



# VILLAGE OF PINECREST **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

FISCAL YEAR ENDED  
SEPTEMBER 30, 2016

2015-2016

[www.pinecrest-fl.gov](http://www.pinecrest-fl.gov)



Comprehensive Annual Financial Report  
of the Village of Pinecrest, Florida  
For The Fiscal Year Ended September 30, 2016

**Prepared by:**

**Finance Director**

Gary S. Clinton, CPA, CPFO

# Village of Pinecrest, Florida

## Table of Contents

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### Introductory Section

Letter of Transmittal	i-iv
Certificate of Achievement for Excellence in Financial Reporting	v
Organizational Chart	vi
List of Elected and Appointed Officials	vii

### Financial Section

Independent Auditor's Report	1-3
Management's Discussion and Analysis (not covered by Independent Auditor's Report)	4-11
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	12-13
Statement of Activities	14
Fund Financial Statements:	
Balance Sheet - Governmental Funds	15
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	16
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Net Position - Proprietary Fund	19
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund	20
Statement of Cash Flows - Proprietary Fund	21
Notes to Basic Financial Statements	22-45

## Village of Pinecrest, Florida

### Table of Contents (continued)

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#### Required Supplementary Information

Schedule of Funding Progress, Other Post-Employment Benefits	46
Schedule of Proportionate Share of Net Pension Liability - Florida Retirement System Pension Plan	47
Schedule of Proportionate Share of Net Pension Liability - Retiree Health Insurance Subsidy Program	48
Schedule of Contributions - Florida Retirement System Pension Plan	49
Schedule of Contributions - Retiree Health Insurance Subsidy Program	50
Schedule of Investment Returns - Florida Retirement System Pension Plan	51
Schedule of Investment Returns - Retiree Health Insurance Subsidy Program	52
Budgetary Comparison Schedules:	
General Fund	53
Transportation Fund	54
CITT Public Transit Fund	55
Notes to Budgetary Comparison Schedules	56

#### Other Financial Information

Combining Fund Financial Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet - Nonmajor Governmental Funds	57
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	58
Budgetary Comparison Schedules:	
Police Education Fund	59
Police Forfeiture Fund	60
Hardwire Fund	61
Wireless Fund	62
Prepaid 911 Fund	63
Debt Service Fund	64
Capital Projects Fund	65

## Village of Pinecrest, Florida

### Table of Contents (continued)

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#### Statistical Section

Table 1 - Net Position by Component	66
Table 2 - Changes in Net Position	67-69
Table 3 - Governmental Activities Tax Revenues by Source	70
Table 4 - Fund Balances in Governmental Funds	71
Table 5 - Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds	72
Table 6 - General Governmental Revenues by Function	73
Table 7 - Assessed Value of Taxable Property	74
Table 8 - Property Tax Rates - Direct and Overlapping Governments	75
Table 9 - Property Tax Levies and Collections	76
Table 10 - Principal Taxpayers	77
Table 11 - Ratio of Outstanding Debt by Type	78
Table 12 - Ratio of General Bonded Debt Outstanding	79
Table 13 - Computation of Direct and Overlapping Debt - General Obligation Bonds	80
Table 14 - Demographic and Economic Statistics	81
Table 15 - Principal Employers	82
Table 16 - Full Time Equivalent Government Employees by Function	83
Table 17 - Operating Indicators by Function	84-86
Table 18 - Capital Assets by Function	87

#### Compliance Section

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	88-89
Independent Auditor's Report to Village Management	90-91
Independent Auditor's Report on Compliance with Section 218.415, Florida Statutes	92

## INTRODUCTORY SECTION



Yocelyn Galliano, ICMA-CM  
Village Manager  
manager@pinecrest-fl.gov

VILLAGE OF PINECREST  
Office of the Village Manager

February 24, 2017

To the Honorable Mayor Joseph Corradino  
Members of the Village Council and  
Citizens of the Village of Pinecrest:

The Government Finance Officers' Association recommends that local governments publish within (6) six months of the close of each fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that recommendation, we hereby issue the Comprehensive Annual Financial Report of the Village of Pinecrest for the fiscal year ended September 30, 2016.

