one type of investment with any one issuer with various durations of maturity. In addition, the Police Officers’ Pension Plan manages its exposure to declines in fair values by limiting the effective duration of its investment portfolio through the adoption of the Barclays Capital Government/Credit Intermediate Index.

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*Credit risk.* The City's investment policy limits the quality and quantity of investments in order to mitigate the effects of credit risk. Funds that are invested in U.S. government obligations are considered to have no credit risk. Consistent with State law, the SBA Florida PRIME, the General Employees' Pension Plan and the Police Officers' Pension Plans' investment guidelines limit corporate bonds to the top three ratings issued by one of the nationally recognized statistical rating organizations. Florida PRIME and PFM Prime Series Funds are rated AAAM by Standard and Poor's. The Fidelity Institutional Money Market Treasury Class I Fund, the Fidelity Institutional Prime Money Market fund and the Federated Government Obligations fund are all rated AAAM by Standard and Poor's and AAA-mf by Moody's. Of the General Employees' Pension Plan's investments at September 30, 2015, \$33,783,089 were rated AAA, \$2,173,898 were rated AA, \$5,425,604 were rated A, \$6,323,989 were rated Baa1, \$379,851 were rated BB, and \$1,254,965 were rated B. The credit ratings of investments in the corporate bonds of the Firefighters' Pension Plan at September 30, 2015 were \$668,656 rated AA+, \$193,410 rated AA, \$946,250 rated AA-, \$880,837 rated A+, \$1,695,211 rated A, \$3,129,511 rated A-, and \$1,078,465 rated BBB+. U. S. Government obligations of \$3,587,444 are considered to have no credit risk.

*Concentration of credit risk.* The City's revised investment policy limits the investment in any single issuer based on the credit risk associated with said issuer. The investment policy limits the investment in non-negotiable interest bearing certificates of deposit and other (than operating) depository accounts secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes to 20% of the portfolio per issuer. At September 30, 2015, the City had a total of \$43,908,011 or 9.6% of the portfolio invested with Bank United. Investments in intergovernmental investment pools authorized pursuant to the Florida Interlocal Cooperation Act as provided in Florida Statute 163.01(FLSAFE), is limited to no more than 60% of the value of the portfolio. The policy further limits investments in intergovernmental investment pools to a maximum of 35% in any one issuer. The Florida PRIME fund investment pool's exposure to a single non-governmental issuer is limited to 5% and exposure to any single money market mutual fund will not exceed 10% of the Florida PRIME assets. At September 30, 2015, the Florida PRIME Fund Investment Pool held \$163,117,443 or 35.5% of the City's portfolio. Prior to August 11, 2015, the policy did not provide limitations on intergovernmental investment pools. Since fiscal year end, funds have been allocated to other investments to reduce the holdings in the Florida PRIME Fund. At the end of the first quarter of 2016, the investment was reduced to 31% to be in compliance with the revised policy. The policy restricts investments in registered investment companies (money market mutual funds) to 50% of the portfolio and 20% per issuer. At September 30, 2015, the City had \$72,912,230 or 15.9% invested in Fidelity Institutional Prime Money Market Fund; \$32,007,085 or 7% in Morgan Stanley Institutional Prime Money Market Liquidity Fund; and \$7,197,108 or 1.6% in PFM Prime Fund. The General Employees', Police Officers' and Firefighters' Pension Plans' investment policies do not allow for an investment in any one issuer that is five percent or more of the Plans' net position available for benefits.

*Custodial credit risk – deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. All cash deposits are held in qualified public depositories pursuant to State of Florida Statutes Chapter 280, "Florida Security for Public Deposits Act". Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The pledging level may range

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from 50% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to a public depositor not covered by insurance provided by the Federal Depository Insurance Corporation (FDIC) and the proceeds from the sale of collateral pledged by the defaulting depository, will be assessed against other qualified public depositories of the same type as the depository in default. Accordingly, all deposits are deemed insured or collateralized.

*Custodial credit risk – investments.* This 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. No custodial credit risk exposure exists for the City or the pension plans as all investments are held by each entity's custodial bank and registered in each entity's name.

*Foreign currency risk.* This is the risk that changes in the exchange rates will adversely affect the fair value of an investment. The City's investment policy requires all securities be denominated in U.S. dollars. Therefore there is no foreign currency risk exposure. The foreign pension investments that are held by the General Employees', Police Officers' and Firefighters' pension funds are not subject to foreign currency risk as they are denominated in U.S. currency.

### B. Receivables

Receivables at September 30, 2015, are as follows:

	<u>Interest</u>	<u>Taxes/ Franchise Fees</u>	<u>Accounts</u>	<u>Special Assessments</u>	<u>Other</u>	<u>Inter- governmental</u>	<u>Total Receivables</u>
Governmental activities:							
General	\$ 31,470	\$1,760,370	\$ 749,530	\$ -	\$ 56,543	\$ 2,449,983	\$ 5,047,896
Internal Service	9,901	-	4,961	-	106,055	-	120,917
Other governmental	<u>20,382</u>	<u>-</u>	<u>-</u>	<u>893,106</u>	<u>62,436</u>	<u>442,452</u>	<u>1,418,376</u>
Total – governmental activities	<u>\$ 61,753</u>	<u>\$1,760,370</u>	<u>\$ 754,491</u>	<u>\$ 893,106</u>	<u>\$225,034</u>	<u>\$ 2,892,435</u>	<u>\$ 6,587,189</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 626,478</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 626,478</u>
Business-type activities:							
Water, Wastewater & Gas Utility System							
Unrestricted	\$ 19,331	\$ -	\$15,350,476	\$ 17,989	\$ -	\$ -	\$ 15,387,796
Restricted	70,144	-	-	-	-	421,430	491,574
Sanitation	468	-	1,660,606	-	2,714	-	1,663,788
Other proprietary	<u>5,921</u>	<u>-</u>	<u>640,286</u>	<u>-</u>	<u>13,386</u>	<u>-</u>	<u>659,593</u>
Gross receivables	95,864	-	17,651,368	17,989	16,100	421,430	18,202,751
Less: Uncollectibles	<u>-</u>	<u>-</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>
Total – business-type activities	<u>\$ 95,864</u>	<u>\$ -</u>	<u>\$17,501,368</u>	<u>\$ 17,989</u>	<u>\$ 16,100</u>	<u>\$ 421,430</u>	<u>\$ 18,052,751</u>

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Revenues of the Water, Wastewater & Gas Utility System enterprise fund are reported net of uncollectible amounts. Actual uncollectible amounts related to revenues of the current period are as follows:

Uncollectibles related to water and wastewater sales	\$ 115,857
Uncollectibles related to gas sales	8,905
Uncollectibles related to recycling services	292
Uncollectibles related to stormwater services	<u>6,374</u>
Total uncollectibles for the current fiscal year	<u>\$ 131,428</u>

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows of resources (unavailable) and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Special assessments not yet due		
Special Recreation District Phase I	\$ 893,106	\$ -
Prepaid local business license tax (General fund)	1,867,464	-
Prepaid inspection fees		
General Fund	-	701,894
Building Fund	-	2,625
Prepaid sidewalk replacement fees		
(Fuel and Roadway special revenue fund)	-	11,625
Grant proceeds prior to meeting all eligibility requirements (General fund)	<u>-</u>	<u>56,249</u>
Total deferred/unearned revenue for governmental funds	<u>\$2,760,570</u>	<u>\$ 772,393</u>

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**C. Capital assets**

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated or amortized:				
Land	\$ 16,216,336	\$ 7,859,160	\$ (414,930)	\$ 23,660,566
Construction in progress	6,665,753	20,253,070	(14,440,248)	12,478,575
Total capital assets, not being depreciated or amortized	<u>22,882,089</u>	<u>28,112,230</u>	<u>(14,855,178)</u>	<u>36,139,141</u>
Capital assets, being depreciated or amortized:				
Intangibles	1,789,425	201,190	(18,723)	1,971,892
Buildings and system	128,345,472	-	(3,050,000)	125,295,472
Improvements other than buildings	44,356,369	8,735,127	-	53,091,496
Machinery and equipment	17,858,825	1,748,772	(1,216,758)	18,390,839
Vehicles	20,640,210	3,277,963	(825,357)	23,092,816
Infrastructure	<u>331,893,532</u>	<u>-</u>	<u>-</u>	<u>331,893,532</u>
Total capital assets, being depreciated or amortized	544,883,833	13,963,052	(5,110,838)	553,736,047
Less accumulated depreciation/ amortization for:				
Intangibles	(1,175,184)	(210,522)	18,723	(1,366,983)
Buildings and system	(35,674,305)	(3,788,625)	1,586,000	(37,876,930)
Improvements other than buildings	(29,621,419)	(3,203,887)	-	(32,825,306)
Machinery and equipment	(11,399,537)	(1,712,184)	1,179,101	(11,932,620)
Vehicles	(13,617,346)	(1,374,831)	825,358	(14,166,819)
Infrastructure	<u>(297,783,744)</u>	<u>(7,590,503)</u>	<u>-</u>	<u>(305,374,247)</u>
Total accumulated depreciation/ amortization	<u>(389,271,535)</u>	<u>(17,880,552)</u>	<u>3,609,182</u>	<u>(403,542,905)</u>
Total capital assets, being depreciated or amortized, net	<u>155,612,298</u>	<u>(3,917,500)</u>	<u>(1,501,656)</u>	<u>150,193,142</u>
Governmental activities capital assets, net	<u>\$ 178,494,387</u>	<u>\$24,194,730</u>	<u>\$(16,356,834)</u>	<u>\$186,332,283</u>

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	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated or amortized:				
Land	\$ 12,147,246	\$ -	\$ -	\$ 12,147,246
Construction in progress	60,277,411	40,367,449	(39,060,775)	61,584,085
Total capital assets, not being depreciated or amortized	<u>72,424,657</u>	<u>40,367,449</u>	<u>(39,060,775)</u>	<u>73,731,331</u>
Capital assets, being depreciated or amortized:				
Intangibles	1,000,749	-	(127,820)	872,929
Buildings and system	493,334,093	40,536,483	(3,011,353)	530,859,223
Improvements other than buildings	11,822,140	793,284	-	12,615,424
Machinery and equipment	8,501,454	484,478	(385,504)	8,600,428
Vehicles	8,676,710	1,115,072	(345,151)	9,446,631
Total capital assets, being depreciated or amortized	<u>523,335,146</u>	<u>42,929,317</u>	<u>(3,869,828)</u>	<u>562,394,635</u>
Less accumulated depreciation/ amortization for:				
Intangibles	( 938,274)	(33,605)	127,820	(844,059)
Buildings and system	(217,300,154)	(17,425,463)	2,278,156	(232,447,461)
Improvements other than buildings	(4,938,462)	(846,866)	-	(5,785,328)
Machinery and equipment	(5,955,053)	(480,260)	376,724	(6,058,589)
Vehicles	(5,874,219)	(551,024)	345,151	(6,080,092)
Total accumulated depreciation/ amortization	<u>(235,006,162)</u>	<u>(19,337,218)</u>	<u>3,127,851</u>	<u>(251,215,529)</u>
Total capital assets, being depreciated or amortized, net	<u>288,328,984</u>	<u>23,592,099</u>	<u>(741,977)</u>	<u>311,179,106</u>
Business-type activities capital assets, net	<u>\$ 360,753,641</u>	<u>\$ 63,959,548</u>	<u>\$ (39,802,752)</u>	<u>\$ 384,910,437</u>

At September 30, 2015, the total amount of interest costs incurred related to business-type activities is \$10,917,974, of which \$1,115,428 has been capitalized.

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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 2,231,769
Public safety	3,591,222
Transportation, including depreciation of general infrastructure assets	8,037,579
Culture and recreation	4,019,982
Total depreciation expense - governmental activities	<u>\$ 17,880,552</u>
Business-type activities:	
Water, wastewater, and gas	\$ 18,916,520
Recycling	727
Stormwater	302,165
Golf course	117,806
Total depreciation expense - business-type activities	<u>\$ 19,337,218</u>

**D. Construction commitments**

At September 30, 2015, the City had in process various uncompleted construction projects with remaining balances totaling \$42,449,891. Funding of these projects is to be made primarily through the proceeds of the related bond issues.

**E. Encumbrances**

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Encumbrances as of September 30, 2015 are as follows:

Major funds:	
General Fund	\$ 426,655
Other governmental funds	<u>4,065,075</u>
Total Encumbrances	<u>\$ 4,491,730</u>

**F. Interfund receivables, payables and transfers**

The General Fund advanced \$1,450,000 to the Stormwater Utility enterprise fund in the 1996-1997 fiscal year. This advance was made to enable capital purchases at the inception of the Stormwater Utility enterprise fund. This advance bears interest at the annual rate of 5.25% and is payable over 20 years. The General Fund recognizes the advance as an asset and the noncurrent portion of the loan, \$112,903, as nonspendable fund balance. The current portion of the loan in the amount of \$107,272 is recorded as an interfund receivable/payable.

The General Fund advanced \$100,000 to the CDBG Grant special revenue fund. This advance was made to enable expenditures in this fund prior to grant reimbursement. The General Fund recognizes the advance as an asset with a corresponding nonspendable fund balance.

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The composition of interfund balances as of September 30, 2015, is as follows.

<u>Fund</u>	<u>Interfund receivables</u>	<u>Interfund payables</u>	
General fund	\$ 107,272	\$ -	
Non-major enterprise fund:			
Stormwater	-	107,272	
Total interfund receivables/payables	<u>\$ 107,272</u>	<u>\$ 107,272</u>	

<u>Fund</u>	<u>Advance from</u>	<u>Advance to</u>	
General fund	\$ 212,903	\$ -	
Non-major governmental fund:			
Special revenue fund: CDBG Grant	-	100,000	
Non-major enterprise fund:			
Stormwater	-	112,903	
Total advances	<u>\$ 212,903</u>	<u>\$ 212,903</u>	

<u>Fund</u>	<u>Due from other funds</u>	<u>Due to other funds</u>	<u>Purpose</u>
General fund	\$ 773,448	\$ 1,115,934	1,2,3,4
Non-major governmental funds:			
Special revenue funds:			
Building	-	8,241	2
Community Development Block Grant	-	481	2
Fuel and Roadway	-	2,468	2
Police Confiscation	49,457	456,613	1,2,5
Debt service funds:			
Sunrise Lakes Phase I	46	-	4
Special Tax District No. 1	2	-	4
Capital projects funds:			
Capital Improvements	410,000	637	2,5
General Obligation Bond Series 2015 Capital Projects	-	10,076	1
Total non-major governmental funds	<u>459,505</u>	<u>478,516</u>	
Enterprise funds:			
Water, Wastewater, and Gas Utility System	10,076	556,135	1,2
Sanitation	-	175,178	3
Non-major enterprise funds:			
Recycling	-	49,182	1
Stormwater	-	4,933	2
Total non-major enterprise funds	<u>-</u>	<u>54,115</u>	
Internal service funds:			
Fleet Management	-	501	2
Information Technology & Communications	-	5,372	2
Total internal service funds	<u>-</u>	<u>5,873</u>	
General Employees' Pension	127,218	-	2
Police Officers' Pension	92,194	-	2
Firefighters' Pension	923,310	-	2
Total pension trust funds	<u>1,142,722</u>	<u>-</u>	
Total due to/due from	<u>\$ 2,385,751</u>	<u>\$ 2,385,751</u>	

The reasons for the due to/due from other funds are:

- 1) Salary, fringe benefit, operating expense reimbursements
- 2) Pension plan funding
- 3) Franchise fee receivable/payable
- 4) Interest
- 5) Capital projects funding

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Interfund transfers:

	<b>Transfers out:</b>					
	General Fund		Non-major governmental funds	Water, Wastewater and Gas Utility Fund	Non-major enterprise funds	Total
<b>Transfers in:</b>						
General fund	\$ -		\$ -	\$ 4,750,400	a \$910,773	a \$ 5,661,173
Non-major governmental funds	13,764,277	a/b/d	800,000	b -	-	14,564,277
Sanitation fund	865,320	c	-	-	-	865,320
Non-major enterprise funds	688,320	c	-	-	-	688,320
Internal service funds	4,711,540	b	-	-	-	4,711,540
	<u>\$ 20,029,457</u>		<u>\$ 800,000</u>	<u>\$ 4,750,400</u>	<u>\$910,773</u>	<u>\$ 26,490,630</u>

The reasons for these transfers are set forth below:

- a) Move unrestricted revenues collected in funds to finance various programs accounted for in other funds in accordance with budgetary authorizations
- b) Provide funds for capital outlay
- c) Subsidize operations
- d) Transfer restricted revenues

**G. Leases**

The City leases office equipment and other items. There are no outstanding capital leases and no material operating leases with non-cancellable terms in excess of one year.

**H. Long-term debt**

Revenue bonds and other long-term liabilities directly related to and intended to be paid from proprietary funds are included in the accounts of such funds. Utility system revenue bonds are collateralized by a lien on the revenues earned by the utility system.

General Long-Term Debt Bonds are collateralized by multiple sources. The Sunrise Lakes Phase I Special Recreation District’s public improvement refunding bonds are collateralized by a general obligation pledge by the District of its full faith and credit; if the payments to the City as paying agent are insufficient to meet the bond requirements, the bonds will be paid from taxes to be levied and collected on all property in the District. The Special Tax District No. 1 ad valorem tax bonds and ad valorem tax refunding bonds are collateralized by voted debt service ad valorem taxes to be levied upon all taxable property within the District. The bonds issued by the special districts are not general or limited obligation debt or bonded indebtedness of the City and the City is not obligated to pay the bonds or bond service charges.

During fiscal year 2015, General Obligation Bonds, Series 2015 were issued in the amount of \$37,630,000 and are collateralized by voted debt service ad valorem taxes to be levied upon all taxable property within the City. These bonds were issued to finance the design, acquisition, construction, equipment, and installation of certain parks, recreation, and leisure projects within the City. The issuance of the Series 2015 bonds was approved by a majority vote of the qualified electors of the City in a bond referendum held in November 2014.

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Annual debt service requirements to maturity for revenue bonds are as follows:

<u>Year Ending September 30:</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 6,070,000	\$ 10,850,439
2017	4,425,000	10,693,239
2018	4,550,000	10,511,239
2019	4,715,000	10,322,639
2020	4,925,000	10,125,639
2021-2025	58,850,000	42,776,055
2026-2030	59,550,000	25,615,840
2031-2035	55,040,000	10,377,611
2036	<u>12,275,000</u>	<u>-</u>
	210,400,000	131,272,701
Plus/(less):		
Unappreciated accretion	<u>(27,512)</u>	<u>-</u>
Sub-total	210,372,488	131,272,701
Bond premium	1,103,689	-
Bond discount	<u>(5,294)</u>	<u>-</u>
Total	<u>\$ 211,470,883</u>	<u>\$ 131,272,701</u>

\*Does not take into account 35% Build America Bonds interest subsidy.

Annual debt service requirements for public improvement and ad valorem tax bonds are as follows:

<u>Year Ending September 30:</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 2,085,000	\$ 6,337,165
2017	2,840,000	5,674,456
2018	3,340,000	5,467,606
2019	2,870,000	5,277,064
2020	3,005,000	5,075,096
2021-2025	9,300,000	22,715,485
2026-2030	5,720,000	19,441,230
2031-2035	6,785,000	15,342,346
2036-2040	8,060,000	10,624,903
2041-2045	<u>9,670,000</u>	<u>4,179,407</u>
	53,675,000	26,744,232
Plus: Bond premium	<u>2,203,533</u>	<u>-</u>
Total	<u>\$ 55,878,533</u>	<u>\$ 26,744,232</u>

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Description of Individual Bond Issues Outstanding – Summarized below are the bonds outstanding for the City’s governmental activities:

	Purpose of <u>Issue</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>	<u>Interest Rate</u>
<b>Governmental activities</b>				
Sunrise Lakes Phase I Special Recreation District Public Improvement Refunding Bonds, Series 1998 Bank note	Refunding	\$ 3,635,000	\$ 1,055,000	4.413%
Special Tax District No. 1 Ad Valorem Tax Refunding Bonds, Series 2001 Serial bonds	Refunding	26,660,000	11,820,000	2.70%-5.00%
Ad Valorem Tax Bonds, Series 2003  Serial bonds	Fund certain District capital improvements	6,770,000	3,170,000	1.25%-4.60%
General Obligation Bonds, Series 2015  Serial bonds	Park, Recreation & Leisure Projects	18,460,000	18,460,000	3.0%-5.0%
Term bonds		<u>19,170,000</u>	<u>19,170,000</u>	3.375%-4.0%
Total governmental activities bonds		<u>\$ 74,695,000</u>	<u>\$ 53,675,000</u>	

The City has pledged future net water, wastewater, and gas revenues to repay \$311,544,299 of utility bonds issued in 1993, 1998 and 2010. Proceeds from the 1993 bonds were used to refund the City’s Utility System Revenue Bonds Series 1989; proceeds from the 1998 bonds were used to refund the City’s Utility System Revenue Bonds, Series 1986A, Series 1996, Series 1996A, and Series 1997 and to fund improvements to the City’s water, wastewater and gas utility system; proceeds from the 1998A bonds were used to refund a portion of the Series 1986A and fund capital improvements to the utility system; proceeds from the Series 2010A bonds and Series 2010B bonds were issued to fund construction, acquisition or equipping of certain capital improvements to the City’s water/wastewater utility facilities; and proceeds from the Series 2010C bonds were issued to refund a portion of the City’s Utility System Revenue Refunding Bonds Series 1993 and Utility System Revenue Refunding Bonds, Series 1996. The Series 1993 bonds are payable through 2016; the Series 1998 bonds are payable through 2028; the Series 2010A bonds are payable through 2020; the Series 2010B bonds are payable through 2035; and the Series 2010C bonds are payable through 2019. Total principal and interest remaining to be paid on the utility bonds is \$341,672,701. Principal and interest paid for the current year and total customer net revenue were \$16,986,264 and \$53,024,857, respectively. The pledged revenues are expected to continue through maturity of the debt.

## CITY OF SUNRISE, FLORIDA

Description of Individual Bond Issues Outstanding – Summarized below are the bonds outstanding for the City’s business-type activities:

	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>	<u>Interest Rate</u>
<b>Business-type activities</b>				
Utility revenue bonds:				
Series 1993	Refunding			
Serial bonds		\$ 11,100,000	\$ -	3.25-5.20%
Term bonds		1,855,000	-	5.60%
Capital appreciation bonds		7,194,299	1,522,488	5.55-5.80%
Series 1998	Refunding and fund	13,935,000	-	3.60-5.50%
Serial bonds	utility system	143,650,000	88,295,000	5.06-5.20%
Term bonds	improvements			
Series 1998A	Refunding and fund			
Term bonds	utility system	15,195,000	5,015,000	5.50%
	improvements			
Series 2010A	Fund utility system	19,960,000	19,960,000	4.00%
Serial bonds	improvements			
Series 2010B	Fund utility system	<u>93,915,000</u>	<u>93,915,000</u>	5.813-5.913%
Term bonds	improvements			
Total business-type activities bonds		<u>\$ 311,544,299</u>	<u>\$ 210,372,488</u>	

### Defeased and refunded debt

The City has a number of bond issues that have been refunded. An advanced refunding provides for an irrevocable deposit with an escrow agent (a third party banking institution) of sufficient funds to pay the principal and interest, when due, on the refunded bonds to the earliest call date. On the earliest call date, all bonds outstanding are redeemed and interest subsequent to the refunding date will cease. Bonds are typically refunded for either economic gain to the governmental unit or to eliminate restrictive and antiquated covenants often associated therewith. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the City’s books. Summarized below are the refunded bonds of the City’s governmental and business-type activities:

<u>Type</u>	<u>Series</u>	<u>Year Refunded</u>	<u>Outstanding as of 9/30/15</u>
Governmental activities:			
Public Facilities revenue bonds	1992B	2013	\$ 34,720,000
Business-type activities:			
Utility System revenue bonds	1976C	1983	495,000
	1976D	1983	80,000
	1976E	1983	1,035,000
	1976F	1983	665,000
	1983A	1985	680,000
	1983C	1985	980,000
	1998	2010	<u>52,480,000</u>
Total outstanding defeased, refunded debt			<u>\$ 91,135,000</u>

## CITY OF SUNRISE, FLORIDA

### Change in long-term liabilities

Total long-term liability activity for the year ended September 30, 2015, was as follows:

	Beginning Balance as previously stated	Restatement	Beginning Balance as restated	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>							
Bonds payable	\$ 18,040,000	\$ -	\$ 18,040,000	\$ 37,630,000	\$ (1,995,000)	\$ 53,675,000	\$ 2,085,000
Less deferred amounts:							
For issuance premiums	-	-	-	2,365,865	(162,332)	2,203,533	-
Total bonds payable	18,040,000	-	18,040,000	39,995,865	(2,157,332)	55,878,533	2,085,000
Compensated absences	9,834,153	-	9,834,153	7,150,243	(7,102,534)	9,881,862	1,068,831
Other post employment benefits	11,944,502	-	11,944,502	1,786,545	(597,575)	13,133,472	-
Retiree subsidy	6,236,909	-	6,236,909	1,262,192	(818,857)	6,680,244	-
Net pension liability	-	139,280,145	139,280,145	89,048,071	(94,398,153)	133,930,063	-
Claims	4,685,767	-	4,685,767	1,581,632	(1,540,520)	4,726,879	1,765,270
<b>Governmental activity long-term liabilities</b>	<b>\$ 50,741,331</b>	<b>\$ 139,280,145</b>	<b>\$ 190,021,476</b>	<b>\$ 140,824,548</b>	<b>\$ (106,614,971)</b>	<b>\$ 224,231,053</b>	<b>\$ 4,919,101</b>
<b>Business-type activities:</b>							
<b>Bonds payable:</b>							
Revenue bonds	\$ 216,148,358	\$ -	\$ 216,148,358	\$ 84,130	\$ (5,860,000)	\$ 210,372,488	\$ 6,070,000
Less deferred amounts:							
For issuance discounts	(10,587)	-	(10,587)	5,293	-	(5,294)	-
For issuance premiums	1,479,761	-	1,479,761	-	(376,072)	1,103,689	-
Total bonds payable	217,617,532	-	217,617,532	89,423	(6,236,072)	211,470,883	6,070,000
Compensated absences	4,015,954	-	4,015,954	2,332,583	(2,431,344)	3,917,193	319,896
Other post employment benefits	4,400,032	-	4,400,032	786,243	(262,990)	4,923,285	-
Retiree subsidy	5,375,711	-	5,375,711	1,147,028	(402,057)	6,120,682	-
Net pension liability	-	31,703,381	31,703,381	1,078,058	-	32,781,439	-
<b>Business-type activity long-term liabilities</b>	<b>\$ 231,409,229</b>	<b>\$ 31,703,381</b>	<b>\$ 263,112,610</b>	<b>\$ 5,433,335</b>	<b>\$ (9,332,463)</b>	<b>\$ 259,213,482</b>	<b>\$ 6,389,896</b>

For governmental activities, compensated absences, other post-employment benefits, and retiree subsidy are generally liquidated by the general fund. Claims and judgments are liquidated by the Workers' Compensation internal service fund.

### I. Property taxes

The State of Florida permits the City to levy taxes up to 10 mills of assessed property valuation for the general fund except for special benefits and debt service obligations which may be issued with the approval of those taxpayers subject to ad valorem taxes. The operating millage rate levied by the City and budgeted for the 2014-2015 fiscal year is 6.0543 mills. On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held during 2007 and became effective October 1, 2008. Amendment 1 increased the current \$25,000 homestead exemption by an additional \$25,000 (for property values between \$50,000 and \$75,000), except for school district taxes. Amendment 1 also provided "portability", allowing property owners to transfer up to

**CITY OF SUNRISE, FLORIDA**

\$500,000 of their “Save Our Homes” benefits to their next homestead when they move. “Save Our Homes” became effective in 1995 and limits (caps) the annual increase in assessed value for homesteaded property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less. Amendment 1 also provided a \$25,000 exemption for tangible personal property. Current tax collections for the year ended September 30, 2015 were approximately 98% of the total tax levy, net of discounts allowed.

Property taxes based on assessed values at January 1 are levied on November 1 of each year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percentage point each month thereafter. Taxes become delinquent on April 1 of each year and tax certificates for the full amount of any unpaid taxes and assessments are auctioned beginning June 1 of each year.

The City Commission establishes the tax levy of the City. The adoption of the final millage rate occurred September 29, 2014. Property tax collections are governed by Chapter 197, Florida Statutes. The Broward County Tax Collector (Tax Collector) bills and collects all property taxes levied within the County. The Tax Collector remits current taxes collected through four distributions to the City in the first quarter of the tax year and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied.

The property tax calendar for revenues billed and received for the fiscal year ended September 30, 2015 is shown as follows:

Lien date	January 1, 2014
Levy date, tax bills mailed	November 1, 2014
Last date for 4% discount on taxes paid	November 30, 2014
Last date for 3% discount on taxes paid	December 31, 2014
Last date for 2% discount on taxes paid	January 31, 2014
Last date for 1% discount on taxes paid	February 28, 2015
Final due date of payment of taxes	March 31, 2015
Date for auctioning tax certificates on delinquent accounts	On or before June 1, 2015

**J. Restatement of prior year balances**

The October 1, 2014 beginning net position of the following fund types was restated due to the implementation of GASB Statement Number 68.

Governmental Activities

Net position, October 1, 2014, as previously stated	\$ 259,339,246
Restatement of net position – Governmental funds	(117,625,196)
Restatement of net position – Internal Service funds	<u>(2,478,404)</u>
Net position, October 1, 2014, restated	<u>\$ 139,235,646</u>

Business-type Activities

Net position, October 1, 2014, as previously stated	\$ 358,687,034
Restatement of net position – Water, Wastewater & Gas Fund	(24,904,060)
Restatement of net position – Non-major enterprise funds	<u>(2,424,395)</u>
Net position, October 1, 2014, restated	<u>\$ 331,358,579</u>

# CITY OF SUNRISE, FLORIDA

## V. Other Information

### A. Risk management

The City is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, injuries to employees and natural disasters. During the 1994-1995 fiscal year, the City established a Workers' Compensation fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Workers' Compensation fund self-insures losses up to \$250,000 per occurrence. The City purchases excess insurance through the Florida Municipal Insurance Trust, an intergovernmental pool, for claims in excess of coverage provided by the fund. The City also participates in intergovernmental pooling or carries commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

All departments of the City participate in the program and make payments to the fund based on actuarial estimates of the amounts needed to pay prior and current year claims (including allocated loss adjustment expenses and incurred but not reported claims). The claims liability of \$4,726,879, which is discounted at 2%, is reported in the fund at September 30, 2015 and is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the claim can be reasonably estimated.

The following schedule presents the changes in aggregate claims liability (in thousands) for the past two years:

	Year ended <u>9/30/15</u>	Year ended <u>9/30/14</u>
Unpaid claims, beginning of fiscal year	\$ 4,686	\$ 4,613
Incurred claims (and estimate changes)	1,582	773
Claim payments	<u>(1,541)</u>	<u>(700)</u>
Unpaid claims, end of fiscal year	<u>\$ 4,727</u>	<u>\$ 4,686</u>

### B. Contingent liabilities

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

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### C. Employee retirement systems and pension plans

**Plan descriptions:** The City of Sunrise contributes to three single-employer defined benefit pension plans: General Employees' Pension Plan, Police Officers' Pension Plan and Firefighters' Pension Plan and one defined contribution plan: Governmental Money Purchase Plan and Trust. Additionally, the City maintains a retiree subsidy for general employees and a preservation of benefits plan.

In addition to normal retirement benefits, all three of the defined benefit pension plans provide for long-term disability and survivor benefits, as well as deferred pensions for former employees, dependent upon length of service or years of contributions and age upon death or disability. State Statute 112 and City ordinance provide the authority to establish and amend benefit provisions for all three defined benefit pension plans.

A deferred retirement option program (DROP) was implemented in the Police Officers' Pension Plan (the Plan). Upon participation in the DROP, the participant becomes a retiree for all Plan purposes and any further benefits under the pension plan cease to accrue. Normal retirement payments that would have been payable to the participant as a result of retirement are accumulated and invested in the DROP to be distributed to the participant upon termination of employment. Effective July 10, 2007, an eligible member who elects to participate in the DROP within five years following the member's earliest normal retirement date may participate in the DROP for a maximum of six years. Effective August 9, 2011, an eligible member who elects to participate in the DROP within five years following the member's earliest normal retirement date may participate in the DROP for a maximum of seven years. There were twenty-four members in the DROP as of September 30, 2015. Members of the Plan who terminate employment and begin receiving normal retirement benefits subsequent to December 31, 2005 will receive a 2% cost of living adjustment. Members who begin receiving normal retirement benefits or enter the DROP on or after October 1, 2008 will receive a 2.5% cost of living adjustment. The Plan provides for supplemental pension distributions based on the cumulative net actuarial gain as identified in the most recent actuarial report for eligible participants who have retired prior to December 13, 2004. Any participant immediately eligible for early or normal retirement benefits or entered the DROP between August 14, 2001 and December 12, 2004 is eligible for a 13<sup>th</sup> check, the amount of which cannot exceed 100% of a participant's monthly retirement benefit. In the event that the cumulative net actuarial gain exceeds the amount distributed by the 13<sup>th</sup> check and the City's required contributions to the Plan, a 14<sup>th</sup> check will be distributed to eligible participants – those eligible for a 13<sup>th</sup> check, except for DROP participants.

City Ordinance 124-X-02-B, approved March 12, 2002, established a retirement incentive program for firefighters. During a "window period" of thirty calendar days, beginning February 27, 2002, eligible firefighters could have made an irrevocable election to participate in this program. The eligible firefighters must have retired and separated from City employment no later than April 15, 2002. Eligible firefighters who elected the program could have also elected to participate in a DROP for up to thirty-six months or, alternatively, elect a BAC-DROP option for up to eighteen months. Beginning four years after retirement or entry into the DROP, a 2% annual increase in retirement benefits is applicable for all members. As of June 10, 2008, eligible firefighters can participate in the DROP for a maximum period of 72 months. Effective September 25, 2012, eligible firefighters who elect to participate in the DROP program can participate for up to 84 months; eligible firefighters may elect a "BAC – DROP" option of up to 24 months, which will reduce the maximum 84 month DROP period by the same amount of time. As of September 30, 2015, twenty-nine firefighters were participating in this program.

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Effective September 13, 1999, the General Employees' Pension Plan distinguished between general employees, management and senior management. DROP was implemented for management and senior management effective June 12, 2001 and for general employees effective January 1, 2004. Participation in the DROP is limited to a maximum 72 months prior to termination of employment. As of September 30, 2015, there were seventy-one participants in the DROP. Beginning one year after retirement or entry into the DROP, an annual increase in retirement benefits of 2% for management members and 2.5% for senior management who reach early or normal retirement age and begin receiving benefits after June 12, 2001, is applicable. For eligible general employees, a supplemental pension distribution in the form of an optional 13<sup>th</sup> check, based on the cumulative net actuarial gain is available; effective January 1, 2004, a minimum of one-half of the 13<sup>th</sup> check is guaranteed payable, notwithstanding actuarial gains; effective October 1, 2007, a minimum of 75% of the 13<sup>th</sup> check is guaranteed payable, notwithstanding actuarial gains.

The Governmental Money Purchase Plan and Trust (Purchase Plan) was established for senior managers who are members of the General Employees' Pension Plan. The Purchase Plan was subsequently amended on March 12, 2003 by Ordinance 715-X-03-A, to additionally include all management employees with more than 10 years of City service and city commissioners. The City contributes 3% of earnings each plan year (calendar year) on behalf of each eligible management employee, 6% of earnings each plan year on behalf of each senior management employee and each city commissioner, and the calendar year maximum for the City Manager; the eligible employees are not required to make contributions. The ICMA Retirement Corporation serves as administrator for this Purchase Plan. The City recognized expenditures/expenses of \$279,781 for the fiscal year ended September 30, 2015 for the sixty-three employees covered under the plan. City ordinance provides the authority to establish and amend benefit provisions and contribution requirements for the Governmental Money Purchase Plan and Trust. The Purchase Plan was amended with Ordinance No. 715-X-09-A, effective May 1, 2009, which eliminated the benefit for employees newly hired, rehired, or promoted from a general employee position into a management position.

The City, under Ordinance No. 715-X-99-A and amended by Ordinance No. 715-X-00-C and Ordinance No. 715-X-03-A, established a retiree subsidy of \$200 per month for all general executive management and supervisory/professional employees who retired on or after September 28, 1999, except that senior managers who retired directly from the City after January 1, 2001, receive an amount equivalent to 80% of the total cost of family coverage under the City's health insurance program. Effective October 1, 1999, the City agreed to establish a subsidy of \$200 per month for all general employees, per the Collective Bargaining Agreement between the City and the Federation of Public Employees. The subsidy commenced at the same time the General Employees' Pension Plan member began to receive normal or early retirement benefits and continues until the plan member reaches age 65. Upon attaining age 65, bargaining unit employees will receive 75% of the \$200 per month subsidy, except that senior managers will receive 75% of the benefit received immediately prior to attaining age 65. If a general executive management or supervisory/professional employee dies before age 65, the health insurance subsidy continues to be paid to that member's spouse until the date that member would have reached age 65. Effective October 1, 2006, eligible general employees who retire and separate employment will be paid a monthly subsidy of \$250, which shall continue for the life of the retiree. Eligible general employees who retire and separate employment after February 26, 2008 will be paid a monthly subsidy of \$350, which shall continue for the life of the retiree. Effective

## CITY OF SUNRISE, FLORIDA

under Ordinance No. 715-X-09-A, all management and supervisory/ professional employees who separate and retire from the City after May 1, 2009, whose health benefit at retirement is less than the benefit provided to general employees under the applicable collective bargaining agreement in effect at the time of separation, will receive a retiree subsidy equal to the general employee's benefit. There were 310 participants during the fiscal year ended September 30, 2015.

Additionally, the City maintains a preservation of benefits plan. Effective September 28, 1999, under Ordinance No. 715-X-99-A, the City established a preservation of benefits plan as a deferred compensation plan for managers and senior managers who are members of the General Employees' Pension Plan. This plan, which is administered by the City, was established as a qualified governmental excess benefits arrangement pursuant to section 415(m) of the U. S. Internal Revenue Code. For each eligible payee, the City will provide a supplemental retirement benefit equal to the reduction of retirement benefits due to the application of section 401(a) (17) or section 415(b) of the U.S. Internal Revenue Code. There were eight eligible participants covered during the fiscal year ended September 30, 2015.

All three defined benefit pension plans are included as part of the City's reporting entity as pension trust funds. Copies of separately issued financial reports that include financial statements and required supplementary information for each plan is available at the following locations:

General Employees' Pension Plan	Pension Resource Centers, LLC 4360 Northlake Boulevard Suite 206 Palm Beach Gardens, FL 33410 Attn: Margie Adcock	Telephone No. (561) 624-3277
Police Officers' Pension Plan	City of Sunrise, Florida Police Officers' Retirement Plan 13790 N. W. Fourth Street Suite 105 Sunrise, FL 33325 Attn: Dave Williams	Telephone No. (954) 845-0298
Firefighters' Pension Plan	Pension Resource Centers, LLC 4360 Northlake Boulevard Suite 206 Palm Beach Gardens, FL 33410 Attn: Scott Bauer	Telephone No. (561) 624-3277

## CITY OF SUNRISE, FLORIDA

**Contributions for pension plans:** The contribution requirements of plan members and the City for the City's three single-employer defined benefit pension plans are established and may be amended by City Ordinance. Plan member contributions are recognized in the period in which the contributions are due. The City contributes an actuarially determined amount to fully fund benefits for active members. Any unfunded actuarial liability is amortized as a level percent of projected member payroll over a period of thirty years for the Police Officers', Firefighters', and General Employees' Pension Plans. City contributions to the plans, as calculated by the plans' actuaries, are recognized as revenue when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans. If the City's calculated contribution, excluding the cost of post September 13, 1999 management and senior management benefits, exceeds 14% for the General Employees' Pension Plan, member contributions, as well as the City contribution, are increased by half of the excess percentage of payroll except that the total maximum contribution for general employees is capped at 9.51% until a new bargaining unit contract is negotiated and the maximum contribution for management and senior management hired prior to October 1, 2009 is 11.75%. Effective October 1, 2009, general employees, including management and senior management, hired on or after October 1, 2009 contribute 8%.

The following schedule summarizes the contribution rates for the City and its plan members:

	<u>General Employees' Pension Plan</u>	<u>Police Officers' Pension Plan</u>	<u>Firefighters' Pension Plan</u>
Contributions:			
Contribution rates:			
City	37.72%	66.45%	53.4%
Plan members		9.84%	10.63%
General employees	9.51%		
Management, senior management	11.75%		
Employees hired after 10/1/09	8.00%		
Actuarially determined contribution	\$ 10,263,311	\$ 9,186,463	\$ 6,078,794
Contributions made:			
City	\$ 9,797,263	\$ 8,194,759	\$ 5,225,550
Plan members	2,951,954	1,524,051	1,156,746
Other	-	639,176 <sup>1</sup>	853,244 <sup>1</sup>

<sup>1</sup>The Police Officers' and Firefighters' Pension Plans are partially funded by contributions from the State of Florida under Chapters 185 and 175, respectively, of the Florida Statutes. This contribution consists of excise taxes collected by the State on property and casualty insurance premiums on policies written within the City and totaled \$1,492,420 for the year ended September 30, 2015: \$853,244 for property insurance contracts for firefighters and \$639,176 for casualty insurance contracts for police officers. These amounts are recognized as insurance premium tax revenues and public safety expenditures in the General Fund.

**CITY OF SUNRISE, FLORIDA**

**Actuarial methods and assumptions:** The City’s net pension liability for all plans was measured as of September 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Mortality rates were based on the RP-2000 Combined Table for males and females with mortality improvement projected to all future years using Scale AA for all plans. The actuarial methods and assumptions for each plan are as follows:

	<b>General Employees’ Pension Plan</b>	<b>Police Officers’ Pension Plan</b>	<b>Firefighters’ Pension Plan</b>
Actuarial cost method	Entry age normal	Entry age normal	Entry age
Amortization method	Level percent, closed	Level percent, closed	Level percent, closed
Remaining amortization period	20 years	25 years	25 years
Actuarial assumptions:			
Investment rate of return	7.5%	8.0%	8.0%
Inflation rate	3.0%	3.0%	3.0%
Projected salary increases*	3.5%-6.5%	5.2%-8.5%	6%-13%
Cost of living adjustments	2% management & commissioners; 2.5% senior management based on eligibility	2.5% for eligible employees	2% for eligible employees
Asset valuation:			
Reporting	Fair value	Fair value	Fair value
Actuarial valuation	5 year smoothed market	5 year smoothed market	5 year smoothing
Non-government investment in excess of 5%	None	None	None
*Projected salary increases include inflation.			
Membership as of Actuarial Valuation Date			
Retirees and beneficiaries	513	132	105
Inactive, non-retired members	66	1	4
Active members	482	145	113

The actuarial accrued liability (AAL) for the retirees’ subsidy plan was projected to September 30, 2015 based on the assumptions presented below. The results are not based on the assumption that all members terminate service as of the valuation date but rather on the assumptions about future disablement, future mortality, future termination of employment, and future retirement continuing to be operative. Benefits are assumed to be unfunded.

Actuarial valuation date	October 1, 2013
Actuarial cost method	Entry age normal
Amortization method	Level percent, closed
Remaining amortization period	24 years
Actuarial assumptions:	
Investment rate of return	4.0%
Inflation rate	3.0%
Projected salary increases	5.5%-7.5%
Asset valuation method	n/a

*Discount rate:* The discount rate used to measure the total pension liability was 7.50% for the General Employees’ Retirement Plan and 8.00% for the Police Officers’ and Firefighters’ Plans. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the pension plans’ 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.