This report is consistent with management's representation of the Village of Pinecrest's finances. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, the Village of Pinecrest's management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village of Pinecrest's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village of Pinecrest's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village of Pinecrest's financial statements have been audited by Keefe, McCullough & Co. LLP a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Village of Pinecrest for the fiscal year that ended September 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amount and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Village of Pinecrest's financial statements for the fiscal year ended September 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

### **Profile of the Government**

The Village of Pinecrest was incorporated on March 12, 1996 pursuant to Ordinance 95-207 adopted by the Miami-Dade Board of County Commissioners on November 12, 1995. The Village of Pinecrest occupies a land area of approximately 8 square miles and serves a population of 18,382. The Village of Pinecrest receives tax levies on real and personal properties located within its boundaries.

The Village of Pinecrest has operated under the Council-Manager form of government since its inception. Policy making and legislative authority are vested in a governing council consisting of the Mayor and four Council Members. The Council is responsible for adopting ordinances, adopting the budget, appointing the Village Manager, Village Clerk and Village Attorney, among other things. The Village Manager is responsible for carrying out the policies and directives of the Council, for overseeing the day-to-day operations of the government, and for appointing the heads of various departments.

The Village of Pinecrest offers a wide range of services, including, police protection, maintenance of roadways, parks and recreation, building, planning and zoning and stormwater services. Certain services are provided through other governmental entities such as the Miami-Dade Fire and Rescue Department, Miami-Dade Public School Board and Miami-Dade County.

The Village of Pinecrest has six major departments: Police, Building and Planning, Public Works, Parks & Recreation, Pinecrest Gardens and General Government. General Government consists of the following sub-divisions; Village Council, Village Manager, Village Clerk, Finance, Information Technology and Village Attorney.

The annual budget serves as a foundation for the Village of Pinecrest's financial planning and control. All departments of the Village are required to submit requests for appropriation to the Village Manager and these requests are the starting point for developing a proposed budget. The Village Manager then presents this proposed budget to the Village Council for review. The Village Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30th, the close of the Village's fiscal year. The appropriated budget is prepared by type of fund and department. No department may expend in excess of the amount appropriated for that department within an individual fund without the approval of the Village Manager. The Village Manager may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Village Council through a budget amendment process. The Village Council approves supplemental appropriations. Budget to actual comparisons are provided in this report for the General Fund for which an appropriated annual budget has been adopted. The General Fund, budget to actual report is presented in the required supplemental information section of this report.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment with which the Village of Pinecrest operates.

**Local economy.** The real estate sales have continued its recovery. The Village of Pinecrest still enjoys a favorable economic environment and local indicators point to continued stability. This medium sized municipality is an active community of involved citizens who take a genuine interest in the social, business, cultural and governing aspects of their Village. The Village is comprised of an affluent residential housing stock and several retail shopping malls. There is no industrial area in the community.

**Long-term financial planning.** The Village has undertaken several capital improvement projects as part of its five year capital improvement plan. The Village of Pinecrest has provided funding for improvements at Pinecrest Gardens; Cypress Hall renovation, a storage structure, walkway covers, parking lot drainage and improvements, handicapped improvements for the lakeside terrace, lower garden lighting, splash and pay upgrades; transportation projects; Community Center expansion, Coral Pine Park renovations, Stormwater drainage improvements; Public Works gates and web site upgrades.

**Financial policies.** The Village of Pinecrest has the following financial policies: Operating Budget Policy, Capital Improvement Policy, Debt Management Policy, Revenue Policy, Investment Policy, Fund Balance Policy, Account, Auditing & Financial Reporting Policy, Audit Committee & Auditor Selection Policy, Capital Asset Policy, Travel Policy, Purchasing Policy, Retiree Health Care Policy, Fraud Policy, Construction Guarantee Policy and Credit Card Policy. The Revenue Policy establishes that all one time revenues will be matched with expenditures to decrease the reliance on the fund balance.

**Pension.** The Village of Pinecrest sponsors a defined contribution pension plan 401 (a) with the ICMA RC (International City/County Management Association, Retirement Corporation). With the exception of sworn police personnel, full time employees contribute seven percent (7) % of his or her pay to the plan, which is matched by a contribution by the Village of Pinecrest of ten percent (10%) for general employees and (14.1%) for department heads.

A defined benefit plan sponsored by the Florida Retirement System (FRS) was established for sworn police personnel. Sworn police personnel who were employed at the time the defined benefit plan by FRS was established had the option of remaining in the 401 (a) plan sponsored by the ICMA RC. All newly hired sworn police personnel participate in the FRS.

Additional information on the Village of Pinecrest pension benefits can be found in Notes 3 (E) of the financial statements.