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*Sensitivity of the net pension liability to changes in the discount rate:* The following presents the City’s net pension liability calculated using the current discount rates and the liability using discount rates that are one percentage point lower and one percentage point higher than the current rates:

<u>Pension Plan</u>	Current		
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
General Employees (7.50)	\$ 98,030,949	\$ 71,983,837	\$ 50,023,534
Police Officers' (8.00)	73,426,379	52,347,357	35,129,541
Firefighters' (8.00)	61,332,429	42,380,308	26,818,536

*Long-term expected rate of return:* 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 expenses 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 class included in the pension plans’ target asset allocations as of September 30, 2014 are summarized in the following table:

<u>Pension Plan</u>	<u>Target Allocation</u>	<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
<u>General Employees Retirement Plan</u>	0% to 70%	Domestic equity	6.70%
	0% to 25%	International equity	3.40%
	0% to 30%	Fixed income	2.70%
<u>Police Officers' Retirement Plan</u>	15.5%	Large growth equity	7.75%
	15.5%	Large value equity	8.00%
	9.0%	International stock equity	8.25%
	10.0%	Small stock equity	8.75%
	10.0%	Mid-cap equity	8.25%
	20.0%	Fixed income	3.50%
	20.0%	International fixed equity	1.90%
<u>Firefighters' Retirement Plan</u>	60.0%	Domestic equity	9.00%
	30.0%	Fixed income	2.90%
	10.0%	International equity	5.20%
	0.0%	Real assets	6.40%

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**Changes in the Net Pension Liability:**

	Pension Plan		
	General Employees'	Police Officers'	Firefighters'
Total pension liability - beginning	\$ 225,236,553	\$ 151,315,619	\$ 145,582,653
Changes for the year:			
Service cost	5,592,989	3,784,863	3,007,593
Interest	16,695,690	12,056,017	11,602,371
Difference between expected and actual experience	4,296,137	(444,699)	(1,492,632)
Change of assumptions	-	-	172,854
Benefit payments	(16,155,069)	(8,760,460)	(7,121,213)
Refunds	(285,612)	(40,078)	-
Net change in total pension liability	<u>10,144,135</u>	<u>6,595,643</u>	<u>6,168,973</u>
Total pension liability - ending (a)	<u>\$ 235,380,688</u>	<u>\$ 157,911,262</u>	<u>\$ 151,751,626</u>
Plan fiduciary net position - beginning	\$ 155,619,994	\$ 96,495,201	\$ 99,036,104
Employer contributions	9,606,777	7,472,477	4,972,033
Employee contributions	2,676,412	1,293,252	879,470
Other contributions	-	620,714	1,125,192
Net investment income (loss)	12,106,642	8,705,647	10,639,774
Benefit payments	(16,155,069)	(8,760,460)	(7,121,213)
Refunds	(285,612)	(40,078)	-
Administrative expenses	(172,293)	(222,848)	(160,042)
Net change in plan fiduciary net position	<u>7,776,857</u>	<u>9,068,704</u>	<u>10,335,214</u>
Plan fiduciary net position - ending (b)	<u>\$ 163,396,851</u>	<u>\$ 105,563,905</u>	<u>\$ 109,371,318</u>
<b>Net pension liability (a-b)</b>	<u>\$ 71,983,837</u>	<u>\$ 52,347,357</u>	<u>\$ 42,380,308</u>

The Schedules of Changes in the City's Net Pension Liability and Related Ratios and Schedule of Contributions, presented as required supplementary information following the notes to the financial statements, present multiyear trend information.

**CITY OF SUNRISE, FLORIDA**

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

For the year ended September 30, 2015, The City recognized pension income of \$12,555,252 and pension expense of \$8,483,071 as the result of implementing GASB No. 68. Deferred outflows and inflows of resources related to pensions are as follows:

	Pension Plan		
	General Employees	Police Officers'	Firefighters'
<u>Deferred outflows</u>			
Difference between expected and actual experience	\$ 3,362,194	\$ -	\$ -
Contributions subsequent to the measurement date	9,797,263	8,833,935	6,078,794
Changes in assumptions	-	-	138,961
Total deferred outflows	<u>\$ 13,159,457</u>	<u>\$ 8,833,935</u>	<u>\$ 6,217,755</u>
<u>Deferred inflows</u>			
Difference between expected and actual experience	\$ -	\$ 352,053	\$ 1,199,959
Difference between expected and actual earnings on investments	478,007	777,207	2,052,293
Total deferred inflows	<u>\$ 478,007</u>	<u>\$ 1,129,260</u>	<u>\$ 3,252,252</u>

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

	Pension Plan		
	General Employees	Police Officers'	Firefighters'
2016	\$ 10,611,704	\$ 8,546,987	\$ 5,306,941
2017	814,441	(286,948)	(771,853)
2018	814,441	(286,948)	(771,853)
2019	440,864	(268,416)	(771,854)
2020	-	-	(25,878)
	<u>\$ 12,681,450</u>	<u>\$ 7,704,675</u>	<u>\$ 2,965,503</u>

**Funding status and funding progress:** The funded status of the retirees' subsidy plan as of October 1, 2013 was as follows (dollar amounts in thousands):

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
10/01/13	-	\$ 24,428	\$ 24,428	0.0%	\$ 28,451	85.9%

**CITY OF SUNRISE, FLORIDA**

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, present multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The following table shows the components of the City’s annual retirees’ subsidy cost for the year, the amount actually contributed to the plan, and changes in the City’s net subsidy obligation.

Annual required contribution	\$ 2,428,574
Interest on net subsidy obligation	464,505
Adjustment to annual required contribution	<u>(483,859)</u>
Annual subsidy cost (expense)	2,409,220
Contributions made	<u>(1,220,914)</u>
Increase in net subsidy obligation	1,188,306
Net subsidy obligation – beginning of year	<u>11,612,620</u>
Net subsidy obligation – ending of year	<u>\$12,800,926</u>

The City’s annual subsidy cost, the percentage of annual subsidy cost contributed to the plan, and the net subsidy obligation for the last three fiscal years is listed below.

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
9/30/13	\$ 2,616,497	33.3%	\$ 10,268,391
9/30/14	2,290,796	41.3	11,612,620
9/30/15	2,409,220	50.7	12,800,926

**D. Other post-employment benefits**

The cost of post-employment healthcare, life insurance, and long-term care benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45, the City recognizes the cost of these post-employment benefits in the year when the employee services are received.

**Plan descriptions:** The City has previously established and maintains a self-funded employee group medical insurance plan, a fully-insured employee group life insurance plan, and a fully-insured employee group long-term care insurance plan that it makes available to eligible retirees in accordance with State of Florida law and City ordinance. The self-funded medical and fully-insured life insurance plans are single-employer, experience-rated insurance plans that provide benefits to eligible retirees and their eligible dependents. The fully-insured long-term care insurance plan is a single-employer, statewide filed and rated insurance plan available to eligible retirees and their eligible dependents. These plans are not accounted for in a trust fund, as an irrevocable trust has not been established.

## CITY OF SUNRISE, FLORIDA

**Funding policy:** To date, the City has followed a pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit costs and expenses. The contribution requirements, if any, of plan members are established by the City. The City pays any remaining required amounts after contributions of plan members are taken into account. Currently, eligible retirees do not pay for life insurance or long-term care insurance plans provided by the City, but do pay the premiums associated with the medical plan elected - no direct City subsidy is currently applicable. However, there are implicit costs of medical and direct costs of life and long-term care insurance plan benefits. Retiree's spouses and other eligible dependents are also eligible under the City's medical and life insurance plans and the retiree is responsible for the payment of the applicable medical and life insurance premiums.

State of Florida law prohibits the City from separately rating retirees and active employees for medical plan benefits. The City therefore assigns to both groups equal, blended-rate premiums and makes available to both groups the same plan options. Although both groups are assigned the same blended-rate premiums, GAAP requires the actuarial liabilities to be calculated using age-adjusted premiums approximating claim costs for eligible retirees separate from active eligible members. The use of age-adjusted premiums results in the entire expected retiree obligation recognized in this disclosure.

**Actuarial methods and assumptions:** Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future disablement, future mortality, future termination of employment, future retirement, and healthcare cost trend. Amounts determined regarding the status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Projections of other post-employment benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial calculations reflect a long-term perspective. The annual health care cost projected trend rate is 21% effective January 1, 2014, 8% for the next year, followed by a .5% decrease in the rate each successive year until reaching an annual trend rate of 5% per year. Benefits are assumed to be unfunded.

Actuarial valuation date	October 1, 2013
Actuarial cost method	Entry age normal
Amortization method	Level percent, closed
Remaining amortization period	24 years
Actuarial assumptions:	
Investment rate of return	4.0%
Inflation rate	3.0%
Projected salary increases	5.2%-13.0%
Asset valuation method	n/a

**CITY OF SUNRISE, FLORIDA**

**Annual OPEB cost and net OPEB obligation:** The City’s annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s net OPEB obligation.

Annual required contribution	\$ 2,600,029
Interest on net OPEB obligation	653,781
Adjustment to annual required contribution	<u>(681,022)</u>
Annual OPEB cost (expense)	2,572,788
Contributions made	<u>(860,565)</u>
Increase in net OPEB obligation	1,712,223
Net OPEB obligation – beginning of year	<u>16,344,534</u>
Net OPEB obligation – ending of year	<u>\$18,056,757</u>

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the last three fiscal years is listed below.

Fiscal Year	Annual	Percentage of OPEB	Net OPEB
<u>Ending</u>	<u>OPEB Cost</u>	<u>Cost Contributed</u>	<u>Obligation</u>
09/30/13	\$ 2,393,888	28.8%	\$14,636,448
09/30/14	2,442,526	30.1	16,344,534
09/30/15	2,572,788	33.4	18,056,757

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**CITY OF SUNRISE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

	General Employees' Pension Plan
<b>Measurement date September 30,</b>	<b>2014</b>
Total pension liability - beginning	\$ 225,236,553
Changes for the year:	
Service cost	5,592,989
Interest	16,695,690
Difference between expected and actual experience	4,296,137
Benefit payments	(16,155,069)
Refunds	(285,612)
Net change in total pension liability	10,144,135
Total pension liability - ending (a)	\$ 235,380,688
Plan fiduciary net position - beginning	\$ 155,619,994
Employer contributions	9,606,777
Employee contributions	2,676,412
Net investment income (loss)	12,106,642
Benefit payments	(16,155,069)
Refunds	(285,612)
Administrative expenses	(172,293)
Net change in plan fiduciary net position	7,776,857
Plan fiduciary net position - ending (b)	\$ 163,396,851
<b>Net pension liability (a-b)</b>	<b>\$ 71,983,837</b>
Plan fiduciary net position as a percentage of the total pension liability	69.42%
Covered employee payroll	\$ 34,795,946
Net pension liability as a percentage of covered-employee payroll	206.87%

Note: This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015. Additional data to be compiled as information becomes available.

**CITY OF SUNRISE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

	<u>Police Officers' Pension Plan</u>
<b>Measurement date September 30,</b>	<u>2014</u>
Total pension liability - beginning	\$ 151,315,619
Changes for the year:	
Service cost	3,784,863
Interest	12,056,017
Difference between expected and actual experience	(444,699)
Change of assumptions	
Benefit payments	(8,760,460)
Refunds	<u>(40,078)</u>
Net change in total pension liability	<u>6,595,643</u>
Total pension liability - ending (a)	<u>\$ 157,911,262</u>
Plan fiduciary net position - beginning	\$ 96,495,201
Employer contributions	7,472,477
Employee contributions	1,293,252
Other contributions	620,714
Net investment income (loss)	8,705,647
Benefit payments	(8,760,460)
Refunds	(40,078)
Administrative expenses	<u>(222,848)</u>
Net change in plan fiduciary net position	<u>9,068,704</u>
Plan fiduciary net position - ending (b)	<u>\$ 105,563,905</u>
<b>Net pension liability (a-b)</b>	<u>\$ 52,347,357</u>
Plan fiduciary net position as a percentage of the total pension liability	66.85%
Covered employee payroll	\$ 18,525,964
Net pension liability as a percentage of covered-employee payroll	282.56%

Note: This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015. Additional data to be compiled as information becomes available.

**CITY OF SUNRISE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

<b>Measurement date September 30,</b>	<u>Firefighters' Pension Plan</u> <u>2014</u>
Total pension liability - beginning	\$ 145,582,653
Changes for the year:	
Service cost	3,007,593
Interest	11,602,371
Difference between expected and actual experience	(1,492,632)
Change of assumptions	172,854
Benefit payments	<u>(7,121,213)</u>
Net change in total pension liability	<u>6,168,973</u>
Total pension liability - ending (a)	<u>\$ 151,751,626</u>
Plan fiduciary net position - beginning	\$ 99,036,104
Employer contributions	4,972,033
Employee contributions	879,470
Other contributions	1,125,192
Net investment income (loss)	10,639,774
Benefit payments	(7,121,213)
Administrative expenses	<u>(160,042)</u>
Net change in plan fiduciary net position	<u>10,335,214</u>
Plan fiduciary net position - ending (b)	<u>\$ 109,371,318</u>
<b>Net pension liability (a-b)</b>	<u>\$ 42,380,308</u>
Plan fiduciary net position as a percentage of the total pension liability	72.07%
Covered employee payroll	\$ 14,856,362
Net pension liability as a percentage of covered-employee payroll	285.27%

Note: This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015. Additional data to be compiled as information becomes available.

**CITY OF SUNRISE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF FUNDING PROGRESS  
Last Six Years**

Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL)	Unfunded (UAAL)	Funded	Ratio	Covered Payroll	UAAL as % of Covered Payroll
<b><u>Other Post-Employment Benefit Plan (in thousands of dollars)</u></b>							
10/1/2008	\$ -	\$ 43,112	\$ 43,112		0.0%	\$ 53,339	80.8%
10/1/2009	-	25,051	25,051		0.0%	51,716	48.4%
10/1/2011	-	19,970	19,970		0.0%	57,451	34.8%
10/1/2013	-	23,720	23,720		0.0%	53,425	44.4%
<b><u>Retiree Subsidy Plan (in thousands of dollars)</u></b>							
10/1/2008	\$ -	\$ 18,766	\$ 18,766		0.0%	\$ 53,339	35.2%
10/1/2009	-	16,253	16,253		0.0%	29,136	55.8%
10/1/2011	-	20,581	20,581		0.0%	32,941	62.5%
10/1/2013	-	24,428	24,428		0.0%	28,451	85.9%

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
Last Six Years**

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed	Covered Payroll	Percent of payroll contributed
<b><u>Other Post-Employment Benefit Plan</u></b>					
9/30/2010	\$ 594,591	\$ 2,788,257	21.3%	\$ 51,716,066	1.1%
9/30/2011	733,672	2,920,067	25.1%	51,716,066	1.4%
9/30/2012	548,946	2,284,252	24.0%	57,450,602	1.0%
9/30/2013	688,472	2,373,994	29.0%	57,450,602	1.2%
9/30/2014	734,440	2,466,920	29.8%	53,425,303	1.4%
9/30/2015	860,565	2,600,029	33.1%	53,425,303	1.6%
<b><u>Retiree Subsidy Plan</u></b>					
9/30/2010	\$ 480,963	\$ 1,877,996	25.6%	\$ 29,136,298	1.7%
9/30/2011	604,844	1,967,021	30.7%	29,136,298	2.1%
9/30/2012	746,246	2,495,411	29.9%	32,940,628	2.3%
9/30/2013	871,634	2,603,384	33.5%	32,940,628	2.6%
9/30/2014	946,567	2,307,910	41.0%	28,451,267	3.3%
9/30/2015	1,220,914	2,428,574	50.3%	28,451,267	4.3%

**CITY OF SUNRISE, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**Last Two Fiscal Years**

Fiscal Year Ended	Employer Contributions	Actuarially Determined Contribution	Contribution Deficiency	Covered Payroll (in thousands)	Percent of payroll contributed		
<b>General Employees Pension Plan</b>							
9/30/2014	\$ 9,606,777	\$ 9,606,777	-	\$ 34,796	27.61%	Actuarial Cost Method	Entry age normal
9/30/2015	9,797,263	9,797,263	-	38,173	25.67%	Inflation	3.00%
						Salary Increases	3.5% to 6.5% depending on service
						Investment Rate of Return	7.50%
						Retirement Age	Experience based table of rates
						Mortality	RP-2000 Combined Healthy Participant Table
<b>Police Officers' Pension Plan</b>							
9/30/2014	\$ 8,093,191	\$ 8,093,191	-	\$ 18,526	43.69%	Actuarial Cost Method	Entry age normal
9/30/2015	8,333,935	8,333,935	-	20,624	40.41%	Inflation	3.00%
						Salary Increases	5.2% to 8.5% depending on service
						Investment Rate of Return	8.00%
						Retirement Age	Experience based table of rates
						Mortality	RP-2000 Combined Healthy Participant Table
<b>Firefighters' Pension Plan</b>							
9/30/2014	\$ 5,851,503	\$ 5,851,503	-	\$ 14,856	39.39%	Actuarial Cost Method	Entry age
9/30/2015	6,078,794	6,078,794	-	15,057	40.37%	Amortization method	Level percent of pay, closed
						Remaining amortization period	25 years
						Asset valuation method	5-year smoothed market
						Inflation	3.00%
						Salary Increases	13% to 6% including inflation
						Investment Rate of Return	8%, net of investment expenses
						Retirement Age	Experience based table of rates
						Mortality	RP-2000 Combined Healthy Participant Table

Notes: Valuation dates of actuarially determined contributions for all plans are calculated based on the valuation as of the beginning of the year prior to the fiscal year in which contributions are due.  
This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015.  
Additional data to be compiled as information becomes available.

# *Nonmajor Governmental Funds*

## *Special Revenue Funds*

*Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.*

*Building Fees Fund*

*Accounts for the receipts and disbursements associated with building and permit fees.*

*Impact Fees Fund*

*Accounts for the receipts and disbursements of impact fees received from developers.*

*Urban Area Security Initiative Grant Fund*

*Accounts for the receipts and disbursements of the Urban Area Security Initiative Grant funds.*

*Broward County Home Consortium Grant Fund*

*Accounts for the receipts and disbursements of the Broward County Home Consortium Grant funds.*

*Broward County Disaster Recovery Initiative Grant Fund*

*Accounts for the receipts and disbursements of the Broward County Disaster Recovery Initiative Grant funds.*

*Neighborhood Stabilization Program Grant Fund*

*Accounts for the receipts and disbursements of the Neighborhood Stabilization Grant funds.*

*Community Development Block Grant Fund*

*Accounts for the receipts and disbursements of the Community Development Block Grant funds.*

*State Housing Initiative Partnership Grant Fund*

*Accounts for the receipts and disbursements of the State Housing Initiative Partnership Grant funds.*

*Fuel & Roadway Fund*

*Accounts for the government's share of motor fuel tax revenues that are legally restricted to the maintenance of, and improvements to, the streets, roadways, median strips, and street lights within the City.*

*Police Confiscation Fund*

*Accounts for the receipts and disbursements of police confiscation funds.*

## ***Debt Service Funds***

***Debt service funds are used to account for the accumulation of resources for, and the payment of general long-term debt principal and interest.***

<b><i>Special Recreation District Phase I Fund</i></b>	<b><i>Accumulates special district assessment revenue for Sunrise Lakes Phase I Special Recreation District Public Improvement Bonds, maturing on October 1, 2017.</i></b>
<b><i>Special Tax District No. 1 Fund</i></b>	<b><i>Accumulates voted debt service ad valorem tax monies for Special Tax District No. 1 of the City of Sunrise, Florida Ad Valorem Tax Bonds, maturing on October 1, 2021.</i></b>
<b><i>General Obligation Bonds, Series 2015</i></b>	<b><i>Accumulates ad valorem taxes collected for payment of debt service on the General Obligation, Series 2015 maturing on July 1, 2044.</i></b>

## ***Capital Projects Funds***

***Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.***

<b><i>Special Tax District No. 1 Capital Projects Fund</i></b>	<b><i>Accounts for the construction of a parking garage and additional public works improvements for Special Tax District No. 1.</i></b>
<b><i>Capital Improvements Fund</i></b>	<b><i>Accounts for general capital projects and the acquisition and construction in the Neighborhood Renaissance Program.</i></b>
<b><i>General Obligation Series 2015 Capital Projects Fund</i></b>	<b><i>Accounts for the construction and improvements to parks, recreation and leisure projects.</i></b>

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CITY OF SUNRISE, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2015

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 19,847,709	\$ 5,570,388	\$ 56,239,418	\$ 81,657,515
Investments	3,382,547	-	7,539,493	10,922,040
Interest receivable	6,299	44	14,039	20,382
Special assessments receivable	-	893,106	-	893,106
Other receivables	62,436	-	-	62,436
Due from other funds	49,457	48	410,000	459,505
Intergovernmental receivable	397,914	-	44,538	442,452
Prepaid items	1,200	-	-	1,200
Inventories	78,689	-	-	78,689
<b>Total assets</b>	<b>23,826,251</b>	<b>6,463,586</b>	<b>64,247,488</b>	<b>94,537,325</b>
<b>LIABILITIES</b>				
Accounts payable	225,123	-	842,307	1,067,430
Accrued liabilities	186,570	-	18,068	204,638
Retainage payable	-	-	203,998	203,998
Intergovernmental payable	1,717	-	-	1,717
Due to other funds	467,803	-	10,713	478,516
Matured bonds payable	-	2,085,000	-	2,085,000
Matured interest payable	-	381,635	-	381,635
Unearned revenue	14,250	-	-	14,250
Other	2,309,665	-	-	2,309,665
Advances from other funds	100,000	-	-	100,000
<b>Total liabilities</b>	<b>3,305,128</b>	<b>2,466,635</b>	<b>1,075,086</b>	<b>6,846,849</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue-special assessments	-	893,106	-	893,106
<b>FUND BALANCES</b>				
<b>Nonspendable:</b>				
Inventories	78,689	-	-	78,689
Prepaid items	1,200	-	-	1,200
<b>Restricted for:</b>				
Building	9,727,353	-	-	9,727,353
Capital projects	-	-	33,477,608	33,477,608
Recreation	256,515	-	-	256,515
Public safety	6,515,068	-	-	6,515,068
Fire equipment	162,630	-	-	162,630
Median strips	318,711	-	-	318,711
Housing	899,109	-	-	899,109
Transportation	2,470,189	-	-	2,470,189
Developer agreements	-	-	726,667	726,667
<b>Assigned to:</b>				
Subsequent year's expenditures	-	-	21,794,113	21,794,113
Construction contracts	-	-	1,739,749	1,739,749
Transportation	133,163	-	-	133,163
Debt service	-	3,103,845	-	3,103,845
Capital projects	-	-	5,434,265	5,434,265
Unassigned	(41,504)	-	-	(41,504)
<b>Total fund balances</b>	<b>20,521,123</b>	<b>3,103,845</b>	<b>63,172,402</b>	<b>86,797,370</b>
<b>Total liabilities, deferred inflow of resources and fund balances</b>	<b>\$ 23,826,251</b>	<b>\$ 6,463,586</b>	<b>\$ 64,247,488</b>	<b>\$ 94,537,325</b>