### **Awards and acknowledgements**

The Government Finance Officers Association of the United State and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Pinecrest for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2015. This was the 20th year that the Village received this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. The report submitted for the Fiscal Year 2015 satisfied both GAAP and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and the Village Council for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Pinecrest's finances.

Respectfully submitted,



Yocelyn Galiano, ICMA-CM, LEED GA  
Village Manager



Maria Arteaga-Narino  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

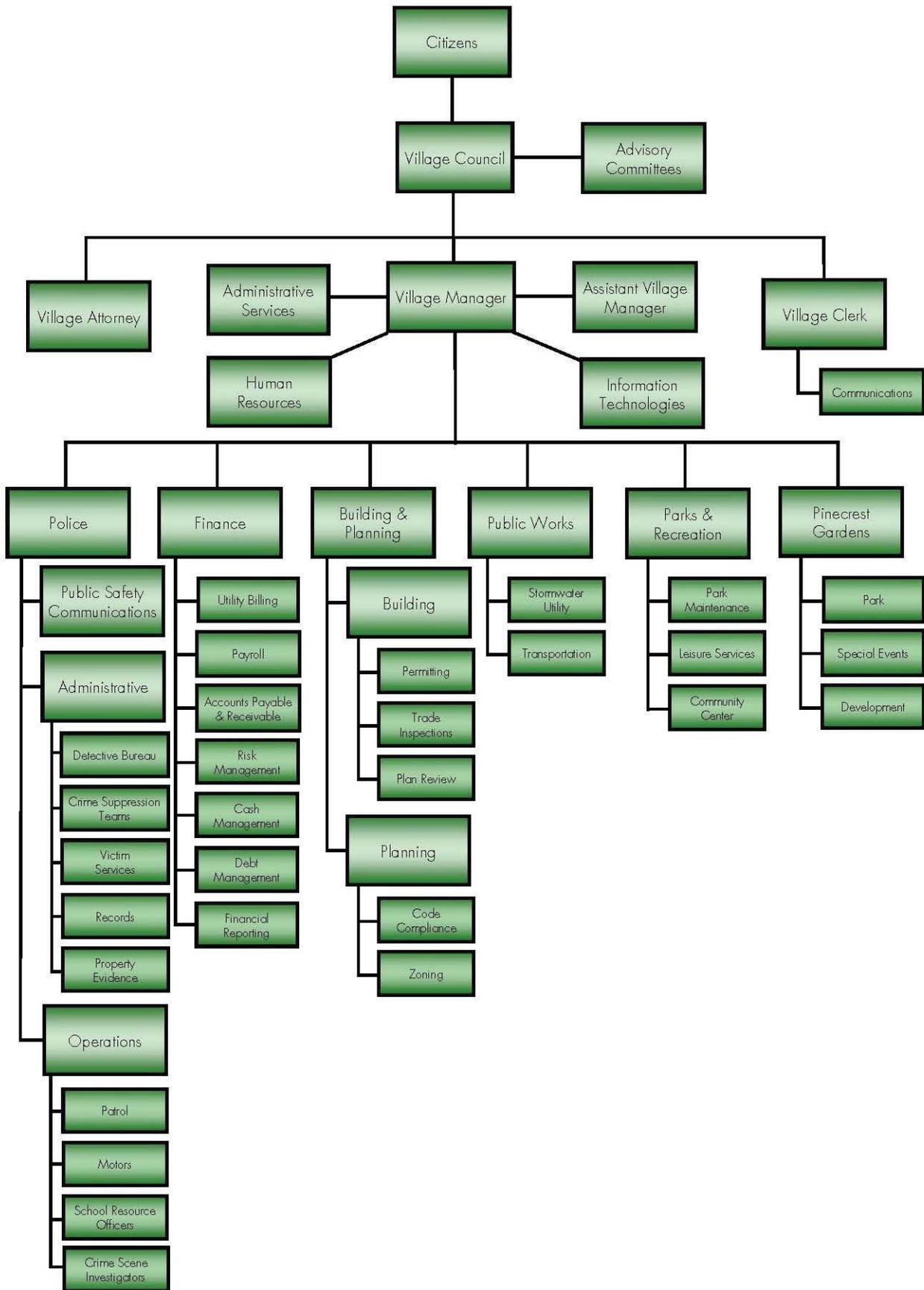
Presented to

**Village of Pinecrest  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2015**

Executive Director/CEO



# Village of Pinecrest

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## Village Council



Cindy Lerner  
*Mayor*



Bob Ross  
*Vice Mayor*



Cheri Ball  
*Councilmember*



Doug Kraft  
*Councilmember*



James E. McDonald  
*Councilmember*

## Charter Officers



Yocelyn Galiano, ICMA-CM  
*Village Manager*



Guido H. Inguanzo, Jr., CMC  
*Village Clerk*



Mitchell Bierman  
*Village Attorney*

## Administrative Personnel

Maria Alberro Menendez, ICMA-CM, Assistant Village Manager

Angela T. Gasca, Administrative Services Manager

Leo Llanos, P.E., Building Official

Michelle Hammontree, Communications Manager

Gary S. Clinton, CPA, CPFO, Finance Director

Mayra R. Sauleda, Human Resources Manager

Gabriela Wilson, MSIT, IT Manager

Loren C. Matthews, Parks and Recreation Director

Alana S. Perez, Pinecrest Gardens Director

Stephen R. Olmsted, AICP, Planning Director

Samuel Ceballos, Jr., Police Chief

Mark Spanioli, P.E., Public Works Director

The Village of Pinecrest, Florida was incorporated March 12, 1996.

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## FINANCIAL SECTION

REPORT OF INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To The Honorable Mayor,  
Village Council and Village Manager  
Village of Pinecrest, 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 Village of Pinecrest, Florida (the "Village") as of and for the fiscal year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village, as of September 30, 2016, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 3E2, the Florida Retirement System's consulting actuary noted that the reduced investment return assumption adopted by the Florida Retirement System Actuarial Assumption Conference conflicts with the actuary's judgment of a reasonable assumption as defined by Actuarial Standard of Practice 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, schedule of funding progress, other post-employment benefits plan and schedules related to pensions, on pages 4 through 11 and pages 46 through 52, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Village of Pinecrest, Florida

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