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

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
<b>REVENUES</b>				
<b>Taxes:</b>				
Property	\$ -	\$ 2,381,501	\$ -	\$ 2,381,501
Local option fuel	1,549,307	-	-	1,549,307
Permits and fees	5,678,369	-	-	5,678,369
Intergovernmental	1,637,152	-	44,538	1,681,690
Charges for services	118,034	-	-	118,034
Judgments, fines and forfeitures	1,727,587	-	-	1,727,587
Special assessments	-	271,440	-	271,440
Impact fees	453,942	-	-	453,942
Investment earnings	66,697	965	256,006	323,668
Miscellaneous	125,684	-	176,557	302,241
Total revenues	<u>11,356,772</u>	<u>2,653,906</u>	<u>477,101</u>	<u>14,487,779</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
General government	-	-	275,308	275,308
Public safety	6,895,572	-	-	6,895,572
Economic development	783,130	-	-	783,130
Transportation	2,761,671	-	-	2,761,671
<b>Debt service:</b>				
Principal	-	2,085,000	-	2,085,000
Interest	-	1,102,407	-	1,102,407
Bond issuance costs	-	677,441	-	677,441
Other	-	51,488	-	51,488
Capital outlay	708,059	-	10,713,899	11,421,958
Total expenditures	<u>11,148,432</u>	<u>3,916,336</u>	<u>10,989,207</u>	<u>26,053,975</u>
Excess (deficiency) of revenues over (under) expenditures	<u>208,340</u>	<u>(1,262,430)</u>	<u>(10,512,106)</u>	<u>(11,566,196)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
<b>Transfers in:</b>				
General fund	9,926,619	-	3,837,658	13,764,277
<b>Special revenue funds:</b>				
Police Confiscation	-	-	800,000	800,000
<b>Transfers out:</b>				
<b>Capital projects fund:</b>				
Capital Improvement	(800,000)	-	-	(800,000)
Ad valorem tax bonds issued	-	956,483	36,673,517	37,630,000
Premium on ad valorem tax bonds	-	60,093	2,305,772	2,365,865
Sale of capital assets	8,044	-	-	8,044
Total other financing sources and (uses)	<u>9,134,663</u>	<u>1,016,576</u>	<u>43,616,947</u>	<u>53,768,186</u>
Net change in fund balances	9,343,003	(245,854)	33,104,841	42,201,990
Fund balances - beginning	<u>11,178,120</u>	<u>3,349,699</u>	<u>30,067,561</u>	<u>44,595,380</u>
Fund balances - ending	<u>\$ 20,521,123</u>	<u>\$ 3,103,845</u>	<u>\$ 63,172,402</u>	<u>\$ 86,797,370</u>

CITY OF SUNRISE, FLORIDA  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 SEPTEMBER 30, 2015

	Building Fees	Impact Fees	Urban Area Security Initiative Grant	Broward County Home Consortium Grant	Broward County Disaster Recovery Initiative Grant	Neighborhood Stabilization Program Grant	Community Development Block Grant	State Housing Initiatives Partnership Grant	Fuel and Roadway	Police Confiscation	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>											
Cash and cash equivalents	\$ 7,396,303	\$ 631,237	\$ 36,014	\$ 540,164	\$ -	\$ 146,737	\$ 18,081	\$ 176,536	\$ 1,854,981	\$ 9,047,656	\$ 19,847,709
Investments	2,487,042	212,256	-	-	-	-	-	59,361	623,888	-	3,382,547
Interest receivable	4,631	395	-	-	-	-	-	111	1,162	-	6,299
Other receivables	358	-	-	-	-	-	-	-	8,088	53,990	62,436
Due from other funds	-	-	-	-	-	-	-	-	-	49,457	49,457
Intergovernmental receivable	-	-	34,957	-	-	-	91,962	-	270,995	-	397,914
Prepaid items	-	-	-	-	-	-	-	-	-	1,200	1,200
Inventories	-	-	-	-	-	-	-	-	78,689	-	78,689
<b>Total assets</b>	<b>9,888,334</b>	<b>843,888</b>	<b>70,971</b>	<b>540,164</b>	<b>-</b>	<b>146,737</b>	<b>110,043</b>	<b>236,008</b>	<b>2,837,803</b>	<b>9,152,303</b>	<b>23,826,251</b>
<b>LIABILITIES</b>											
Accounts payable	21,673	-	34,957	150	-	6,099	1,482	16,288	96,027	48,447	225,123
Accrued liabilities	128,442	-	-	-	-	-	7,879	1,263	45,642	3,344	186,570
Intergovernmental payable	-	-	-	-	-	-	1,717	-	-	-	1,717
Due to other funds	8,241	-	-	-	-	-	481	-	2,468	456,613	467,803
Unearned revenue	2,625	-	-	-	-	-	-	-	11,625	-	14,250
Other	-	-	-	-	-	-	-	-	-	2,309,665	2,309,665
Advances from other funds	-	-	-	-	-	-	100,000	-	-	-	100,000
<b>Total liabilities</b>	<b>160,981</b>	<b>-</b>	<b>34,957</b>	<b>150</b>	<b>-</b>	<b>6,099</b>	<b>111,559</b>	<b>17,551</b>	<b>155,762</b>	<b>2,818,069</b>	<b>3,305,128</b>
<b>FUND BALANCES</b>											
Nonspendable:											
Inventories	-	-	-	-	-	-	-	-	78,689	-	78,689
Prepaid items	-	-	-	-	-	-	-	-	-	1,200	1,200
Restricted:											
Building	9,727,353	-	-	-	-	-	-	-	-	-	9,727,353
Recreation	-	256,515	-	-	-	-	-	-	-	-	256,515
Public safety	-	106,032	76,002	-	-	-	-	-	-	6,333,034	6,515,068
Fire equipment	-	162,630	-	-	-	-	-	-	-	-	162,630
Median strips	-	318,711	-	-	-	-	-	-	-	-	318,711
Housing	-	-	-	540,014	-	140,638	-	218,457	-	-	899,109
Transportation	-	-	-	-	-	-	-	-	2,470,189	-	2,470,189
Assigned to:											
Transportation	-	-	-	-	-	-	-	-	133,163	-	133,163
Unassigned	-	-	(39,988)	-	-	-	(1,516)	-	-	-	(41,504)
<b>Total fund balances</b>	<b>9,727,353</b>	<b>843,888</b>	<b>36,014</b>	<b>540,014</b>	<b>-</b>	<b>140,638</b>	<b>(1,516)</b>	<b>218,457</b>	<b>2,682,041</b>	<b>6,334,234</b>	<b>20,521,123</b>
<b>Total liabilities and fund balances</b>	<b>\$ 9,888,334</b>	<b>\$ 843,888</b>	<b>\$ 70,971</b>	<b>\$ 540,164</b>	<b>\$ -</b>	<b>\$ 146,737</b>	<b>\$ 110,043</b>	<b>\$ 236,008</b>	<b>\$ 2,837,803</b>	<b>\$ 9,152,303</b>	<b>\$ 23,826,251</b>

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Building Fees	Impact Fees	Urban Area Security Initiative Grant	Broward County Home Consortium Grant	Broward County Disaster Recovery Initiative Grant	Neighborhood Stabilization Program	Community Development Block Grant	State Housing Initiatives Partnership Grant	Fuel and Roadway	Police Confiscation	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>											
Local option fuel tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,549,307	\$ -	\$ 1,549,307
Permits and fees	5,678,369	-	-	-	-	-	-	-	-	-	5,678,369
Intergovernmental	-	-	34,957	73,317	-	-	389,391	364,430	775,057	-	1,637,152
Charges for services	-	-	-	-	-	-	-	-	67,284	50,750	118,034
Judgments, fines and forfeitures	-	-	-	-	-	-	-	-	-	1,727,587	1,727,587
Impact fees	-	453,942	-	-	-	-	-	-	-	-	453,942
Investment earnings	15,428	6,296	-	-	-	-	-	4,466	9,002	31,505	66,697
Miscellaneous	-	-	-	-	49,786	-	7,316	2,578	65,505	499	125,684
<b>Total revenues</b>	<b>5,693,797</b>	<b>460,238</b>	<b>34,957</b>	<b>73,317</b>	<b>49,786</b>	<b>-</b>	<b>396,707</b>	<b>371,474</b>	<b>2,466,155</b>	<b>1,810,341</b>	<b>11,356,772</b>
<b>EXPENDITURES</b>											
Current:											
Public safety	5,077,927	-	-	-	-	-	70,000	-	-	1,747,645	6,895,572
Economic development	-	-	-	83,375	-	116,582	273,486	309,687	-	-	783,130
Transportation	-	-	-	-	-	-	55,000	-	2,706,671	-	2,761,671
Capital outlay	181,406	-	34,957	-	-	-	-	-	96,217	395,479	708,059
<b>Total expenditures</b>	<b>5,259,333</b>	<b>-</b>	<b>34,957</b>	<b>83,375</b>	<b>-</b>	<b>116,582</b>	<b>398,486</b>	<b>309,687</b>	<b>2,802,888</b>	<b>2,143,124</b>	<b>11,148,432</b>
Excess (deficiency) of revenues over (under) expenditures	434,464	460,238	-	(10,058)	49,786	(116,582)	(1,779)	61,787	(336,733)	(332,783)	208,340
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers in:											
General fund	9,292,889	-	-	-	-	-	-	-	633,730	-	9,926,619
Transfers out:											
Capital projects fund:											
Capital Improvement	-	-	-	-	-	-	-	-	-	(800,000)	(800,000)
Sale of capital assets	-	-	-	-	-	-	-	-	-	8,044	8,044
<b>Total other financing sources and (uses)</b>	<b>9,292,889</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>633,730</b>	<b>(791,956)</b>	<b>9,134,663</b>
<b>Net change in fund balances</b>	<b>9,727,353</b>	<b>460,238</b>	<b>-</b>	<b>(10,058)</b>	<b>49,786</b>	<b>(116,582)</b>	<b>(1,779)</b>	<b>61,787</b>	<b>296,997</b>	<b>(1,124,739)</b>	<b>9,343,003</b>
Fund balances - beginning	-	383,650	36,014	550,072	(49,786)	257,220	263	156,670	2,385,044	7,458,973	11,178,120
<b>Fund balances - ending</b>	<b>\$ 9,727,353</b>	<b>\$ 843,888</b>	<b>\$ 36,014</b>	<b>\$ 540,014</b>	<b>\$ -</b>	<b>\$ 140,638</b>	<b>\$ (1,516)</b>	<b>\$ 218,457</b>	<b>\$ 2,682,041</b>	<b>\$ 6,334,234</b>	<b>\$ 20,521,123</b>

CITY OF SUNRISE, FLORIDA  
 COMBINING BALANCE SHEET  
 NONMAJOR DEBT SERVICE FUNDS  
 SEPTEMBER 30, 2015

	Special Recreation District Phase I	Special Tax District No. 1	General Obligation Bonds, Series 2015	Total Nonmajor Debt Service Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 248,354	\$ 5,321,986	\$ 48	\$ 5,570,388
Interest receivable	-	44	-	44
Special assessments receivable	893,106	-	-	893,106
Due from other funds	46	2	-	48
<b>Total assets</b>	<b><u>\$ 1,141,506</u></b>	<b><u>\$ 5,322,032</u></b>	<b><u>\$ 48</u></b>	<b><u>\$ 6,463,586</u></b>
<b>LIABILITIES</b>				
Matured bonds payable	225,000	1,860,000	-	2,085,000
Matured interest payable	23,278	358,357	-	381,635
<b>Total liabilities</b>	<b><u>248,278</u></b>	<b><u>2,218,357</u></b>	<b><u>-</u></b>	<b><u>2,466,635</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue-special assessments	893,106	-	-	893,106
<b>FUND BALANCES</b>				
Assigned to:				
Debt service	122	3,103,675	48	3,103,845
<b>Total fund balances</b>	<b><u>122</u></b>	<b><u>3,103,675</u></b>	<b><u>48</u></b>	<b><u>3,103,845</u></b>
<b>Total liabilities, deferred inflow of resources and fund balances</b>	<b><u>\$ 1,141,506</u></b>	<b><u>\$ 5,322,032</u></b>	<b><u>\$ 48</u></b>	<b><u>\$ 6,463,586</u></b>

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR DEBT SERVICE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Special Recreation District Phase I	Special Tax District No. 1	General Obligation Bonds, Series 2015	Total Nonmajor Debt Service Funds
<b>REVENUES</b>				
Property taxes	\$ -	\$ 2,381,501	\$ -	\$ 2,381,501
Special assessments	271,440	-	-	271,440
Investment earnings	361	556	48	965
Total revenues	<u>271,801</u>	<u>2,382,057</u>	<u>48</u>	<u>2,653,906</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	225,000	1,860,000	-	2,085,000
Interest	46,557	716,715	339,135	1,102,407
Bond issuance costs	-	-	677,441	677,441
Other	298	51,190	-	51,488
Total expenditures	<u>271,855</u>	<u>2,627,905</u>	<u>1,016,576</u>	<u>3,916,336</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(54)</u>	<u>(245,848)</u>	<u>(1,016,528)</u>	<u>(1,262,430)</u>
<b>OTHER FINANCING SOURCES</b>				
Ad valorem tax bonds issued	-	-	956,483	956,483
Premium on ad valorem tax bonds	-	-	60,093	60,093
Total other financing uses	<u>-</u>	<u>-</u>	<u>1,016,576</u>	<u>1,016,576</u>
Net change in fund balances	(54)	(245,848)	48	(245,854)
Fund balances - beginning	<u>176</u>	<u>3,349,523</u>	<u>-</u>	<u>3,349,699</u>
Fund balances - ending	<u>\$ 122</u>	<u>\$ 3,103,675</u>	<u>\$ 48</u>	<u>\$ 3,103,845</u>

**CITY OF SUNRISE, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
SEPTEMBER 30, 2015**

	Special Tax District No. 1 Capital Projects	Capital Improvements Capital Projects	General Obligation Bonds, Series 2015 Capital Projects	Total Nonmajor Capital Projects Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,152,721	\$ 21,438,993	\$ 33,647,704	\$ 56,239,418
Investments	330,530	7,208,963	-	7,539,493
Interest receivable	615	13,424	-	14,039
Due from other funds	-	410,000	-	410,000
Intergovernmental receivable	-	44,538	-	44,538
<b>Total assets</b>	<b><u>\$ 1,483,866</u></b>	<b><u>\$ 29,115,918</u></b>	<b><u>\$ 33,647,704</u></b>	<b><u>\$ 64,247,488</u></b>
<b>LIABILITIES</b>				
Accounts payable	-	682,287	160,020	842,307
Accrued liabilities	-	18,068	-	18,068
Retainage payable	-	203,998	-	203,998
Due to other funds	-	637	10,076	10,713
<b>Total liabilities</b>	<b><u>-</u></b>	<b><u>904,990</u></b>	<b><u>170,096</u></b>	<b><u>1,075,086</u></b>
<b>FUND BALANCE</b>				
Restricted:				
Capital projects	-	-	33,477,608	33,477,608
Developer agreements	-	726,667	-	726,667
Assigned:				
Subsequent year's expenditures	-	21,794,113	-	21,794,113
Construction contracts	-	1,739,749	-	1,739,749
Capital projects	1,483,866	3,950,399	-	5,434,265
<b>Total fund balances</b>	<b><u>1,483,866</u></b>	<b><u>28,210,928</u></b>	<b><u>33,477,608</u></b>	<b><u>63,172,402</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$ 1,483,866</u></b>	<b><u>\$ 29,115,918</u></b>	<b><u>\$ 33,647,704</u></b>	<b><u>\$ 64,247,488</u></b>

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Special Tax District No. 1 Capital Projects	Capital Improvements Capital Projects	General Obligation Bonds, Series 2015 Capital Projects	Total Nonmajor Capital Projects Funds
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 44,538	\$ -	\$ 44,538
Investment earnings	3,916	215,252	36,838	256,006
Miscellaneous	-	176,557	-	176,557
<b>Total revenues</b>	<b>3,916</b>	<b>436,347</b>	<b>36,838</b>	<b>477,101</b>
<b>EXPENDITURES</b>				
Current:				
General government	-	275,308	-	275,308
Capital outlay	-	5,175,380	5,538,519	10,713,899
<b>Total expenditures</b>	<b>-</b>	<b>5,450,688</b>	<b>5,538,519</b>	<b>10,989,207</b>
<b>Excess (deficiency) of revenues     over (under) expenditures</b>	<b>3,916</b>	<b>(5,014,341)</b>	<b>(5,501,681)</b>	<b>(10,512,106)</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General fund	-	3,837,658	-	3,837,658
Special revenue funds:				
Police Confiscation	-	800,000	-	800,000
Ad valorem tax bonds issued	-	-	36,673,517	36,673,517
Premium on ad valorem tax bonds	-	-	2,305,772	2,305,772
<b>Total other financing sources</b>	<b>-</b>	<b>4,637,658</b>	<b>38,979,289</b>	<b>43,616,947</b>
<b>Net change in fund balances</b>	<b>3,916</b>	<b>(376,683)</b>	<b>33,477,608</b>	<b>33,104,841</b>
Fund balance - beginning	1,479,950	28,587,611	-	30,067,561
Fund balance - ending	<b>\$ 1,483,866</b>	<b>\$ 28,210,928</b>	<b>\$ 33,477,608</b>	<b>\$ 63,172,402</b>

CITY OF SUNRISE, FLORIDA  
 BUILDING FEES SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Permits and fees	\$ 5,449,780	\$ 5,678,369	\$ 228,589
Charges for services	1,460	-	(1,460)
Investment earnings	-	15,428	15,428
<b>Total revenues</b>	<u>5,451,240</u>	<u>5,693,797</u>	<u>242,557</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	6,177,805	5,077,927	1,099,878
Capital outlay	193,969	181,406	12,563
<b>Total expenditures</b>	<u>6,371,774</u>	<u>5,259,333</u>	<u>1,112,441</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(920,534)</b>	<b>434,464</b>	<b>1,354,998</b>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	9,292,889	9,292,889	-
<b>Net change in fund balances</b>	<b>8,372,355</b>	<b>9,727,353</b>	<b>1,354,998</b>
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ 8,372,355</u>	<u>\$ 9,727,353</u>	<u>\$ 1,354,998</u>

**CITY OF SUNRISE, FLORIDA**  
**IMPACT FEES SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Impact fees	\$ 53,000	\$ 453,942	\$ 400,942
Investment earnings	-	6,296	6,296
<b>Total revenues</b>	<u>53,000</u>	<u>460,238</u>	<u>407,238</u>
<b>Excess of revenues over expenditures</b>	53,000	460,238	407,238
<b>Fund balances - beginning</b>	<u>383,650</u>	<u>383,650</u>	-
<b>Fund balances - ending</b>	<u>\$ 436,650</u>	<u>\$ 843,888</u>	<u>\$ 407,238</u>

**CITY OF SUNRISE, FLORIDA**  
**URBAN AREA SECURITY INITIATIVE GRANT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 131,877	\$ 34,957	\$ (96,920)
<b>EXPENDITURES</b>			
Capital outlay	131,877	34,957	96,920
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Fund balances - beginning	36,014	36,014	-
Fund balances - ending	<u>\$ 36,014</u>	<u>\$ 36,014</u>	<u>\$ -</u>

**CITY OF SUNRISE, FLORIDA**  
**BROWARD COUNTY HOME CONSORTIUM GRANT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 117,670	\$ 73,317	\$ (44,353)
<b>EXPENDITURES</b>			
Current:			
Economic development	235,342	83,375	151,967
Excess (deficiency) of revenues over (under) expenditures	(117,672)	(10,058)	107,614
Fund balances - beginning	550,072	550,072	-
Fund balances - ending	\$ 432,400	\$ 540,014	\$ 107,614

**CITY OF SUNRISE, FLORIDA**  
**BROWARD COUNTY DISASTER RECOVERY INITIATIVE GRANT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Miscellaneous	\$ -	\$ 49,786	\$ 49,786
Excess of revenues over expenditures	-	49,786	49,786
Fund balances - beginning	(49,786)	(49,786)	-
Fund balances - ending	\$ (49,786)	\$ -	\$ 49,786

**CITY OF SUNRISE, FLORIDA**  
**NEIGHBORHOOD STABILIZATION PROGRAM GRANT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 150,000	\$ -	\$ (150,000)
<b>EXPENDITURES</b>			
Current:			
Economic development	150,000	116,582	33,418
Deficiency of revenues under expenditures	-	(116,582)	(116,582)
Fund balances - beginning	257,220	257,220	-
Fund balances - ending	\$ 257,220	\$ 140,638	\$ (116,582)

CITY OF SUNRISE, FLORIDA  
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 872,800	\$ 389,391	\$ (483,409)
Miscellaneous	-	7,316	7,316
<b>Total revenues</b>	<u>872,800</u>	<u>396,707</u>	<u>(476,093)</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	75,530	70,000	5,530
Economic development	737,505	273,486	464,019
Transportation	59,765	55,000	4,765
<b>Total expenditures</b>	<u>872,800</u>	<u>398,486</u>	<u>474,314</u>
Deficiency of revenues under expenditures	-	(1,779)	(1,779)
Fund balances - beginning	<u>263</u>	<u>263</u>	<u>-</u>
Fund balances - ending	<u>\$ 263</u>	<u>\$ (1,516)</u>	<u>\$ (1,779)</u>

CITY OF SUNRISE, FLORIDA  
STATE HOUSING INITIATIVES PARTNERSHIP GRANT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 395,970	\$ 364,430	\$ (31,540)
Investment earnings	-	4,466	4,466
Miscellaneous	-	2,578	2,578
Total revenues	<u>395,970</u>	<u>371,474</u>	<u>(24,496)</u>
<b>EXPENDITURES</b>			
Current:			
Economic development	<u>395,970</u>	<u>309,687</u>	<u>86,283</u>
Excess of revenues over expenditures	-	61,787	61,787
Fund balances - beginning	<u>156,670</u>	<u>156,670</u>	<u>-</u>
Fund balances - ending	<u>\$ 156,670</u>	<u>\$ 218,457</u>	<u>\$ 61,787</u>

CITY OF SUNRISE, FLORIDA  
 FUEL AND ROADWAY SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Local option fuel tax	\$ 1,581,980	\$ 1,549,307	\$ (32,673)
Intergovernmental	757,750	775,057	17,307
Charges for services	70,220	67,284	(2,936)
Investment earnings	5,000	9,002	4,002
Miscellaneous	40,800	65,505	24,705
<b>Total revenues</b>	<b>2,455,750</b>	<b>2,466,155</b>	<b>10,405</b>
<b>EXPENDITURES</b>			
Current:			
Transportation	3,009,530	2,706,671	302,859
Capital outlay	356,000	96,217	259,783
<b>Total expenditures</b>	<b>3,365,530</b>	<b>2,802,888</b>	<b>562,642</b>
Excess (deficiency) of revenues over (under) expenditures	(909,780)	(336,733)	573,047
<b>OTHER FINANCING SOURCES</b>			
Transfers in	633,730	633,730	-
Net change in fund balances	(276,050)	296,997	573,047
Fund balances - beginning	2,385,044	2,385,044	-
Fund balances - ending	<b>\$ 2,108,994</b>	<b>\$ 2,682,041</b>	<b>\$ 573,047</b>