**Other Reports Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2017 on our consideration of the Village'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 Village's internal control over financial reporting and compliance.



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
February 24, 2017

MANAGEMENT'S DISCUSSION  
AND ANALYSIS (MD&A)

As management of the Village of Pinecrest, Florida, we offer readers of the Village of Pinecrest, Florida's financial statements this narrative overview and analysis of the financial activities of the Village of Pinecrest for the fiscal year ended September 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

### Financial Highlights

- The assets and deferred outflows of resources of the Village of Pinecrest exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$ 93,609,373 (net position). Of this amount, \$ 599,296 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The governmental total net position decreased by \$ 3,367,953. This decrease was largely a result of depreciation.
- As of the close of the current fiscal year, the Village of Pinecrest's governmental funds reported combined ending fund balances of \$ 18,175,584, a decrease of \$ 1,901,177 in comparison with the prior year. Approximately 34.2% of this total amount, \$ 6,222,236 is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$ 6,222,236 or 28.5% of total General Fund expenditures and transfers.
- The Village of Pinecrest total bonded debt decreased by \$ 1,579,700 or 11.0% during the current fiscal year.

### Overview of the Financial Statements

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

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

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

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

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

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

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

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

The Village of Pinecrest maintains ten (10) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for General, Capital Projects, seven (7) Special Revenue funds and a Debt Service Fund. Only the General, Transportation, CITT Public Transit Fund and Capital Projects Fund are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual data for these non-major governmental funds are provided in the form of combining statements which are presented immediately following the footnotes.

The Village of Pinecrest adopts an annual appropriated budget for its General Fund as well as its other governmental funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Stormwater Fund which is considered a major fund of the Village of Pinecrest.

**Notes to the financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Pinecrest, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$ 93,609,373 at the close of the most recent fiscal year.

**Village of Pinecrest, Florida  
Management's Discussion and Analysis  
September 30, 2016**

By far the largest portion of the Village of Pinecrest's net position \$ 87,222,984 (93.2%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The Village of Pinecrest uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Pinecrest'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.