CITY OF SUNRISE, FLORIDA  
POLICE CONFISCATION SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Charges for services	\$ -	\$ 50,750	\$ 50,750
Judgments, fines and forfeitures	-	1,727,587	1,727,587
Investment earnings	-	31,505	31,505
Miscellaneous	-	499	499
Total revenues	<u>-</u>	<u>1,810,341</u>	<u>1,810,341</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	2,288,372	1,747,645	540,727
Capital outlay	614,226	395,479	218,747
Total expenditures	<u>2,902,598</u>	<u>2,143,124</u>	<u>759,474</u>
Excess (deficiency) of revenues over (under) expenditures	(2,902,598)	(332,783)	2,569,815
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(800,000)	(800,000)	-
Sale of capital assets	-	8,044	8,044
Total other financing sources (uses)	<u>(800,000)</u>	<u>(791,956)</u>	<u>8,044</u>
Net change in fund balances	(3,702,598)	(1,124,739)	2,577,859
Fund balances - beginning	<u>7,458,973</u>	<u>7,458,973</u>	<u>-</u>
Fund balances - ending	<u>\$ 3,756,375</u>	<u>\$ 6,334,234</u>	<u>\$ 2,577,859</u>

CITY OF SUNRISE, FLORIDA  
SPECIAL RECREATION DISTRICT PHASE I DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Special assessments	\$ 271,740	\$ 271,440	\$ (300)
Investment earnings	-	361	361
<b>Total revenues</b>	<u>271,740</u>	<u>271,801</u>	<u>61</u>
<b>EXPENDITURES</b>			
<b>Debt service:</b>			
Principal	225,000	225,000	-
Interest	46,560	46,557	3
Other	304	298	6
<b>Total expenditures</b>	<u>271,864</u>	<u>271,855</u>	<u>9</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(124)</b>	<b>(54)</b>	<b>70</b>
<b>Fund balances - beginning</b>	<u>176</u>	<u>176</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 52</u>	<u>\$ 122</u>	<u>\$ 70</u>

CITY OF SUNRISE, FLORIDA  
SPECIAL TAX DISTRICT NO. 1 DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Property taxes	\$ 2,447,920	\$ 2,381,501	\$ (66,419)
Investment earnings	-	556	556
<b>Total revenues</b>	<u>2,447,920</u>	<u>2,382,057</u>	<u>(65,863)</u>
<b>EXPENDITURES</b>			
<b>Debt service:</b>			
Principal	1,860,000	1,860,000	-
Interest	716,720	716,715	5
Other	45,690	51,190	(5,500)
<b>Total expenditures</b>	<u>2,622,410</u>	<u>2,627,905</u>	<u>(5,495)</u>
<b>Deficiency of revenues under expenditures</b>	<b>(174,490)</b>	<b>(245,848)</b>	<b>(71,358)</b>
<b>Fund balances - beginning</b>	<u>3,349,523</u>	<u>3,349,523</u>	-
<b>Fund balances - ending</b>	<u><u>\$ 3,175,033</u></u>	<u><u>\$ 3,103,675</u></u>	<u><u>\$ (71,358)</u></u>

CITY OF SUNRISE, FLORIDA  
GENERAL OBLIGATION BONDS, SERIES 2015 DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 48	\$ 48
<b>EXPENDITURES</b>			
<b>Debt service:</b>			
Interest	339,135	339,135	-
Bond issuance costs	687,936	677,441	10,495
Total expenditures	<u>1,027,071</u>	<u>1,016,576</u>	<u>10,495</u>
Excess (deficiency) of revenues over (under) expenditures	(1,027,071)	(1,016,528)	10,543
<b>OTHER FINANCING SOURCES</b>			
Ad valorem tax bonds issued	966,978	956,483	(10,495)
Premium on ad valorem tax bonds	60,093	60,093	-
Total other financing sources	<u>1,027,071</u>	<u>1,016,576</u>	<u>(10,495)</u>
Net change in fund balances	-	48	48
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ 48</u>	<u>\$ 48</u>

CITY OF SUNRISE, FLORIDA  
SPECIAL ASSESSMENT BONDS, SERIES 2015 DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment earnings	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Debt service:			
Bond issuance costs	1,333,425	-	1,333,425
Excess (deficiency) of revenues over (under) expenditures	(1,333,425)	-	1,333,425
<b>OTHER FINANCING SOURCES</b>			
Special assessment bonds issued	6,120,000	-	(6,120,000)
Net change in fund balances	4,786,575	-	(4,786,575)
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ 4,786,575</u>	<u>\$ -</u>	<u>\$ (4,786,575)</u>

CITY OF SUNRISE, FLORIDA  
SPECIAL TAX DISTRICT NO. 1 CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 3,916	\$ 3,916
Excess of revenues over expenditures	-	3,916	3,916
Fund balances - beginning	1,479,950	1,479,950	-
Fund balances - ending	<u>\$ 1,479,950</u>	<u>\$ 1,483,866</u>	<u>\$ 3,916</u>

CITY OF SUNRISE, FLORIDA  
 CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 2,436,070	\$ 44,538	\$ (2,391,532)
Investment earnings	140,000	215,252	75,252
Contributions and donations	105,000	-	(105,000)
Miscellaneous	-	176,557	176,557
<b>Total revenues</b>	<u>2,681,070</u>	<u>436,347</u>	<u>(2,244,723)</u>
<b>EXPENDITURES</b>			
Current:			
General government	344,080	275,308	68,772
Capital outlay	32,250,788	5,175,380	27,075,408
<b>Total expenditures</b>	<u>32,594,868</u>	<u>5,450,688</u>	<u>27,144,180</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(29,913,798)</b>	<b>(5,014,341)</b>	<b>24,899,457</b>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	4,637,658	4,637,658	-
<b>Net change in fund balances</b>	<b>(25,276,140)</b>	<b>(376,683)</b>	<b>24,899,457</b>
Fund balances - beginning	28,587,611	28,587,611	-
Fund balances - ending	<u>\$ 3,311,471</u>	<u>\$ 28,210,928</u>	<u>\$ 24,899,457</u>

CITY OF SUNRISE, FLORIDA  
GENERAL OBLIGATION BONDS, SERIES 2015 CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 36,838	\$ 36,838
<b>EXPENDITURES</b>			
Capital outlay	38,968,795	5,538,519	33,430,276
Excess (deficiency) of revenues over (under) expenditures	(38,968,795)	(5,501,681)	33,467,114
<b>OTHER FINANCING SOURCES</b>			
Ad valorem tax bonds issued	36,663,023	36,673,517	10,494
Premium on ad valorem tax bonds	2,305,772	2,305,772	-
Total other financing sources	38,968,795	38,979,289	10,494
Net change in fund balances	-	33,477,608	33,477,608
Fund balances - beginning	-	-	-
Fund balances - ending	\$ -	\$ 33,477,608	\$ 33,477,608

CITY OF SUNRISE, FLORIDA  
SPECIAL ASSESSMENT BONDS, SERIES 2015 CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 44,548	\$ 44,548
<b>EXPENDITURES</b>			
Capital outlay	64,000,000	10,193,982	53,806,018
Excess (deficiency) of revenues over (under) expenditures	(64,000,000)	(10,149,434)	53,850,566
<b>OTHER FINANCING SOURCES</b>			
Special assessment bonds issued	64,000,000	64,035,638	35,638
Net change in fund balances	-	53,886,204	53,886,204
Fund balances - beginning	-	-	-
Fund balances - ending	\$ -	\$ 53,886,204	\$ 53,886,204

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# *Nonmajor Proprietary Funds*

## *Enterprise Funds*

*Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services. When debt is backed solely by fees and charges or there is a legal requirement or policy decision to recover costs, an enterprise fund must be used.*

### *Recycling Fund*

*Accounts for the provision of recycling services to City residents.*

### *Stormwater Fund*

*Accounts for the operations of a City stormwater utility.*

### *Golf Course Fund*

*Accounts for the operations of a City owned golf course.*

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF NET POSITION  
 NONMAJOR ENTERPRISE FUNDS  
 SEPTEMBER 30, 2015

	Recycling	Stormwater	Golf Course	Total Nonmajor Enterprise Funds
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 457,667	\$ 8,941,788	\$ 115,928	\$ 9,515,383
Investments	147,129	2,994,293	38,188	3,179,610
Interest receivable	274	5,576	71	5,921
Accounts receivable, net of allowance for uncollectibles	147,552	492,734	-	640,286
Other receivables	13,386	-	-	13,386
Inventories	-	41,210	-	41,210
Prepaid items	-	-	3,350	3,350
<b>Total current assets</b>	<b>766,008</b>	<b>12,475,601</b>	<b>157,537</b>	<b>13,399,146</b>
<b>Noncurrent assets:</b>				
<b>Capital assets:</b>				
Land	-	65,845	1,223,300	1,289,145
Intangibles	-	2,425	-	2,425
Buildings and system	-	685,480	-	685,480
Improvements other than buildings	-	4,159,101	226,285	4,385,386
Machinery and equipment	4,120	1,367,290	773,412	2,144,822
Vehicles	-	808,536	-	808,536
Construction in progress	-	2,610,662	-	2,610,662
Less accumulated depreciation	(3,029)	(2,272,560)	(544,194)	(2,819,783)
<b>Total capital assets, net of accumulated depreciation</b>	<b>1,091</b>	<b>7,426,779</b>	<b>1,678,803</b>	<b>9,106,673</b>
<b>Total assets</b>	<b>767,099</b>	<b>19,902,380</b>	<b>1,836,340</b>	<b>22,505,819</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension	-	531,643	-	531,643
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>531,643</b>	<b>-</b>	<b>531,643</b>
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable	176,833	962,394	80,193	1,219,420
Accrued liabilities	-	84,342	-	84,342
Due to other funds	49,182	4,933	-	54,115
Interfund payable	-	107,272	-	107,272
Compensated absences	-	36,847	-	36,847
Retainage payable	-	147,312	-	147,312
Intergovernmental payable	-	-	3,155	3,155
<b>Total current liabilities</b>	<b>226,015</b>	<b>1,343,100</b>	<b>83,348</b>	<b>1,652,463</b>
<b>Noncurrent liabilities:</b>				
Compensated absences	-	308,752	-	308,752
Other post employment benefits	-	361,806	-	361,806
Retiree subsidy	-	519,462	68,923	588,385
Net pension liability	-	2,908,147	-	2,908,147
Advances from other funds	-	112,903	-	112,903
Unearned revenue	264,976	-	1,713	266,689
<b>Total noncurrent liabilities</b>	<b>264,976</b>	<b>4,211,070</b>	<b>70,636</b>	<b>4,546,682</b>
<b>Total liabilities</b>	<b>490,991</b>	<b>5,554,170</b>	<b>153,984</b>	<b>6,199,145</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension	-	19,312	-	19,312
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>19,312</b>	<b>-</b>	<b>19,312</b>
<b>NET POSITION</b>				
Net investment in capital assets	1,091	6,398,332	1,678,803	8,078,226
Unrestricted	275,017	8,462,209	3,553	8,740,779
<b>Total net position</b>	<b>\$ 276,108</b>	<b>\$ 14,860,541</b>	<b>\$ 1,682,356</b>	<b>\$ 16,819,005</b>

**CITY OF SUNRISE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	<u>Recycling</u>	<u>Stormwater</u>	<u>Golf Course</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Operating revenues:</b>				
<b>Charges for sales and services:</b>				
<b>Fees</b>	<b>\$ 1,141,180</b>	<b>\$ 6,440,263</b>	<b>\$ 1,134,232</b>	<b>\$ 8,715,675</b>
<b>Operating expenses:</b>				
<b>Costs of sales and services:</b>				
Power, water and wastewater purchases	-	29,055	108,678	137,733
Chemical purchases	-	34,643	99,189	133,832
Recycling charges	709,478	-	-	709,478
Materials and supplies	49,794	41,893	-	91,687
Repairs and maintenance	-	277,144	13,820	290,964
Salaries, wages and employee benefits	-	2,485,163	24,828	2,509,991
Insurance and other expenses	292	667,104	1,369,009	2,036,405
Administrative fees	55,250	524,710	181,870	761,830
Depreciation and amortization	727	302,165	117,806	420,698
<b>Total operating expenses</b>	<b>815,541</b>	<b>4,361,877</b>	<b>1,915,200</b>	<b>7,092,618</b>
<b>Operating income (loss)</b>	<b>325,639</b>	<b>2,078,386</b>	<b>(780,968)</b>	<b>1,623,057</b>
<b>Non-operating revenues (expenses):</b>				
Investment earnings	3,766	38,333	1,608	43,707
Interest expense	-	(16,910)	-	(16,910)
Gain (loss) on sale of capital assets	-	33,226	(383)	32,843
Sale of recyclable materials	130,785	-	-	130,785
Other	264,976	251,418	2,797	519,191
<b>Total non-operating revenues (expenses)</b>	<b>399,527</b>	<b>306,067</b>	<b>4,022</b>	<b>709,616</b>
<b>Income (loss) before transfers</b>	<b>725,166</b>	<b>2,384,453</b>	<b>(776,946)</b>	<b>2,332,673</b>
<b>Transfers in</b>	<b>-</b>	<b>-</b>	<b>688,320</b>	<b>688,320</b>
<b>Transfers out</b>	<b>(910,773)</b>	<b>-</b>	<b>-</b>	<b>(910,773)</b>
<b>Change in net position</b>	<b>(185,607)</b>	<b>2,384,453</b>	<b>(88,626)</b>	<b>2,110,220</b>
<b>Total net position - beginning (restatement-see Note IV, J)</b>	<b>461,715</b>	<b>12,476,088</b>	<b>1,770,982</b>	<b>14,708,785</b>
<b>Total net position - ending</b>	<b>\$ 276,108</b>	<b>\$ 14,860,541</b>	<b>\$ 1,682,356</b>	<b>\$ 16,819,005</b>

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF CASH FLOWS  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Recycling	Stormwater	Golf Course	Total Nonmajor Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 1,294,201	\$ 6,470,420	\$ 1,134,510	\$ 8,899,131
Payments to suppliers	(639,816)	(33,913)	(1,544,821)	(2,218,550)
Payments to and for employees	-	(2,288,482)	(23,899)	(2,312,381)
Payments for interfund services used	(55,250)	(524,710)	(181,870)	(761,830)
Net cash provided by (used for) operating activities	<u>599,135</u>	<u>3,623,315</u>	<u>(616,080)</u>	<u>3,606,370</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Advances from other funds	-	(101,921)	-	(101,921)
Transfer from other funds	-	-	688,320	688,320
Transfer to other funds	(910,773)	-	-	(910,773)
Net cash provided by (used for) noncapital financing activities	<u>(910,773)</u>	<u>(101,921)</u>	<u>688,320</u>	<u>(324,374)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets	-	(3,246,526)	(124,308)	(3,370,834)
Capital grants proceeds	-	250,000	-	250,000
Interest paid on capital debt	-	(16,910)	-	(16,910)
Proceeds from sales of capital assets	-	9,226	2,434	11,660
Net cash (used for) capital and related financing activities	<u>-</u>	<u>(3,004,210)</u>	<u>(121,874)</u>	<u>(3,126,084)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sales and maturities of investments	558,696	3,552,273	85,755	4,196,724
Purchase of investments	(193,320)	(2,850,956)	(81,168)	(3,125,444)
Interest and dividends received	4,102	36,278	1,583	41,963
Net cash provided by investing activities	<u>369,478</u>	<u>737,595</u>	<u>6,170</u>	<u>1,113,243</u>
Net increase (decrease) in cash and cash equivalents	57,840	1,254,779	(43,464)	1,269,155
Cash and cash equivalents, October 1, 2014	<u>399,827</u>	<u>7,687,009</u>	<u>159,392</u>	<u>8,246,228</u>
Cash and cash equivalents, September 30, 2015	<u>\$ 457,667</u>	<u>\$ 8,941,788</u>	<u>\$ 115,928</u>	<u>\$ 9,515,383</u>

	Recycling	Stormwater	Golf Course	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 325,639	\$ 2,078,386	\$ (780,968)	\$ 1,623,057
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Miscellaneous operating income from re-evaluation of capital assets	-	11,550	-	11,550
Miscellaneous non-operating income from by-products of recycling activities	130,785	-	-	130,785
Miscellaneous non-operating income	264,976	1,418	2,797	269,191
Depreciation and amortization expense	727	302,165	117,806	420,698
Decrease in accounts receivable	3,374	36,531	-	39,905
Decrease in other receivables	21,967	-	-	21,967
Decrease in inventories	-	23,123	1,211	24,334
(Increase) in prepaid items	-	-	(350)	(350)
(Increase) in deferred outflows	-	(143,529)	-	(143,529)
Increase in accounts payable	119,456	831,070	42,506	993,032
Increase in accrued liabilities	-	22,258	-	22,258
(Decrease) in due to other funds	(2,813)	(4,203)	-	(7,016)
(Decrease) in intergovernmental payables	-	-	(95)	(95)
Increase (decrease) in unearned revenue	(264,976)	-	84	(264,892)
Increase in retainage payable	-	147,312	-	147,312
Increase in compensated absences payable	-	43,382	-	43,382
Increase in other post employment benefits payable	-	57,188	-	57,188
Increase in retiree subsidy payable	-	101,714	929	102,643
Increase in net pension liability	-	95,638	-	95,638
Increase in deferred inflows	-	19,312	-	19,312
Total adjustments	273,496	1,544,929	164,888	1,983,313
Net cash provided by (used for) operating activities	\$ 599,135	\$ 3,623,315	\$ (616,080)	\$ 3,606,370
Noncash investing activities:				
Net increase in fair value of investments	\$ 271	\$ 2,710	\$ 33	\$ 3,014

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## ***Internal Service Funds***

***Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and other government units, on a cost reimbursement basis.***

***Workers' Compensation Fund***      ***Accounts for the provision of workers' compensation services to departments.***

***Fleet Management Fund***      ***Accounts for funding for vehicle maintenance and replacement.***

***Information Technology & Communications Fund***      ***Accounts for funding for computer and/or communications equipment replacement.***

***Self-Insured Health***      ***Accounts for funding of the City's self-insured health plan***

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF NET POSITION  
 INTERNAL SERVICE FUNDS  
 SEPTEMBER 30, 2015

	Workers' Compensation	Fleet Management	Information Technology & Communications	Self- Insured Health	Total
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and cash equivalents	\$ 6,379,900	\$ 4,530,998	\$ 3,678,198	\$ 758,311	\$ 15,347,407
Investments	2,141,420	1,683,831	1,236,811	254,986	5,317,048
Interest receivable	3,988	3,135	2,303	475	9,901
Accounts receivable, net of allowance for uncollectibles	-	-	-	4,961	4,961
Other receivables	-	-	-	106,055	106,055
Inventories	-	337,085	-	-	337,085
<b>Total current assets</b>	<b>8,525,308</b>	<b>6,555,049</b>	<b>4,917,312</b>	<b>1,124,788</b>	<b>21,122,457</b>
<b>Noncurrent assets:</b>					
<b>Capital assets:</b>					
Intangibles	-	3,022	235,608	-	238,630
Machinery and equipment	-	115,892	577,425	-	693,317
Vehicles	-	9,456,863	-	-	9,456,863
Less accumulated depreciation	-	(2,961,831)	(111,121)	-	(3,072,952)
<b>Total capital assets, net of accumulated depreciation</b>	<b>-</b>	<b>6,613,946</b>	<b>701,912</b>	<b>-</b>	<b>7,315,858</b>
<b>Total assets</b>	<b>8,525,308</b>	<b>13,168,995</b>	<b>5,619,224</b>	<b>1,124,788</b>	<b>28,438,315</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension	-	42,110	501,374	-	543,484
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>42,110</b>	<b>501,374</b>	<b>-</b>	<b>543,484</b>
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable	-	264,581	222,971	3,750	491,302
Accrued liabilities	-	4,774	60,444	-	65,218
Due to other funds	-	501	5,372	-	5,873
Compensated absences	-	1,936	16,646	-	18,582
<b>Total current liabilities</b>	<b>-</b>	<b>271,792</b>	<b>305,433</b>	<b>3,750</b>	<b>580,975</b>
<b>Noncurrent liabilities:</b>					
Compensated absences	-	15,233	149,813	-	165,046
Other post employment benefits	-	1,712	26,882	-	28,594
Retiree subsidy	-	3,855	57,821	-	61,676
Net pension liability	-	230,349	2,742,584	-	2,972,933
Claims and judgments	4,726,879	-	-	-	4,726,879
<b>Total noncurrent liabilities</b>	<b>4,726,879</b>	<b>251,149</b>	<b>2,977,100</b>	<b>-</b>	<b>7,955,128</b>
<b>Total liabilities</b>	<b>4,726,879</b>	<b>522,941</b>	<b>3,282,533</b>	<b>3,750</b>	<b>8,536,103</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension	-	1,529	18,212	-	19,741
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>1,529</b>	<b>18,212</b>	<b>-</b>	<b>19,741</b>
<b>NET POSITION</b>					
Net investment in capital assets	-	6,512,023	666,651	-	7,178,674
Unrestricted	3,798,429	6,174,612	2,153,202	1,121,038	13,247,281
<b>Total net position</b>	<b>\$ 3,798,429</b>	<b>\$ 12,686,635</b>	<b>\$ 2,819,853</b>	<b>\$ 1,121,038</b>	<b>\$ 20,425,955</b>

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Workers' Compensation	Fleet Management	Information Technology & Communications	Self- Insured Health	Total
<b>Operating revenues:</b>					
Charges for sales and services:					
Service charges	\$ 2,082,500	\$ 6,352,290	\$ 2,900,590	\$ 8,930,204	\$ 20,265,584
<b>Operating expenses:</b>					
Costs of sales and services:					
Power, water and wastewater purchases	-	38,308	-	-	38,308
Materials and supplies	-	1,259,208	62,536	-	1,321,744
Repairs and maintenance	-	1,819,415	314,680	-	2,134,095
Salaries, wages and employee benefits	-	157,221	2,007,077	-	2,164,298
Insurance and other expenses	500,384	23,150	1,696,917	1,068,219	3,288,670
Claims expense	1,581,632	-	-	6,849,860	8,431,492
Depreciation and amortization	-	821,529	96,211	-	917,740
Total operating expenses	<u>2,082,016</u>	<u>4,118,831</u>	<u>4,177,421</u>	<u>7,918,079</u>	<u>18,296,347</u>
Operating income (loss)	<u>484</u>	<u>2,233,459</u>	<u>(1,276,831)</u>	<u>1,012,125</u>	<u>1,969,237</u>
<b>Non-operating revenues:</b>					
Investment earnings	39,269	39,476	12,324	2,858	93,927
Gain (loss) on sale of capital assets	-	29,000	16,750	-	45,750
Other	-	53,342	-	106,055	159,397
Total non-operating revenues	<u>39,269</u>	<u>121,818</u>	<u>29,074</u>	<u>108,913</u>	<u>299,074</u>
Income (loss) before contributions	39,753	2,355,277	(1,247,757)	1,121,038	2,268,311
Transfers in	-	-	4,711,540	-	4,711,540
Change in net position	39,753	2,355,277	3,463,783	1,121,038	6,979,851
Total net position - beginning (restatement-see Note IV, J)	<u>3,758,676</u>	<u>10,331,358</u>	<u>(643,930)</u>	<u>-</u>	<u>13,446,104</u>
Total net position - ending	<u>\$ 3,798,429</u>	<u>\$ 12,686,635</u>	<u>\$ 2,819,853</u>	<u>\$ 1,121,038</u>	<u>\$ 20,425,955</u>