**Village of Pinecrest, Florida's  
Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 19,678,083	\$ 21,903,800	\$ 653,606	\$ 760,426	\$ 20,331,689	\$ 22,664,226
Capital assets	88,678,356	91,236,538	6,334,901	5,842,475	95,013,257	97,079,013
Total assets	<u>108,356,439</u>	<u>113,140,338</u>	<u>6,988,507</u>	<u>6,602,901</u>	<u>115,344,946</u>	<u>119,743,239</u>
Total deferred outflows of resources	4,041,013	998,767	-	-	4,041,013	998,767
Long-term bonded debt	12,761,200	14,340,900	-	-	12,761,200	14,340,900
Other liabilities	12,027,365	7,771,440	298,057	217,087	12,325,422	7,988,527
Total liabilities	<u>24,788,565</u>	<u>22,112,340</u>	<u>298,057</u>	<u>217,087</u>	<u>25,086,622</u>	<u>22,329,427</u>
Total deferred inflows of resources	689,964	1,739,889	-	-	689,964	1,739,889
Net position:						
Net investment in capital assets	80,888,083	82,756,473	6,334,901	5,842,475	87,222,984	88,598,948
Restricted	5,787,093	5,596,721	-	-	5,787,093	5,596,721
Unrestricted	243,747	1,933,682	355,549	543,339	599,296	2,477,021
Total net position	<u>\$ 86,918,923</u>	<u>\$ 90,286,876</u>	<u>\$ 6,690,450</u>	<u>\$ 6,385,814</u>	<u>\$ 93,609,373</u>	<u>\$ 96,672,690</u>

The balance of unrestricted net position \$ 599,296 may be used to meet the government's ongoing obligations to citizens and creditors.

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

**Governmental activities:** Governmental activities decreased the Village of Pinecrest's net position by \$ 3,367,953. Key elements in the changes in net position activity are as follows:

**Village of Pinecrest, Florida's  
Changes in Net Position**

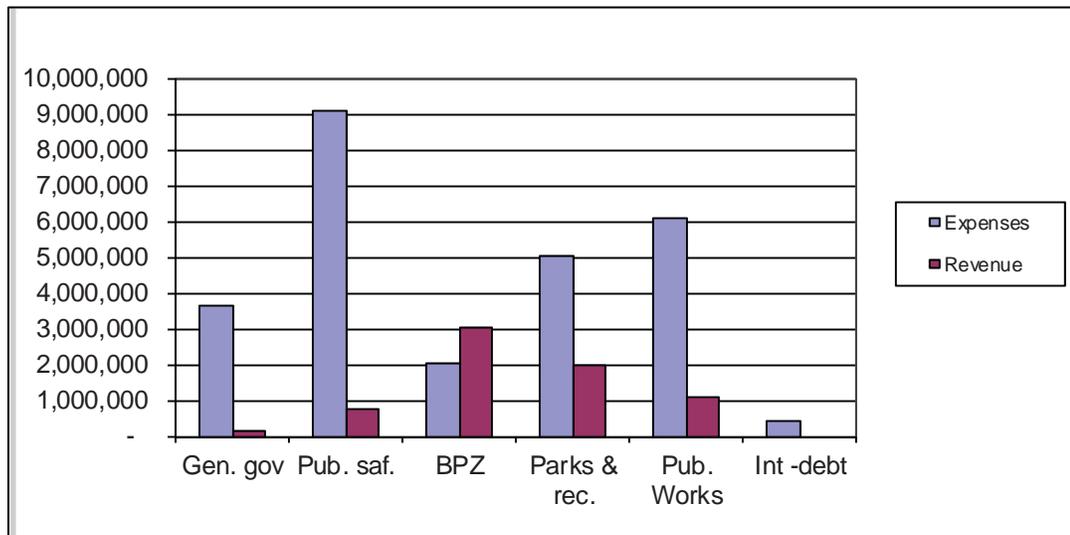
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Program revenues:						
Charges for services	\$ 5,935,848	\$ 5,387,315	\$ 969,189	\$ 675,666	\$ 6,905,037	\$ 6,062,981
Operating grants and contributions	274,395	279,414	-	-	274,395	279,414
Capital grants and contributions	773,755	690,264	-	-	773,755	690,264
General revenues:						
Taxes	13,698,351	13,276,963	-	-	13,698,351	13,276,963
Other	2,228,010	2,081,527	1,734	1,224	2,229,744	2,082,751
Total revenues	<u>22,910,359</u>	<u>21,715,483</u>	<u>970,923</u>	<u>676,890</u>	<u>23,881,282</u>	<u>22,392,373</u>

Village of Pinecrest, Florida's  
 Changes in Net Position  
 (continued)

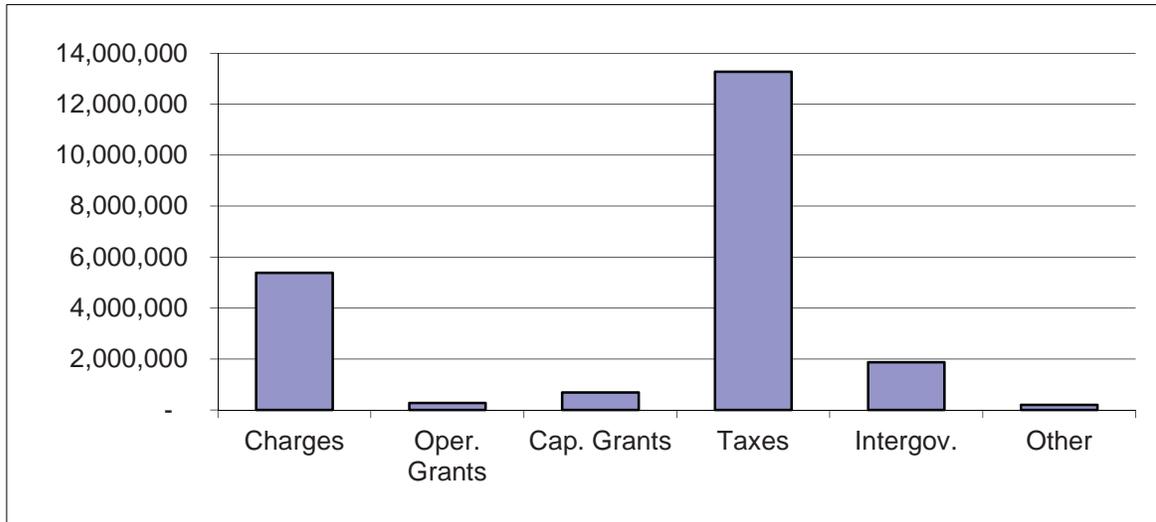
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
<b>EXPENSES:</b>						
General government	3,658,770	3,593,506	-	-	3,658,770	3,593,506
Public safety	9,090,344	7,309,558	-	-	9,090,344	7,309,558
Building, planning and zoning	2,018,974	1,917,718	-	-	2,018,974	1,917,718
Parks and recreation	5,014,683	4,949,805	-	-	5,014,683	4,949,805
Public works	6,099,665	5,919,103	-	-	6,099,665	5,919,103
Interest and other debt service charges	395,876	419,083	-	-	395,876	419,083
Stormwater	-	-	666,287	841,338	666,287	841,338
<b>Total expenses</b>	<b>26,278,312</b>	<b>24,108,773</b>	<b>666,287</b>	<b>841,338</b>	<b>26,944,599</b>	<b>24,950,111</b>
Increase (decrease) in net position	\$ (3,367,953)	\$ (2,393,290)	\$ 304,636	\$ (164,448)	\$ (3,063,317)	\$ (2,557,738)

- Taxes, \$ 13,698,351 comprised (59.8%) of the total governmental revenues, \$ 22,910,359 during the fiscal year. Most of this category is property taxes, \$ 9,036,615.
- Charges for services accounted for \$ 5,935,848 (25.9%) of total governmental revenues.
- Operating and capital grants and contributions accounted for \$ 1,048,150 (4.6%) of total governmental revenues.

Expenses and Program Revenues - Governmental Activities



**Revenues by Source - Governmental Activities**



Overall, the Village's financial position decreased. For the most part, expenditures were level as the Village controlled the demand for services except in the area of police services which the Village Council identified as an area which needed more personnel. The Village of Pinecrest's Park and Recreation Department continued to improve Pinecrest Gardens. Ad valorem taxes had a modest increase. There were fewer capital grants as federal, state, and county resources were reduced.

**Financial Analysis of the Government's Funds**

The Village of Pinecrest used fund accounting to ensure and demonstrate compliance with finance related requirements.

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

As of the end of the current fiscal year, the Village of Pinecrest's governmental funds (GAAP basis) reported combined ending fund balances of \$ 18,175,584, a decrease of \$ 1,901,177 in comparison with the prior year, \$ 20,076,761. Approximately 34.2% of this total amount - \$ 6,222,236 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is not available for new spending or is assigned.

The General Fund is the chief operating fund of the Village of Pinecrest. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$ 6,222,236. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 28.5% of total General Fund expenditures including transfers, while total fund balance represents 34.1% of that same amount.