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Workers' Compensation	Fleet Management	Information Technology & Communications	Self-Insured Health	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers and users	\$ 2,082,500	\$ 6,352,290	\$ 2,900,590	\$ 8,925,243	\$ 20,260,623
Payments to suppliers	(2,040,904)	(3,163,194)	(1,851,162)	(7,914,329)	(14,969,589)
Payments to and for employees	-	(150,031)	(1,717,050)	-	(1,867,081)
Net cash provided by (used for) operating activities	<u>41,596</u>	<u>3,039,065</u>	<u>(667,622)</u>	<u>1,010,914</u>	<u>3,423,953</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfer from other funds	-	-	4,711,540	-	4,711,540
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>4,711,540</u>	<u>-</u>	<u>4,711,540</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition and construction of capital assets	-	(2,468,863)	(647,187)	-	(3,116,050)
Net cash (used for) capital and related financing activities	<u>-</u>	<u>(2,468,863)</u>	<u>(647,187)</u>	<u>-</u>	<u>(3,116,050)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sales and maturities of investments	3,097,114	2,939,443	977,880	229,141	7,243,578
Purchase of investments	(2,122,662)	(1,903,184)	(2,214,205)	(484,027)	(6,724,078)
Interest and dividends received	38,514	39,262	9,535	2,283	89,594
Net cash provided by (used for) investing activities	<u>1,012,966</u>	<u>1,075,521</u>	<u>(1,226,790)</u>	<u>(252,603)</u>	<u>609,094</u>
Net increase in cash and cash equivalents	1,054,562	1,645,723	2,169,941	758,311	5,628,537
Cash and cash equivalents, October 1, 2014	<u>5,325,338</u>	<u>2,885,275</u>	<u>1,508,257</u>	<u>-</u>	<u>9,718,870</u>
Cash and cash equivalents, September 30, 2015	<u>\$ 6,379,900</u>	<u>\$ 4,530,998</u>	<u>\$ 3,678,198</u>	<u>\$ 758,311</u>	<u>\$ 15,347,407</u>

	<u>Workers'</u> <u>Compensation</u>	<u>Fleet</u> <u>Management</u>	<u>Information</u> <u>Technology &amp;</u> <u>Communications</u>	<u>Self-Insured</u> <u>Health</u>	<u>Total</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>					
Operating income (loss)	\$ 484	\$ 2,233,459	\$ (1,276,831)	\$ 1,012,125	\$ 1,969,237
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>					
Miscellaneous non-operating income	-	53,342	-	106,055	159,397
Depreciation and amortization expense	-	821,529	96,211	-	917,740
(Increase) in accounts receivable	-	-	-	(4,961)	(4,961)
(Increase) in other receivables	-	-	-	(106,055)	(106,055)
(Increase) in inventories	-	(337,085)	-	-	(337,085)
(Increase) in deferred outflows	-	(11,368)	(135,356)	-	(146,724)
Increase in accounts payable	-	260,630	222,971	3,750	487,351
Increase in accrued liabilities	-	635	60,444	-	61,079
Increase in due to other funds	-	63	5,372	-	5,435
Increase in compensated absences payable	-	3,188	166,459	-	169,647
Increase in other post employment benefits payable	-	1,712	26,882	-	28,594
Increase in retiree subsidy payable	-	3,855	57,821	-	61,676
Increase in net pension liability	-	7,576	90,193	-	97,769
Increase in deferred inflows	-	1,529	18,212	-	19,741
Increase in claims and judgments	41,112	-	-	-	41,112
Total adjustments	<u>41,112</u>	<u>805,606</u>	<u>609,209</u>	<u>(1,211)</u>	<u>1,454,716</u>
<b>Net cash provided by (used for) operating activities</b>	<b>\$ 41,596</b>	<b>\$ 3,039,065</b>	<b>\$ (667,622)</b>	<b>\$ 1,010,914</b>	<b>\$ 3,423,953</b>
<b>Noncash investing activities:</b>					
Net increase in fair value of investments	\$ 2,133	\$ 1,790	\$ 486	\$ 100	\$ 4,509

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# *Fiduciary Funds*

## *Pension Trusts and Agency Funds*

*Pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans. Agency funds are used to account for short-term custodial collections on resources on behalf of another individual, entity, or government.*

*General Employees',  
Police Officers' and  
Firefighters' Pension  
Trust Funds*

*Account for the accumulation of resources to be used for retirement benefit payments to City employees.*

*Special Assessment  
Agency Fund*

*Account for the accumulation of resources from special assessments to be used for principal and interest payments for the Special Assessment bonds, Series 2015.*

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 SEPTEMBER 30, 2015

	Employee Retirement Funds				
	General Employees' Pension	Police Officers' Pension	Firefighters' Pension	Total Pension Trust Funds	Special Assessment Agency Fund
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,799,119	\$ 6,125,007	\$ 2,820,684	\$ 11,744,810	\$ 7,138,069
Receivable from sale of securities	607,824	208,373	421,175	1,237,372	-
Interest and dividends receivable	181,298	301,557	105,145	588,000	-
Due from other funds	127,218	92,194	923,310	1,142,722	-
Other receivables	949	786	-	1,735	-
Investments, at fair value:					
U.S. government and agency securities	-	37,662,416	3,587,444	41,249,860	-
Corporate bonds	-	5,304,370	8,592,340	13,896,710	-
Mutual funds	67,223,174	-	42,152,443	109,375,617	-
Common stocks	68,125,364	56,064,834	50,400,668	174,590,866	-
International equity funds	22,624,406	4,334,109	-	26,958,515	-
Total investments	<u>157,972,944</u>	<u>103,365,729</u>	<u>104,732,895</u>	<u>366,071,568</u>	<u>-</u>
Prepaid items	-	428,678	15,338	444,016	-
Total assets	<u>161,689,352</u>	<u>110,522,324</u>	<u>109,018,547</u>	<u>381,230,223</u>	<u>7,138,069</u>
<b>LIABILITIES</b>					
Deposits held for others	-	-	-	-	7,138,069
Accounts payable	198,306	128,984	165,830	493,120	-
Payable for purchase of securities	698,420	154,276	325,918	1,178,614	-
Total liabilities	<u>896,726</u>	<u>283,260</u>	<u>491,748</u>	<u>1,671,734</u>	<u>7,138,069</u>
<b>NET POSITION</b>					
Restricted for pensions	<u>\$ 160,792,626</u>	<u>\$ 110,239,064</u>	<u>\$ 108,526,799</u>	<u>\$ 379,558,489</u>	

CITY OF SUNRISE, FLORIDA  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Employee Retirement Funds			
	General Employees' Pension	Police Officers' Pension	Firefighters' Pension	Total Pension Trust Funds
<b>ADDITIONS</b>				
Contributions:				
Employer	\$ 9,797,263	\$ 8,194,759	\$ 5,225,550	\$ 23,217,572
Plan members	2,951,954	1,524,051	1,156,746	5,632,751
Other sources	-	639,176	853,244	1,492,420
Total contributions	<u>12,749,217</u>	<u>10,357,986</u>	<u>7,235,540</u>	<u>30,342,743</u>
Investment earnings (loss):				
Interest	1,044	1,687,365	337,877	2,026,286
Dividends	3,656,796	1,951,635	945,863	6,554,294
Net (depreciation) in fair value of investments	(3,453,254)	(2,705,464)	(587,135)	(6,745,853)
Other	13,118	20,089	10,519	43,726
Total investment earnings	<u>217,704</u>	<u>953,625</u>	<u>707,124</u>	<u>1,878,453</u>
Less investment expense	811,483	587,493	530,852	1,929,828
Net investment earnings (loss)	<u>(593,779)</u>	<u>366,132</u>	<u>176,272</u>	<u>(51,375)</u>
Total additions	<u>12,155,438</u>	<u>10,724,118</u>	<u>7,411,812</u>	<u>30,291,368</u>
<b>DEDUCTIONS</b>				
Benefits	14,424,957	5,761,251	8,093,516	28,279,724
Refunds of contributions	136,274	56,610	-	192,884
Administrative expenses	198,432	231,098	162,815	592,345
Total deductions	<u>14,759,663</u>	<u>6,048,959</u>	<u>8,256,331</u>	<u>29,064,953</u>
Change in net position	(2,604,225)	4,675,159	(844,519)	1,226,415
Net position - beginning	<u>163,396,851</u>	<u>105,563,905</u>	<u>109,371,318</u>	<u>378,332,074</u>
Net position - ending	<u>\$ 160,792,626</u>	<u>\$ 110,239,064</u>	<u>\$ 108,526,799</u>	<u>\$ 379,558,489</u>

CITY OF SUNRISE, FLORIDA  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Balance</u> <u>September 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30, 2015</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 8,435,856	\$ 1,297,787	\$ 7,138,069
Total assets	-	8,435,856	1,297,787	7,138,069
<b>LIABILITIES</b>				
Deposits held for others	-	8,435,856	1,297,787	7,138,069
Total liabilities	-	8,435,856	1,297,787	7,138,069

*Section III*  
*City of Sunrise, Florida*  
*Statistical Section*  
*(unaudited)*

## Statistical Section

This part of the City’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>These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.</i>	
<b>Revenue Capacity</b>	141
<i>These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.</i>	
<b>Debt Capacity</b>	146
<i>These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.</i>	
<b>Demographic and Economic Information</b>	151
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.</i>	
<b>Operating Information</b>	154
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.</i>	

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

SCHEDULE 1  
CITY OF SUNRISE, FLORIDA  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 142,898,601	\$ 140,513,904	\$ 128,420,363	\$ 123,216,601	\$ 142,039,078	\$ 155,481,156	\$ 149,534,658	\$ 172,578,594	\$ 161,496,469	\$ 168,525,248
Restricted	13,272,982	11,935,865	16,197,224	14,247,059	14,748,436	14,338,760	12,970,864	8,570,447	8,471,002	93,706,809
Unrestricted (2)	146,486,034	158,620,682	166,333,000	160,417,231	131,178,114	102,909,539	94,285,475	72,083,680	(30,731,825)	(59,704,740)
<b>Total governmental activities net position</b>	<b>\$ 302,657,617</b>	<b>\$ 311,070,451</b>	<b>\$ 310,950,587</b>	<b>\$ 297,880,891</b>	<b>\$ 287,965,628</b>	<b>\$ 272,729,455</b>	<b>\$ 256,790,997</b>	<b>\$ 253,232,721</b>	<b>\$ 139,235,646</b>	<b>\$ 202,527,317</b>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 157,516,304	\$ 159,819,328	\$ 159,866,417	\$ 165,211,690	\$ 225,849,507	\$ 215,951,117	\$ 205,103,917	\$ 195,615,586	\$ 194,208,810	\$ 187,354,916
Restricted	24,017,536	16,824,604	13,782,270	15,107,507	31,477,214	34,052,302	46,285,671	59,799,505	142,517,366	139,944,842
Unrestricted (2)	102,097,084	108,328,663	103,375,663	108,312,854	34,252,389	60,828,007	72,518,710	80,932,037	(5,367,597)	31,966,077
<b>Total business-type activities net position</b>	<b>\$ 283,630,924</b>	<b>\$ 284,972,595</b>	<b>\$ 277,024,350</b>	<b>\$ 288,632,051</b>	<b>\$ 291,579,110</b>	<b>\$ 310,831,426</b>	<b>\$ 323,908,298</b>	<b>\$ 336,347,128</b>	<b>\$ 331,358,579</b>	<b>\$ 359,265,835</b>
<b>Total:</b>										
Net investment in capital assets (1)	\$ 300,414,905	\$ 300,333,232	\$ 288,286,780	\$ 288,428,291	\$ 367,888,585	\$ 371,432,273	\$ 354,638,575	\$ 368,194,180	\$ 355,705,279	\$ 355,880,164
Restricted	37,290,518	28,760,469	29,979,494	29,354,566	46,225,650	48,391,062	59,256,535	68,369,952	150,988,368	233,651,651
Unrestricted (2)	248,583,118	266,949,345	269,708,663	268,730,085	165,430,503	163,737,546	166,804,185	153,015,717	(36,099,422)	(27,738,663)
<b>Total net position</b>	<b>\$ 586,288,541</b>	<b>\$ 596,043,046</b>	<b>\$ 587,974,937</b>	<b>\$ 586,512,942</b>	<b>\$ 579,544,738</b>	<b>\$ 583,560,881</b>	<b>\$ 580,699,295</b>	<b>\$ 589,579,849</b>	<b>\$ 470,594,225</b>	<b>\$ 561,793,152</b>

(1) Fiscal year 2012 net investment in capital assets has been restated due to the implementation of GASB 63 and 65.  
(2) Fiscal year 2014 unrestricted net position has been restated due to the implementation of GASB 68.

SCHEDULE 2  
CITY OF SUNRISE, FLORIDA  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>EXPENSES</b>										
<b>Governmental activities:</b>										
General government	\$ 22,398,846	\$ 17,106,530	\$ 17,448,298	\$ 18,173,477	\$ 20,082,293	\$ 19,697,928	\$ 22,165,444	\$ 21,971,961	\$ 22,117,132	\$ 26,785,702
Public safety	48,553,871	55,627,059	60,152,949	63,489,700	64,437,920	69,634,438	73,391,974	73,437,952	75,725,531	76,420,597
Physical environment	3,894,066	3,825,714	5,616,096	4,449,634	-	58,450	-	26	-	19,213
Economic development	1,220,839	1,309,622	1,918,783	3,344,301	4,809,338	3,394,166	3,509,823	2,163,364	1,450,739	783,130
Human services	50,112	5,212	42,441	43,625	30,911	5,709	38,434	5,891	-	-
Transportation	13,860,838	13,339,526	14,231,150	14,391,264	16,280,932	16,038,739	15,108,537	13,415,518	11,112,617	11,208,805
Culture and recreation	12,736,376	14,079,998	15,106,718	15,215,151	13,564,626	13,672,035	14,325,266	13,903,513	15,069,953	15,114,540
Interest on long-term debt	4,834,649	4,683,165	4,599,747	4,393,765	4,173,836	3,766,241	3,308,802	2,986,064	860,394	3,520,704
<b>Total governmental activities expenses</b>	<b>107,549,597</b>	<b>109,976,826</b>	<b>119,116,182</b>	<b>123,500,917</b>	<b>123,379,856</b>	<b>126,267,706</b>	<b>131,848,280</b>	<b>127,884,289</b>	<b>126,336,366</b>	<b>133,852,691</b>
<b>Business-type activities:</b>										
Water and wastewater	61,235,920	63,377,515	68,032,116	60,752,251	66,756,884	70,525,696	75,555,668	76,928,227	74,498,032	80,097,871
Gas	8,373,066	8,023,304	9,248,540	6,772,874	6,871,911	6,591,254	6,074,455	6,501,671	7,028,195	6,483,831
Sanitation	15,954,628	15,821,262	14,889,338	14,705,325	14,508,602	14,048,290	12,253,967	11,875,547	10,072,501	10,475,071
Recycling	430,064	519,441	564,707	604,604	559,919	545,524	518,729	571,219	853,629	815,541
Stormwater	2,028,070	1,634,407	1,842,738	1,924,842	2,181,131	2,169,113	2,372,426	2,060,696	4,100,658	4,239,043
Golf course	1,283,287	1,449,282	1,537,059	1,449,494	832,053	1,848,000	1,893,322	1,933,471	1,957,715	1,910,545
<b>Total business-type activities expenses</b>	<b>89,305,035</b>	<b>90,825,211</b>	<b>96,114,498</b>	<b>86,209,390</b>	<b>91,710,500</b>	<b>95,727,877</b>	<b>98,668,567</b>	<b>99,870,831</b>	<b>98,510,730</b>	<b>104,021,902</b>
<b>Total expenses</b>	<b>\$ 196,854,632</b>	<b>\$ 200,802,037</b>	<b>\$ 215,230,680</b>	<b>\$ 209,710,307</b>	<b>\$ 215,090,356</b>	<b>\$ 221,995,583</b>	<b>\$ 230,516,847</b>	<b>\$ 227,755,120</b>	<b>\$ 224,847,096</b>	<b>\$ 237,874,593</b>
<b>PROGRAM REVENUES</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General government	\$ 6,211,713	\$ 6,687,788	\$ 6,221,654	\$ 5,941,060	\$ 5,752,065	\$ 6,461,395	\$ 6,714,210	\$ 6,664,836	\$ 7,798,806	\$ 10,742,083
Public safety	15,739,691	14,982,473	13,886,094	16,015,292	15,803,017	17,010,389	20,243,787	23,379,743	25,267,766	23,424,381
Physical environment	7,988,216	7,995,686	8,316,019	9,638,883	11,953,369	11,966,332	12,470,134	13,400,272	13,853,068	14,756,282
Transportation	17,456	17,796	18,997	17,025	25,005	56,145	80,922	52,509	88,959	67,284
Culture and recreation	1,154,083	1,231,116	1,300,725	1,187,904	1,115,163	1,158,463	1,249,751	1,391,195	1,477,256	1,714,226
Operating grants and contributions	12,861,054	5,142,577	10,904,960	7,170,963	5,717,742	10,163,701	8,465,070	7,810,672	9,379,731	6,170,818
Capital grants and contributions	1,313,595	1,835,698	1,813,574	1,363,767	1,731,426	2,055,863	1,487,777	2,179,024	2,181,943	65,245,338
<b>Total governmental activities program revenues</b>	<b>45,285,808</b>	<b>37,893,134</b>	<b>42,462,023</b>	<b>41,334,894</b>	<b>42,097,787</b>	<b>48,872,288</b>	<b>50,711,651</b>	<b>54,878,251</b>	<b>60,047,529</b>	<b>122,120,412</b>
<b>Business-type activities:</b>										
<b>Charges for services:</b>										
Water and wastewater	52,853,098	52,454,892	56,115,889	65,397,327	81,881,749	82,899,507	86,481,462	93,518,987	97,709,023	102,977,721
Gas	9,591,125	8,832,133	9,779,418	8,290,006	7,808,387	7,524,819	7,041,104	7,318,596	7,785,045	7,511,570
Sanitation	15,433,205	14,997,289	14,189,961	13,977,607	13,729,802	13,272,614	11,446,027	11,545,708	9,202,805	9,596,577
Recycling	153,142	161,604	170,265	178,433	175,078	175,689	178,435	1,068,927	1,109,183	1,141,180
Stormwater	2,010,632	2,021,492	2,013,498	2,927,086	4,072,545	4,054,391	4,237,157	4,303,188	6,214,993	6,440,263
Golf course	508,397	595,702	565,554	493,963	36,176	893,641	987,789	1,106,185	1,149,913	1,134,232
Operating grants and contributions	821,187	240,685	82,488	20,911	-	-	-	-	-	-
Capital grants and contributions	3,457,391	2,534,123	3,272,683	2,416,271	998,783	1,952,079	337,687	1,018,658	2,359,667	3,553,989
<b>Total business-type activities program revenues</b>	<b>84,828,177</b>	<b>81,837,920</b>	<b>86,189,756</b>	<b>93,701,604</b>	<b>108,702,520</b>	<b>110,772,740</b>	<b>110,709,661</b>	<b>119,880,249</b>	<b>125,530,629</b>	<b>132,335,532</b>
<b>Total program revenues</b>	<b>\$ 130,113,985</b>	<b>\$ 119,731,054</b>	<b>\$ 128,651,779</b>	<b>\$ 135,036,498</b>	<b>\$ 150,800,307</b>	<b>\$ 159,645,028</b>	<b>\$ 161,421,312</b>	<b>\$ 174,758,500</b>	<b>\$ 185,578,158</b>	<b>\$ 254,475,944</b>
<b>NET (EXPENSE)/REVENUE</b>										
Governmental activities	\$ (62,263,789)	\$ (72,083,692)	\$ (76,654,159)	\$ (82,166,023)	\$ (81,282,069)	\$ (77,395,418)	\$ (81,136,629)	\$ (73,006,038)	\$ (66,288,837)	\$ (11,732,279)
Business-type activities	(4,476,858)	(8,987,291)	(9,924,742)	7,492,214	16,992,020	15,044,863	12,041,094	20,009,418	27,019,899	28,333,630
<b>Total (expense)/revenue</b>	<b>\$ (66,740,647)</b>	<b>\$ (81,070,983)</b>	<b>\$ (86,578,901)</b>	<b>\$ (74,673,809)</b>	<b>\$ (64,290,049)</b>	<b>\$ (62,350,555)</b>	<b>\$ (69,095,535)</b>	<b>\$ (52,996,620)</b>	<b>\$ (39,268,938)</b>	<b>\$ 16,601,351</b>

(continued)

SCHEDULE 2  
CITY OF SUNRISE, FLORIDA  
CHANGES IN NET POSITION, continued  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS</b>										
Governmental activities:										
Taxes:										
Property taxes	\$ 33,661,644	\$ 38,094,551	\$ 35,683,030	\$ 36,391,545	\$ 36,137,516	\$ 31,323,739	\$ 30,485,081	\$ 30,726,477	\$ 31,708,055	\$ 33,486,368
Insurance premium taxes	1,088,921	1,374,674	1,508,690	1,438,573	1,372,490	1,277,851	-	-	-	-
Utility service tax	6,616,716	6,588,897	6,764,876	6,956,486	7,688,446	7,656,725	7,928,732	8,392,172	9,047,000	9,242,584
Communications services tax	4,490,037	4,381,503	5,896,566	4,746,093	4,880,665	4,365,158	4,237,582	4,251,293	3,017,207	3,557,460
Local business tax	1,998,601	2,116,164	2,161,515	2,190,433	2,158,770	2,196,298	2,138,637	2,352,391	2,426,731	2,217,511
Franchise fees	9,930,871	9,949,711	9,916,270	9,898,820	9,765,447	9,007,930	8,829,581	8,790,155	9,199,078	9,373,129
Grants and contributions not restricted to specific programs	8,595,154	8,289,334	7,726,461	6,914,110	7,248,078	7,177,354	7,176,366	7,556,493	8,078,628	7,900,405
Unrestricted investment earnings	7,463,841	9,541,466	3,782,898	1,353,077	2,647,362	1,197,371	1,414,724	775,628	181,000	854,372
Miscellaneous	1,360,116	1,674,423	1,334,886	532,834	1,105,735	1,018,796	1,148,317	2,279,063	756,909	4,284,588
Gain on sale of capital assets	22,929	69,974	94,230	42,435	30,341	38,873	-	29,373	19,849	-
Extraordinary loss on defeasance of debt	-	-	-	-	-	-	-	(6,879,604)	-	-
Transfers	266,366	(1,584,171)	1,664,873	(1,368,079)	(1,668,044)	(312,864)	1,924,193	11,174,321	7,960,905	4,107,533
<b>Total governmental activities</b>	<b>75,495,196</b>	<b>80,496,526</b>	<b>76,534,295</b>	<b>69,096,327</b>	<b>71,366,806</b>	<b>64,947,231</b>	<b>65,283,213</b>	<b>69,447,762</b>	<b>72,395,362</b>	<b>75,023,950</b>
Business-type activities:										
Unrestricted investment earnings	7,322,643	8,165,982	2,920,620	736,911	1,812,363	949,692	1,299,817	846,136	438,071	830,950
Miscellaneous	415,302	578,809	720,750	2,010,497	1,176,194	2,944,897	3,540,344	2,757,597	2,842,841	2,850,209
Extraordinary loss on early extinguishment of debt	-	-	-	-	(18,701,562)	-	-	-	-	-
Transfers	(266,366)	1,584,171	(1,664,873)	1,368,079	1,668,044	312,864	(1,924,193)	(11,174,321)	(7,960,905)	(4,107,533)
<b>Total business-type activities</b>	<b>7,471,579</b>	<b>10,328,962</b>	<b>1,976,497</b>	<b>4,115,487</b>	<b>(14,044,961)</b>	<b>4,207,453</b>	<b>2,915,968</b>	<b>(7,570,588)</b>	<b>(4,679,993)</b>	<b>(426,374)</b>
<b>Total</b>	<b>\$ 82,966,775</b>	<b>\$ 90,825,488</b>	<b>\$ 78,510,792</b>	<b>\$ 73,211,814</b>	<b>\$ 57,321,845</b>	<b>\$ 69,154,684</b>	<b>\$ 68,199,181</b>	<b>\$ 61,877,174</b>	<b>\$ 67,715,369</b>	<b>\$ 74,597,576</b>
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$ 13,231,407	\$ 8,412,834	\$ (119,864)	\$ (13,069,696)	\$ (9,915,263)	\$ (12,448,187)	\$ (15,853,416)	\$ (3,558,276)	\$ 6,106,525	\$ 63,291,671
Business-type activities	2,994,721	1,341,671	(7,948,245)	11,607,701	2,947,059	19,252,316	14,957,062	12,438,830	22,339,906	27,907,256
<b>Total</b>	<b>\$ 16,226,128</b>	<b>\$ 9,754,505</b>	<b>\$ (8,068,109)</b>	<b>\$ (1,461,995)</b>	<b>\$ (6,968,204)</b>	<b>\$ 6,804,129</b>	<b>\$ (896,354)</b>	<b>\$ 8,880,554</b>	<b>\$ 28,446,431</b>	<b>\$ 91,198,927</b>



SCHEDULE 4  
CITY OF SUNRISE, FLORIDA  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>REVENUES</b>										
Taxes	\$ 49,542,416	\$ 54,209,097	\$ 52,418,963	\$ 54,091,176	\$ 54,123,339	\$ 48,563,152	47,591,108	\$ 48,609,630	\$ 49,197,197	\$ 51,545,650
Permits and fees	7,882,904	6,374,505	5,051,122	4,015,896	3,195,176	4,506,666	6,460,836	7,017,560	8,587,577	8,843,619
Franchise fees	9,930,871	9,949,711	9,916,270	9,956,320	9,856,813	9,091,636	8,905,875	8,870,063	9,281,065	9,453,202
Intergovernmental	19,316,393	11,527,526	11,184,237	10,284,225	12,484,748	13,729,502	11,289,965	10,795,365	11,350,180	9,751,783
Charges for services	13,224,635	13,529,185	13,654,942	15,096,127	17,544,176	18,045,527	19,185,483	20,242,171	21,567,977	23,101,315
Administrative charges	4,552,456	5,000,000	4,692,231	4,965,668	5,103,573	5,280,317	5,581,732	5,653,003	6,231,856	6,980,000
Judgments, fines and forfeitures	953,751	927,842	7,592,902	2,999,253	1,341,017	4,420,158	2,977,201	3,737,369	6,119,436	3,409,077
Special assessments	4,903,789	5,350,078	5,366,421	7,501,909	7,558,901	7,542,173	7,553,494	9,374,859	8,750,541	8,857,695
Impact fees	346,571	184,880	138,514	38,128	11,126	134,266	79,550	46,473	84,198	453,942
Investment earnings	7,641,401	9,683,248	3,877,039	1,441,684	2,544,657	1,148,747	1,342,780	734,970	180,510	750,001
Contributions and donations	-	-	-	84,889	17,822	18,053	8,560	33,368	282,715	116,720
Miscellaneous	2,610,919	3,467,993	2,616,691	2,148,045	2,045,547	2,522,855	3,472,958	4,047,084	4,212,749	4,184,984
<b>Total revenues</b>	<b>120,906,106</b>	<b>120,204,065</b>	<b>116,509,332</b>	<b>112,623,320</b>	<b>115,826,895</b>	<b>115,003,052</b>	<b>114,449,542</b>	<b>119,161,915</b>	<b>125,846,001</b>	<b>127,447,988</b>
<b>EXPENDITURES</b>										
General government	21,641,863	16,599,655	16,003,721	15,544,084	18,160,966	18,028,188	19,210,450	19,860,339	20,463,001	24,501,052
Public safety	46,056,731	53,965,850	55,089,106	58,289,107	62,852,805	66,635,145	69,311,638	71,002,021	73,207,700	75,204,035
Physical environment	2,873,367	3,407,318	3,748,891	3,486,746	-	58,450	-	-	-	-
Economic development	1,159,943	1,307,126	1,881,096	3,313,051	4,723,402	3,394,166	3,509,823	2,163,364	1,450,739	783,130
Human services	50,112	5,212	42,441	43,625	30,911	5,709	38,434	5,891	-	-
Transportation	834,399	916,432	876,030	958,354	3,673,074	3,763,258	3,784,499	3,763,154	1,934,897	2,761,671
Culture and recreation	9,301,665	10,291,099	10,342,798	10,597,706	9,439,482	9,780,996	9,937,616	9,651,561	10,974,675	10,189,068
Debt service:										
Principal	7,943,085	6,658,084	6,875,000	6,975,000	7,070,000	7,180,000	6,430,000	2,175,000	1,995,000	2,085,000
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	39,529,163	-	-
Interest	2,422,956	2,107,375	1,848,578	1,750,965	1,646,525	1,362,316	1,036,509	947,226	852,330	1,102,407
Principal repayment due to refunding	-	-	-	-	-	8,175,000	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-	677,441
Other	80,756	84,497	88,471	62,057	55,023	51,997	55,375	132,796	39,884	51,488
Capital outlay	7,566,421	13,333,051	11,203,292	13,330,725	34,358,816	20,173,184	11,926,264	3,322,084	4,919,682	24,287,277
<b>Total expenditures</b>	<b>99,931,298</b>	<b>108,675,699</b>	<b>107,999,424</b>	<b>114,351,420</b>	<b>142,011,004</b>	<b>138,608,409</b>	<b>125,240,608</b>	<b>152,552,599</b>	<b>115,837,908</b>	<b>141,642,569</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>20,974,808</b>	<b>11,528,366</b>	<b>8,509,908</b>	<b>(1,728,100)</b>	<b>(26,184,109)</b>	<b>(23,605,357)</b>	<b>(10,791,066)</b>	<b>(33,390,684)</b>	<b>10,008,093</b>	<b>(14,194,581)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Contributions from property owners	-	-	-	-	-	-	-	-	-	64,035,638
Ad valorem tax bonds issued	-	-	-	-	-	-	-	-	-	37,630,000
Premium on ad valorem tax bonds	-	-	-	-	-	-	-	-	-	2,365,865
Sale of capital assets	87,527	90,716	168,932	53,734	53,873	77,377	113,195	34,024	45,531	22,229
Transfers in	33,214,851	20,430,298	27,533,964	39,343,749	31,881,105	32,429,194	15,941,233	26,657,418	13,972,983	20,225,450
Transfers out	(32,948,485)	(22,014,469)	(23,669,091)	(40,711,828)	(33,549,149)	(32,742,058)	(13,008,114)	(10,009,097)	(6,012,078)	(20,829,457)
<b>Total other financing sources (uses)</b>	<b>353,893</b>	<b>(1,493,455)</b>	<b>4,033,805</b>	<b>(1,314,345)</b>	<b>(1,614,171)</b>	<b>(235,487)</b>	<b>3,046,314</b>	<b>16,682,345</b>	<b>8,006,436</b>	<b>103,449,725</b>
<b>Net change in fund balances</b>	<b>\$ 21,328,701</b>	<b>\$ 10,034,911</b>	<b>\$ 12,543,713</b>	<b>\$ (3,042,445)</b>	<b>\$ (27,798,280)</b>	<b>\$ (23,840,844)</b>	<b>\$ (7,744,752)</b>	<b>\$ (16,708,339)</b>	<b>\$ 18,014,529</b>	<b>\$ 89,255,144</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>11.0%</b>	<b>9.2%</b>	<b>8.8%</b>	<b>8.5%</b>	<b>8.1%</b>	<b>13.9%</b>	<b>6.5%</b>	<b>28.5%</b>	<b>2.6%</b>	<b>3.3%</b>

SCHEDULE 5  
CITY OF SUNRISE, FLORIDA  
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

FISCAL YEAR	PROPERTY TAX	LOCAL BUSINESS TAX	INSURANCE PREMIUM TAX	COMMUNICATIONS SERVICES TAX	LOCAL OPTION FUEL TAX	UTILITY SERVICE TAX	TOTAL
2006	\$ 33,661,644	\$ 1,998,601	\$ 1,088,921	\$ 4,490,037	\$ 1,686,497	\$ 6,616,716	\$ 49,542,416
2007	38,094,551	2,116,164	1,374,674	4,381,503	1,653,308	6,588,897	54,209,097
2008	35,683,030	2,161,515	1,508,690	4,676,356	1,624,496	6,764,876	52,418,963
2009	36,391,545	2,190,433	1,438,573	5,533,736	1,580,403	6,956,486	54,091,176
2010	36,137,516	2,158,770	1,372,490	5,072,917	1,693,200	7,688,446	54,123,339
2011	31,323,739	2,196,298	1,277,851	4,557,410	1,551,129	7,656,725	48,563,152
2012	30,485,081	2,138,637	1,299,161	4,285,645	1,453,852	7,928,732	47,591,108
2013	30,726,477	2,352,391	1,433,000	4,251,293	1,454,297	8,392,172	48,609,630
2014	31,708,055	2,426,731	1,500,184	3,017,207	1,498,020	9,047,000	49,197,197
2015	33,486,368	2,217,511	1,492,420	3,557,460	1,549,307	9,242,584	51,545,650
<b>Change 2006-2015</b>	<b>-0.5%</b>	<b>11.0%</b>	<b>37.1%</b>	<b>-20.8%</b>	<b>-8.1%</b>	<b>39.7%</b>	<b>4.0%</b>

SCHEDULE 6  
 CITY OF SUNRISE, FLORIDA  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 (in thousands of dollars)

FISCAL YEAR	REAL PROPERTY				LESS EXEMPTIONS:		TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE	ESTIMATED ACTUAL TAXABLE VALUE	ASSESSED VALUE AS A PERCENTAGE OF ESTIMATED ACTUAL VALUE
	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	INDUSTRIAL PROPERTY	PERSONAL PROPERTY	REAL PROPERTY	PERSONAL PROPERTY				
2006	\$ 4,706,346	\$ 2,288,922	\$ 338,339	\$ 427,150	\$ 2,557,520	\$ 925	\$ 5,202,312	\$ 6.2100	\$ 7,760,757	67.03%
2007	6,079,698	2,557,213	372,884	428,874	3,338,191	1,067	6,099,411	6.1100	9,438,669	64.62%
2008	6,789,546	2,888,822	425,349	397,691	3,767,781	738	6,732,889	5.1232	10,501,408	64.11%
2009	6,104,566	2,994,643	465,670	424,880	3,494,777	38,961	6,456,021	5.4397	9,989,759	64.63%
2010	4,495,068	3,135,996	500,958	431,049	2,676,154	40,800	5,846,117	6.0543	8,563,071	68.27%
2011	3,431,438	3,018,307	426,934	411,900	2,180,507	40,821	5,067,251	6.0543	7,288,579	69.52%
2012	3,450,008	2,850,819	410,149	408,908	2,224,362	40,031	4,855,491	6.0543	7,119,884	68.20%
2013	3,394,080	2,899,101	414,860	416,962	2,205,005	40,448	4,879,550	6.0543	7,125,003	68.48%
2014	3,656,176	2,903,640	425,186	436,072	2,306,308	39,188	5,075,578	6.0543	7,421,074	68.39%
2015	4,386,598	2,957,548	451,960	424,275	2,735,328	42,292	5,442,761	6.0543	8,220,381	66.21%

Source: Broward County Property Appraiser

Note: Property in the City is reassessed each year. Tax rates are per \$1,000 of assessed value.

SCHEDULE 7  
CITY OF SUNRISE, FLORIDA  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(rate per \$1,000 of assessed value)

FISCAL YEAR	TAX ROLL YEAR	CITY OF SUNRISE OPERATING	SPECIAL TAX DISTRICT NO. 1**	OVERLAPPING RATES					
				BROWARD COUNTY	BROWARD COUNTY SCHOOLS	CHILDREN'S SERVICES COUNCIL	SO. FLORIDA WATER MGMT. DISTRICT	FL. INLAND NAVIGATION DISTRICT	NORTH HOSPITAL DISTRICT
2006	2005	\$ 6.2100	\$ 5.5069	\$ 6.7830	\$ 8.0623	\$ 0.4231	\$ 0.6970	\$ 0.0385	\$ 2.1746
2007	2006	6.1100	5.1572	6.0661	7.8687	0.4073	0.6970	0.0385	1.8317
2008	2007	5.1232	4.7113	5.2868	7.6484	0.3572	0.6240	0.0345	1.6255
2009	2008	5.4397	4.6137	5.3145	7.4170	0.3754	0.6240	0.0345	1.7059
2010	2009	6.0543	4.7426	5.3889	7.4310	0.4243	0.6240	0.0345	1.7059
2011	2010	6.0543	4.1217	5.5530	7.6310	0.4696	0.6240	0.0345	1.8750
2012	2011	6.0543	4.2222	5.5530	7.4180	0.4789	0.4363	0.0345	1.8750
2013	2012	6.0543	4.2098	5.5530	7.4560	0.4902	0.4289	0.0345	1.8564
2014	2013	6.0543	4.0801	5.7230	7.4800	0.4882	0.4110	0.0345	1.7554
2015	2014	6.0543	3.7495	5.7230	7.4380	0.4882	0.3842	0.0345	1.5939

Source: Broward County Property Appraiser

\*State law requires all counties to assess at 100% just valuation and limits millage for operating purposes to ten (10) mills.

\*\*Special Tax District No. 1 is a taxing entity that levies voted debt service taxes on limited areas within the City.

SCHEDULE 8  
CITY OF SUNRISE, FLORIDA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO

TAXPAYER	2015			2006		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE
Sunrise Mills LTD Partner	\$ 357,566,160	1	7.07%	\$ 304,018,390	1	5.84%
Sunrise Village Development LLC	91,160,923	2	1.80%	-	-	-
Sawgrass Mills Phase III LP	88,611,480	3	1.75%	79,363,930	2	1.53%
Florida Power & Light Co.	51,277,014	4	1.01%	37,454,857	10	0.72%
Fifteen Gap Sawgrass LLC	46,540,000	5	0.92%	-	-	-
Duke Realty Limited Partnership	46,424,550	6	0.92%	-	-	-
MGI Flamingo Palms LTD Partner	46,291,990	7	0.91%	51,674,840	6	0.99%
Liberty Property LTD Partnership	37,974,620	8	0.75%	-	-	-
CCRE SEF Sawgrass LLC	36,061,970	9	0.71%	-	-	-
F6 Sawgrass LLC	35,133,750	10	0.69%	-	-	-
N/S Sawgrass Office Associates LLC	-	-	-	66,320,500	3	1.27%
L/M #3	-	-	-	61,726,361	4	1.19%
650 Daniel LLC & El Ad Group LTD & Fri Sunrise LLC	-	-	-	52,758,009	5	1.01%
Teachers Ins & Annuity Assn of America	-	-	-	50,040,280	7	0.96%
Sawgrass Lakes Center LLC	-	-	-	44,665,120	8	0.86%
Southern Bell Tel Co.	-	-	-	44,296,162	9	0.85%
<b>Totals</b>	<b>\$ 837,042,457</b>		<b>16.53%</b>	<b>\$ 792,318,449</b>		<b>15.22%</b>

Source: Broward County Revenue Collection Division

**SCHEDULE 9  
CITY OF SUNRISE, FLORIDA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

FISCAL YEAR	TAX ROLL YEAR	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
			AMOUNT*	PERCENTAGE OF LEVY		AMOUNT*	PERCENTAGE OF LEVY
2006	2005	\$ 32,173,202	\$ 31,962,908	99.3%	\$ 72,290	\$ 32,035,198	99.6%
2007	2006	36,867,170	36,667,960	99.5%	118,105	36,786,065	99.8%
2008	2007	34,357,047	34,021,196	99.0%	135,878	34,157,074	99.4%
2009	2008	34,980,436	34,507,051	98.6%	154,996	34,662,047	99.1%
2010	2009	35,498,126	34,434,744	97.0%	(136,609)	34,298,135	96.6%
2011	2010	30,712,669	30,041,047	97.8%	(212,010)	29,829,037	97.1%
2012	2011	29,421,567	28,908,232	98.3%	(202,442)	28,705,790	97.6%
2013	2012	29,567,455	29,240,476	98.9%	(253,597)	28,986,879	98.0%
2014	2013	30,750,681	30,213,556	98.3%	(177,089)	30,036,467	97.7%
2015	2014	32,971,380	32,281,140	97.9%	-	32,281,140	97.9%

\*Amounts are for general fund operations only and are exclusive of discounts, interest and penalties

Source: Broward County Revenue Collection Division

SCHEDULE 10  
CITY OF SUNRISE, FLORIDA  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

FISCAL YEAR	GOVERNMENTAL ACTIVITIES					BUSINESS-TYPE ACTIVITIES		TOTAL	PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF REAL PROPERTY <sup>a</sup>	PER CAPITA <sup>b</sup>
	GENERAL OBLIGATION BONDS	PUBLIC FACILITIES REVENUE BONDS	PUBLIC IMPROVEMENT BONDS	AD VALOREM TAX BONDS	CAPITAL LEASES	UTILITY SYSTEM REVENUE BONDS				
2006	\$ -	\$ 53,473,717	\$ 4,230,000	\$ 27,410,000	\$ 28,084	\$ 194,940,276	\$ 280,082,077	3.82%	\$ 3,124	
2007	-	51,139,803	3,850,000	26,050,000	-	190,041,046	271,080,849	3.01%	3,024	
2008	-	48,791,269	3,460,000	24,645,000	-	184,479,112	261,375,381	2.59%	2,902	
2009	-	46,304,366	3,050,000	23,190,000	-	179,178,140	251,722,506	2.63%	2,821	
2010	-	43,671,974	2,630,000	21,680,000	-	234,328,963	302,310,937	3.72%	3,580	
2011	-	32,706,196	2,195,000	20,110,000	-	227,624,479	282,635,675	4.11%	3,350	
2012	-	30,618,786	1,740,000	18,475,000	-	222,055,039	272,888,825	4.07%	3,167	
2013	-	-	1,270,000	16,770,000	-	216,133,701	234,173,701	3.49%	2,701	
2014	-	-	1,270,000	16,770,000	-	217,617,532	234,188,358	3.35%	2,660	
2015	39,833,533	-	1,055,000	14,990,000	-	211,470,883	267,349,416	3.43%	3,016	

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

<sup>a</sup>See Schedule 6 for estimated actual taxable value of real property.

<sup>b</sup>See Schedule 14 for population data.

**SCHEDULE 11  
CITY OF SUNRISE, FLORIDA  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
CURRENT YEAR**

<b>FISCAL YEAR</b>	<b>GENERAL OBLIGATION BONDS<sup>1</sup></b>	<b>LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND<sup>2</sup></b>	<b>NET BONDS OUTSTANDING</b>	<b>PERCENTAGE OF ESTIMATED ACTUAL TAXABLE PROPERTY VALUES<sup>3</sup></b>	<b>PER CAPITA<sup>4</sup></b>
2015	\$ 39,833,533	\$ 48	\$ 39,833,485	0.48%	\$ 449.44

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

<sup>1</sup>This is general bonded debt issued during 2015 net of original premium

<sup>2</sup>This is the amount restricted for debt service payments

<sup>3</sup>See Schedule 6 for estimated actual taxable property value

<sup>4</sup>See Schedule 14 for population data

**SCHEDULE 12  
CITY OF SUNRISE, FLORIDA  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF SEPTEMBER 30, 2015**

<b>GOVERNMENTAL UNIT</b>	<b>DEBT OUTSTANDING</b>	<b>ESTIMATED PERCENTAGE APPLICABLE*</b>	<b>ESTIMATED SHARE OF OVERLAPPING DEBT</b>
<b>Debt repaid with property taxes</b>			
Broward County School Board	\$ 1,895,528,000	3.85%	\$ 72,977,828
Broward County	256,420,000	3.85%	<u>9,872,170</u>
<b>Subtotal, overlapping debt</b>			<b>82,849,998</b>
<b>City direct debt</b>			<u><b>55,878,533</b></u>
<b>Total direct and overlapping debt</b>			<u><u><b>\$ 138,728,531</b></u></u>

Sources: Assessed value data used to estimate applicable percentages provided by Broward County.  
Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

\*For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using gross taxable property values after Value Adjustment Board changes. Applicable percentages were estimated by dividing the City's gross taxable property values after Value Adjustment Board changes by the County's gross taxable property values after Value Adjustment Board changes.