- The unassigned fund balance of the Village of Pinecrest's General Fund decreased by \$ 181,653 during the current fiscal year.
- Public works services expenditures increased \$ 56,143 due to additional road construction projects.

- The Parks and Recreation Department and Pinecrest Gardens offered additional programming resulting in higher expenditures of \$ 118,594.

The CITT Public Transit Fund's decrease in fund balance of \$ 884,161 was due to the constructions of roadways and sidewalks throughout the Village which drew down the accumulated fund balance for this purpose.

The Capital Projects Fund's decrease in fund balance of \$ 667,608 was due to the design and construction costs of the Coral Pines Tennis Complex, the expansion of the Community Center and work started on Cypress Hall at Pinecrest Gardens.

The Debt Service Fund has no fund balance. The government transfers the exact amount needed for both principal and interest payments each year. This year \$ 1,579,700 was transferred into the fund for principal payments, an increase of \$ 34,461. This year \$ 387,283 was transferred into the fund for interest payments, an increase of \$ 16,340.

**Proprietary Fund:** The Stormwater Fund accounts for revenues collected for the maintenance of the stormwater collection function in the Village. The canals and underground pipes are maintained by the Village and there are operational costs associated with treating the water. This year the unrestricted net position went from \$ 543,339 to \$ 355,549, a decrease of \$ 187,790. This decrease reflects the fact that funds were used for capital improvements which are depreciated over many years.

### General Fund Budget Highlights

The budget to actual variance in the General Fund were:

- **Charges for Services, \$ 224,545.** \$ 224,545 more was earned in excess of the budgeted revenues due to expanded programming at the Community Center and Pinecrest Gardens. Several bicycle spinning classes were added at the Community Center.
- **Fines and Forfeitures, (\$ 753,270).** This was the first full year of the red light camera program and the revenues were much less than anticipated. The entire shortfall of \$ 753,270 was caused by the red light camera program.
- **Public Safety Department, \$ 1,084,932.** As a result of the lost revenue from red light cameras each department reduced operating expenses where possible. There were several vacancies in the department as well as the cancellation of a \$ 495,000 capital project for a license plate reading system.

During the year, budgetary revenues and transfers in were less than budgetary expenditures and transfers out decreasing the fund balance by (\$ 408,438).

The following highlights the reason for the budget amendments in the General Fund:

- Carryovers from the FY 2015 budget were \$ 148,730.
- 20<sup>th</sup> anniversary celebration of the Village, \$ 41,513.
- Legal expenses, \$ 115,000.

**Capital Asset and Debt Administration**

**Capital assets:** The Village of Pinecrest's investment in capital assets for its governmental activities as of September 30, 2016 amounts to \$ 88,728,356 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, roads, sidewalks, infrastructure, stormwater system and construction in progress. The total decrease in the Village of Pinecrest's investment in capital assets for the current fiscal year was 2.13%.

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

- Stormwater improvements.
- Renovations and improvements at Pinecrest Gardens.
- Village-wide road improvement.
- Construction in Progress
  - Community Center Expansion
  - Coral Pines Tennis Court Building
  - Pinecrest Gardens - Cypress Hall

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
General government	\$ 5,144,682	\$ 5,279,986	\$ -	\$ -	\$ 5,144,682	\$ 5,279,986
Public safety	810,627	664,803	-	-	810,627	664,803
Building, planning and zoning	22,689	48,090	-	-	22,689	48,090
Parks	31,618,335	30,849,724	-	-	31,618,335	30,849,724
Public works	51,082,023	54,393,935	-	-	51,082,023	54,393,935
Stormwater	-	-	6,334,901	5,842,475	6,334,901	5,842,475
<b>Total</b>	<b>\$ 88,678,356</b>	<b>\$ 91,236,538</b>	<b>\$ 6,334,901</b>	<b>\$ 5,842,475</b>	<b>\$ 95,013,257</b>	<b>\$ 97,079,013</b>

Additional information on the Village of Pinecrest's capital assets can be found in Note 2C.

**Long-term debt:** At the end of the fiscal year, the Village of Pinecrest had total bonded debt outstanding of \$ 12,761,200. The total debt is backed by the full faith and credit of the Village for which the Village is liable in the unlikely event of default.