**SCHEDULE 13  
CITY OF SUNRISE, FLORIDA  
PLEGDED REVENUE COVERAGE  
LAST TEN FISCAL YEARS**

**UTILITY SYSTEM REVENUE BONDS**

FISCAL YEAR	OPERATING REVENUES	LESS: OPERATING EXPENSES	NET AVAILABLE REVENUE	DEBT SERVICE		COVERAGE	R & R TRANSFER	COVERAGE AFTER R & R TRANSFER
				PRINCIPAL	INTEREST			
2006	\$ 64,491,864	\$ 40,671,062	\$ 23,820,802	\$ 6,595,000	\$ 9,975,723	1.44	\$ 3,203,700	1.20
2007	63,629,661	38,947,095	24,682,566	6,850,000	9,777,567	1.48	3,219,289	1.24
2008	66,955,767	42,025,822	24,929,945	7,050,000	9,565,498	1.50	4,869,537	1.16
2009	73,825,926	40,932,145	32,893,781	7,260,000	9,338,173	1.98	3,573,243	1.63
2010	89,140,021	47,213,431	41,926,590	7,490,000	8,719,183	2.59	4,747,986	2.00
2011	89,855,154	48,252,823	41,602,331	7,726,190	11,496,899	2.16	4,808,699	1.73
2012	92,940,085	47,658,170	45,281,915	7,185,000	10,949,689	2.50	4,954,591	1.96
2013	100,240,820	55,338,483	44,902,337	5,850,000	10,256,964	2.79	5,028,457	2.12
2014	104,857,766	53,446,264	51,411,502	5,850,000	9,085,839	3.44	5,320,666	2.54
2015	109,840,261	56,815,404	53,024,857	5,860,000	11,126,264	3.12	5,469,430	2.36

**PUBLIC IMPROVEMENT REVENUE BONDS<sup>a</sup>  
FRANCHISE FEES**

2006	\$ 5,928,168	\$ 1,470,000	\$ 76,440	3.83
2007	-	-	-	-
2008	-	-	-	-
2009	-	-	-	-
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-

**PUBLIC FACILITIES REVENUE BONDS<sup>b</sup>  
UTILITY SERVICE TAXES**

2006	\$ 10,368,556	\$ 4,710,000	\$ 884,635	1.85
2007	10,188,206	4,890,000	705,655	1.82
2008	10,636,509	5,080,000	510,055	1.90
2009	11,689,661	5,110,000	480,455	2.09
2010	11,960,608	5,140,000	448,885	2.14
2011	11,397,306	5,175,000	242,250	2.10
2012	11,355,293	4,340,000	-	2.62
2013	11,751,709	-	-	-
2014	-	-	-	-
2015	-	-	-	-

**PUBLIC IMPROVEMENT BONDS  
SPECIAL ASSESSMENT COLLECTIONS**

2006	\$ 560,280	\$ 365,000	\$ 200,949	0.99
2007	555,300	380,000	185,045	0.98
2008	549,000	390,000	168,485	0.98
2009	551,905	410,000	151,487	0.98
2010	553,671	420,000	133,617	1.00
2011	551,869	435,000	115,313	1.00
2012	550,500	455,000	96,356	1.00
2013	547,500	470,000	76,529	1.00
2014	270,600	215,000	56,045	1.00
2015	271,440	225,000	46,557	1.00

SCHEDULE 13  
CITY OF SUNRISE, FLORIDA  
PLEGGED REVENUE COVERAGE, continued  
LAST TEN FISCAL YEARS

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AD VALOREM TAX BONDS<sup>c</sup>  
SPECIAL TAX DISTRICT NO. 1 PROPERTY TAX COLLECTIONS

2006	\$ 2,493,444	\$ 1,315,000	\$ 1,257,840	0.97
2007	2,444,361	1,360,000	1,216,240	0.95
2008	2,397,365	1,405,000	1,170,038	0.93
2009	2,368,532	1,455,000	1,119,023	0.92
2010	2,433,946	1,510,000	1,064,023	0.95
2011	2,440,121	1,570,000	1,004,753	0.95
2012	2,444,934	1,635,000	940,153	0.95
2013	2,444,946	1,705,000	870,697	0.95
2014	2,450,529	1,780,000	796,285	0.95
2015	2,381,501	1,860,000	716,715	0.92

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

Gross revenues of the Utility System exclude certain investment income that is not pledged. Operating expenses do not include depreciation or amortization.

<sup>a</sup>Public Improvement revenue bonds were collateralized by a lien on and pledge of electric franchise fees.

<sup>b</sup>Public Facilities revenue bonds were collateralized by a lien on and pledge of a tax upon purchases within the City of electricity, metered and bottled gas, water service and telegraph and telecommunications service. The last component of these bonds, Series 1992B, were defeased in September 2013.

<sup>c</sup>Ad valorem tax bonds are collateralized by voted debt service ad valorem taxes levied upon all taxable property within the Special Tax District No. 1.

**SCHEDULE 14  
CITY OF SUNRISE, FLORIDA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>YEAR</b>	<b>POPULATION</b>	<b>TOTAL POPULATION INCOME (AMOUNTS IN THOUSANDS)</b>	<b>PER CAPITA INCOME</b>	<b>UNEMPLOYMENT RATE</b>
2006	89,669	\$ 2,094,040	\$ 23,353	3.2%
2007	89,633	2,094,096	23,363	3.8%
2008	90,081	2,223,469	24,683	6.2%
2009	89,242	2,202,760	24,683	9.3%
2010	84,439	2,006,946	23,768	10.2%
2011	84,375	1,994,034	23,633	9.3%
2012	86,154	2,066,834	23,990	7.6%
2013	86,685	2,039,178	23,524	6.3%
2014	88,033	2,105,309	23,915	5.3%
2015	88,630	Not available	Not available	5.0%

**Sources:** Population information provided by the University of Florida, Bureau of Economic & Business Research. Per capita income provided by U.S. Census Bureau. Unemployment rate information provided by U.S. Department of Labor, Bureau of Labor Statistics

**SCHEDULE 15  
CITY OF SUNRISE, FLORIDA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

<b>EMPLOYER</b>	<b>2015</b>			<b>2006</b>		
	<b>EMPLOYEES</b>	<b>RANK</b>	<b>PERCENTAGE OF TOTAL CITY EMPLOYMENT</b>	<b>EMPLOYEES</b>	<b>RANK</b>	<b>PERCENTAGE OF TOTAL CITY EMPLOYMENT</b>
Broward County School Board	1,062	1	2.18%	-	-	-
City of Sunrise	985	2	2.03%	-	-	-
Coventry Healthcare of Florida	900	3	1.85%	-	-	-
United Healthcare	750	4	1.54%	750	2	1.50%
Mednax National Medical Group	600	5	1.23%	400	5	0.80%
Sheridan Health	500	6	1.03%	250	10	0.50%
Centene Healthcare	450	7	0.93%	-	-	-
Team Health	350	8	0.72%	-	-	-
Comcast	350	9	0.72%	-	-	-
Cross Country Services	340	10	0.70%	-	-	-
ABN Amro Financial	-	-	-	824	1	1.65%
Bellsouth	-	-	-	500	3	1.00%
Foundation Healthcare	-	-	-	400	4	0.80%
BHA Engineering	-	-	-	325	6	0.65%
Nortel	-	-	-	300	7	0.60%
Precision Response	-	-	-	300	8	0.60%
Sunrise Auto Mall	-	-	-	250	9	0.50%
<b>Total</b>	<b>6,287</b>		<b>12.93%</b>	<b>4,299</b>		<b>8.60%</b>

Source: City Economic Development Office and Broward County Schools.

**SCHEDULE 16  
CITY OF SUNRISE, FLORIDA  
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

FUNCTION	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General government</b>										
Information Technology	14	12	16	16	15	14	13	17	13	14
Finance and Administrative Services	26	27	25	22	20	20	20	21	33	32
Central Services	18	17	17	19	22	22	21	21	-	-
Community Development-Planning	29	31	31	31	29	27	31	29	28	27
Other <sup>a</sup>	38	39	38	38	39	40	38	42	27	26
<b>Public safety</b>										
Police										
Officers	170	167	175	175	171	176	177	176	176	176
Civilians	78	79	83	89	86	86	82	82	65	66
Fire										
Firefighters and officers	139	139	146	146	139	145	149	145	149	150
Civilians	14	15	15	6	6	8	8	9	9	10
Building	26	27	31	29	28	26	25	24	29	34
Code Enforcement	16	15	15	15	15	15	15	13	13	14
<b>Transportation</b>										
Public Works	29	32	34	33	34	34	34	29	-	-
<b>Culture and recreation</b>	99	111	112	100	94	94	87	93	100	101
Water	99	99	101	100	102	100	102	102	119	119
Wastewater	91	92	94	93	94	105	107	106	124	124
Gas	23	24	25	22	21	20	19	20	21	21
Golf Course	16	16	15	11	-	-	-	-	-	-
Recycling	1	1	1	-	-	-	-	-	-	-
Stormwater	6	6	7	7	7	6	7	7	20	22

<sup>a</sup>Other includes City Commission, City Manager, City Clerk, City Attorney, Human Resources, Facility Management

\*Not available

Source: City Finance and Administrative Services Department

**SCHEDULE 17  
CITY OF SUNRISE, FLORIDA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

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FUNCTION	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Public safety</b>										
<b>Police</b>										
Physical arrests	2,269	3,196	3,044	3,066	2,661	2,855	2,115	2,629	1,940	1,498
Parking violations	1,299	1,084	742	558	532	466	367	761	338	265
Traffic violations	15,867	11,293	13,490	11,843	10,845	12,874	19,471	12,714	14,153	11,914
<b>Fire</b>										
Number of calls answered	12,274	11,766	11,807	11,776	11,970	11,647	12,015	13,131	14,187	14,127
Inspections	5,916	8,297	9,057	9,613	9,662	10,101	10,578	10,577	10,529	9,860
<b>Transportation</b>										
Street resurfacing (miles)	13	18	15	6	15	10	12	8	8	-
Potholes repaired	20	51	61	351	398	186	295	317	290	253
<b>Culture and recreation</b>										
Participants-youth athletic programs	2,868	2,983	2,846	2,787	2,702	2,923	2,816	2,880	3,169	2,560
Theatre performance attendance	6,202	5,350	5,128	4,182	3,682	3,674	5,287	12,901	10,773	11,232
Senior center memberships	1,574	1,678	1,320	1,385	1,391	1,479	1,676	1,228	1,104	1,185
Athletic club memberships	321	261	290	220	193	291	296	461	525	758
<b>Water</b>										
New connections	222	189	143	35	142	157	62	149	69	102
Water main breaks	52	66	34	38	56	46	56	67	84	44
Average daily consumption (thousands of gallons)	24,527	22,775	21,546	21,469	20,400	20,672	19,746	19,797	19,833	20,562
<b>Wastewater</b>										
Average daily sewage treatment (thousands of gallons)	22,011	22,489	24,265	26,062	25,851	21,664	24,445	21,423	20,864	20,880
<b>Gas</b>										
Average daily usage (CCF's)	12,313	12,459	12,499	11,843	12,544	12,180	10,995	10,802	12,413	13,008
<b>Golf course</b>										
Memberships	154	101	95	55	321	217	192	165	161	170
Rounds of golf played	33,349	29,624	17,137	9,602	1,054	36,992	37,399	39,649	38,996	38,259
<b>Stormwater</b>										
Commercial equivalent residential units (ERU's)	34,830	35,206	34,994	37,070	37,070	37,327	37,062	37,231	37,304	37,553
Residential equivalent residential units (ERU's)	36,686	37,113	37,619	37,787	37,900	38,158	38,386	38,695	38,695	39,024

SCHEDULE 18  
CITY OF SUNRISE, FLORIDA  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS

FUNCTION	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Public safety</b>										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Sub-stations	3	3	3	3	3	1	1	1	1	1
Patrol units	215	215	216	226	249	258	252	246	246	243
Fire stations	5	5	5	5	5	5	5	5	5	5
<b>Transportation</b>										
Streets (miles)	186	186	186	186	186	186	186	186	186	186
Street lights (FPL and City owned)	3,790	3,792	3,792	3,797	3,797	3,863	3,868	3,917	3,925	3,925
<b>Culture and recreation</b>										
Parks	13	13	13	13	13	13	13	13	13	15
Park acreage	177	177	177	177	177	177	177	177	181	198
Swimming pools	5	5	5	5	5	5	5	5	5	5
Tennis courts	21	21	21	21	21	21	21	21	21	21
Community centers	7	7	8	8	8	8	9	9	9	9
<b>Water</b>										
Water mains (miles)	636	636	636	636	636	637	637	637	637	637
Maximum daily capacity (thousands of gallons)	44,000	44,000	44,000	44,000	44,000	44,000	44,000	50,000	50,000	50,000
<b>Wastewater</b>										
Sanitary sewers (miles)	536	536	536	536	536	536	536	536	536	536
Maximum daily treatment capacity (thousands of gallons)	30,450	30,450	30,450	30,450	30,450	30,450	30,450	30,450	30,450	30,450
Gas mains (miles)	176	177	178	180	181	181	184	185	188	188
Golf Course	1	1	1	1	1	1	1	1	1	1
<b>Stormwater</b>										
Pump stations	7	7	7	7	7	8	8	8	8	8
Storm sewers (miles)	390	390	390	392	392	392	392	392	392	392

Sources: Various city departments.

Note: No capital asset indicators are available for the general government function.

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*Section IV*  
*City of Sunrise, Florida*  
*Reporting Section*

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

Honorable Mayor, City Commission and City Manager  
**City of Sunrise, 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 Sunrise, Florida (the City), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 14, 2016. Our report includes a reference to other auditors who audited the financial statements of the Pension Trust Funds, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing on internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Firefighter's Retirement Plan and the financial statements of the Police Officers' Retirement Plan were not audited in accordance with *Government Auditing Standards*.

***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 result 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.

*Marcum LLP*

Fort Lauderdale, FL  
March 14, 2016

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Honorable Mayor, City Commission and City Manager  
City of Sunrise, Florida

***Report on Compliance for Each Major Federal Program and State Project***

We have audited the City of Sunrise, 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, 2015. 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

***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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General. Those standards, OMB Circular A-133, and Chapter 10.550, Rules of the Auditor General require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major 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, 2015.

### ***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 or 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 OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a 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.

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 OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

*Marcum LLP*

Fort Lauderdale, FL  
March 14, 2016

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**CITY OF SUNRISE, FLORIDA**  
Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year Ended September 30, 2015

Federal Agency, Pass-through Entity Federal Program Project/State Project	CFSA No. CFDA No.	Contract/ Grant No.	Expenditures	Transfers to Subrecipients
<b><u>FEDERAL</u></b>				
United States Department of Homeland Security				
Indirect Programs:				
Passed through City of Miami - Homeland Security Grant Program (2014 UASI)	97.067	15-DS-P8-11-23-02-453	\$ 34,958	\$ -
Passed through Florida Division of Emergency Management - CERT Training	97.042	15-CI-N2-11-16-02-467	3,776	-
			<u>38,734</u>	<u>-</u>
Total United States Department of Homeland Security				
United States Department of Housing and Urban Development				
Direct Programs:				
Community Development Block Grants/Entitlement Grants	14.218	B-13-MC-12-0035	389,390	-
			<u>389,390</u>	<u>-</u>
Indirect Programs:				
Passed through Broward County - Home Investment Partnerships Program	14.239	FY2013 - FY2014	78,563	78,563
Passed through Broward County - Home Investment Partnerships Program	14.239	14-HFCD-140-HOME	4,812	4,812
			<u>83,375</u>	<u>83,375</u>
Total United States Department of Housing and Urban Development				
United States Department of Justice				
Direct Programs:				
Federal Equitable Sharing	16.922		1,316,351 *	-
Bulletproof Vest Partnership Program	16.607	2014	11,236	-
			<u>1,327,587</u>	<u>-</u>
Indirect Programs:				
Passed through Broward Sheriff's Office - Edward Byrne Memorial Justice Assistance Grant (JAG2012)	16.738	2012-DJ-BX-0035	15,605	-
Passed through Broward Sheriff's Office - Edward Byrne Memorial Justice Assistance Grant (JAG2013)	16.738	2013-DJ-BX-0369	18,471	-
			<u>34,076</u>	<u>-</u>
Total United States Department of Justice				
United States Department of Transportation				
Indirect Programs:				
Passed through University of South Florida - High Visibility Enforcement	20.205	BDV25	25,551	-
Total United States Department of Transportation				
United States Department of Treasury				
Direct Program:				
Federal Equitable Sharing	21.000		272,637 *	-
Total United States Department of Treasury				

\* Transfers from the Department of Justice and Department of Treasury Equitable Sharing Funds in the amounts of \$390,000 and \$410,000, respectively, have been deducted from the SEFA as these transfers relate to the Police Department Community Room Expansion project budgeted for fiscal year 2015.

(Continued)  
**See notes to schedule of expenditures of Federal Awards and State Financial Assistance.**

**CITY OF SUNRISE, FLORIDA**  
Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year Ended September 30, 2015

Federal Agency, Pass-through Entity Federal Program Project/State Project	CFSA No. CFDA No.	Contract/ Grant No.	Expenditures	Transfers to Subrecipients
<b>FEDERAL (Continued)</b>				
United States Environmental Protection Agency				
Direct Program:				
Southwest Wastewater Treatment Plant Rehabilitation Project	66.202	XP00D17214	637,106	-
Total United States Environmental Protection Agency			637,106	-
Total Expenditures of Federal Awards			\$ 2,808,456	\$ 83,375
<b>STATE</b>				
Florida Department of Community Affairs				
Indirect Project:				
Passed through Florida Housing Finance Corporation - State Housing Initiatives Partnership Program	52.901	52-202250001-52980100-00-10504500	307,110	-
Total Florida Department of Community Affairs			307,110	-
Florida Department of Environmental Protection				
Direct Project:				
Sunrise C-51 Reservoir Water Supply Expansion	37.039	LP06251	400,000	-
Twin Lakes Sub-Basin Drainage Improvements	37.039	S0670	250,000	-
Total Florida Department of Environmental Protection			650,000	-
Florida Department of Transportation				
Direct Project:				
Turn Lanes Along NW 136th Avenue	55.023	435728-1-58-01 (ARI-82)	44,538	-
Total Florida Department of Transportation			44,538	-
Total Expenditures of State Financial Assistance			1,001,648	-
Total Expenditures of Federal Awards and State Financial Assistance			\$ 3,810,104	\$ 83,375

*See notes to schedule of expenditures of Federal Awards and State Financial Assistance.*

**CITY OF SUNRISE, FLORIDA**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE**

**YEAR ENDED SEPTEMBER 30, 2015**

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**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 Sunrise, Florida under programs of the federal government and the state of Florida for the year ended September 30, 2015. The information in this schedule is presented in accordance with the requirements of the Office of Management and budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.550, Rules of the Auditor General. Because the schedule presents only a selected portion of the operations of the City of Sunrise, Florida, it is not intended to and does not present the financial position, changes in net position or cash flows of the City of Sunrise, Florida.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, and the Florida Single Audit Act, wherein certain types of expenditures are not allowable or are limited as to reimbursement, except for the Equitable Sharing programs for Justice and Treasury which follow, *Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies*. Pass-through entity identifying numbers are presented where available.

**CITY OF SUNRISE, FLORIDA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS-  
FEDERAL PROGRAMS AND STATE PROJECTS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

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**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  No

Significant deficiency(ies) identified not considered to be material weakness?  Yes  None reported

Non-compliance material to financial statements noted?  Yes  No

**Federal Awards and State Projects**

Internal control over major programs:

Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified not considered to be material weakness?  Yes  None reported

Type of auditors’ report issued on compliance for major programs: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 or Chapter 10.557, Rules of the Auditor General?  Yes  No

Identification of major programs:

<u>Federal Awards Programs</u>	<u>CFDA No.</u>
United States Department of Justice - Federal Equitable Sharing Program	16.922

<u>State Financial Assistance Projects</u>	<u>CSFA No.</u>
Florida Department of Community Affairs- State Housing Initiatives Partnership Program	52.901
Florida Department of Environmental Protection- Sunrise C-51 Reservoir Supply Expansion	37.039
Twin Lakes Sub-Basin Drainage Improvements	37.039

Dollar threshold used to distinguish between Type A and Type B programs: Federal: \$300,000  
State: \$300,000

Auditee qualified as low-risk auditee for federal purposes?  Yes  No

**CITY OF SUNRISE, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

None.

**SECTION III – FEDERAL AWARDS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS**

None.

**CITY OF SUNRISE, FLORIDA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2015**

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**I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

None.

**II. PRIOR YEAR FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

The following addresses the status of federal award findings reported in the fiscal year ended September 30, 2014 Schedule of Findings and Questioned Costs.

*MATTERS THAT ARE NOT REPEATED IN THE ACCOMPANYING SCHEDULE OF FINDINGS AND QUESTIONED COSTS*

**2014-001** *Federal Equitable Sharing Program – CFDA No. 16.922*

**III. PRIOR YEAR STATE PROJECTS FINDINGS AND QUESTIONED COSTS**

The City did not meet the requirements for a State Single Audit for year ended September 30, 2014.

**MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE  
AUDITOR GENERAL OF THE STATE OF FLORIDA**

Honorable Mayor, City Commission and City Manager  
**City of Sunrise, Florida**

***Report on the Financial Statements***

We have audited the financial statements of the City of Sunrise, Florida (the City), as of and for the year ended September 30, 2015, and have issued our report thereon dated March 14, 2016. We did not audit the financial statements of the Pension Trust Funds, which represent 72%, 75% and 41%, respectively, of the assets, net position/fund balance and revenues/additions of the aggregate remaining fund information.

***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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General.

***Other Reports and Schedule***

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and 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 Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 14, 2016, should be considered in conjunction with this management letter.

***Prior Audit Findings***

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

### ***Official Title and Legal Authority***

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. As disclosed in Note I, the City was established under Chapter 61-2902 Laws of Florida in 1961. The City included the following blended component units: (Special Recreation District Phase I, Special Tax District No.1 and Metropica Improvement District).

### ***Financial Condition***

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

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. 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. Our assessment was performed as of fiscal year end.

### ***Annual Financial Report***

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

### ***Other Matters***

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

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

***Purpose of this Letter***

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

*Marcum LLP*

Fort Lauderdale, FL  
March 14, 2016

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE PURSUANT TO  
SECTION 218.415 FLORIDA STATUTES**

Honorable Mayor, City Commission and City Manager  
**City of Sunrise, Florida**

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

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

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

This report is intended solely for the information and use of management, 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.

*Marcum LLP*

Fort Lauderdale, FL  
March 14, 2016