**Village of Pinecrest, Florida's  
 Outstanding Debt  
 General Obligation Bonds**

	Governmental Activities	
	2016	2015
General Obligation Bonds	\$ 12,761,200	\$ 14,340,900

The Village of Pinecrest decreased its total debt by \$ 1,579,700 or 11.0% during the current fiscal year. There are five issues outstanding: Evelyn Greer Park refinancing, \$ 1,690,000, which matures in fiscal year 2019, Pinecrest Gardens refinancing (formerly known as Parrot Jungle), \$ 3,045,000, which matures in fiscal year 2022, the Library/Community Center refinancing, \$ 1,577,900, which matures in fiscal year 2024, Pinecrest Gardens Improvements refinancing, \$ 1,185,000, which matures in fiscal year 2030 and Community Center/Coral Pines Park, \$ 5,263,300, which matures in fiscal year 2030.

The last Village of Pinecrest issue, \$ 4,860,000, was made in conjunction with the Florida Municipal Loan Council on February 1, 2015. These bonds carried the following bond ratings:

- Standard & Poor's - AAA.
- Fitch - AA+.

Additional information on the Village of Pinecrest's long term debt can be found in Note 2E.

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

- The unemployment rate for Miami-Dade County/Fort Lauderdale is currently 5.1%, which is a decrease from a rate of 5.6% a year ago. The Village of Pinecrest residents will have a lower unemployment rate than is reported for the County.
- Inflationary trends in the region compare favorably to national indices.

During the current fiscal year, unassigned fund balance decreased to \$ 6,222,236. The Village of Pinecrest has assigned \$ 1,131,194 of fund balance for spending in the 2017 fiscal year budget.

#### **Requests for Information**

This financial report is designed to provide a general overview of the Village of Pinecrest's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department of Finance, 12645 Pinecrest Parkway, Pinecrest, Florida 33156-5931; or emailed to [finance@pinecrest-fl.gov](mailto:finance@pinecrest-fl.gov).

## BASIC FINANCIAL STATEMENTS

**Village of Pinecrest, Florida**  
**Statement of Net Position**  
**September 30, 2016**

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b>Assets:</b>			
Current assets:			
Cash and cash equivalents	\$ 18,811,000	\$ 451,415	\$ 19,262,415
Receivables, net	759,546	202,191	961,737
Prepays	107,537	-	107,537
	<u>19,678,083</u>	<u>653,606</u>	<u>20,331,689</u>
Total current assets			
Non-current assets:			
Capital assets, not depreciated:			
Land	16,959,440	-	16,959,440
Construction in progress	944,435	-	944,435
Capital assets, net of accumulated depreciation:			
Buildings	15,017,673	-	15,017,673
Improvements	3,703,037	-	3,703,037
Equipment	1,061,258	-	1,061,258
Computer software	120,595	-	120,595
Infrastructure	50,871,918	6,334,901	57,206,819
	<u>88,678,356</u>	<u>6,334,901</u>	<u>95,013,257</u>
Total non-current assets			
	<u>108,356,439</u>	<u>6,988,507</u>	<u>115,344,946</u>
Total assets			
<b>Deferred Outflows of Resources:</b>			
Deferred outflows related to pensions	3,974,702	-	3,974,702
Deferred charge on refunding	66,311	-	66,311
	<u>4,041,013</u>	<u>-</u>	<u>4,041,013</u>
Total deferred outflows of resources			
<b>Liabilities:</b>			
Current:			
Accounts payable and other accrued liabilities	1,420,035	3,249	1,423,284
Accrued interest payable	37,584	-	37,584
Revenues collected in advance	-	294,808	294,808
Compensated absences, due in one year	404,078	-	404,078
Bonds payable, due in one year	1,619,900	-	1,619,900
	<u>3,481,597</u>	<u>298,057</u>	<u>3,779,654</u>
Total current liabilities			

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

Village of Pinecrest, Florida  
Statement of Net Position  
(continued)  
September 30, 2016

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b>Non-current:</b>			
Unearned revenue	82,464	-	82,464
Net pension liability	9,294,896	-	9,294,896
OPEB liability	717,000	-	717,000
Compensated absences, due in more than one year	71,308	-	71,308
Bonds payable, due in more than one year	<u>11,141,300</u>	<u>-</u>	<u>11,141,300</u>
Total non-current liabilities	<u>21,306,968</u>	<u>-</u>	<u>21,306,968</u>
Total liabilities	<u>24,788,565</u>	<u>298,057</u>	<u>25,086,622</u>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows related to pensions	667,057	-	667,057
Deferred gain on refunding	<u>22,907</u>	<u>-</u>	<u>22,907</u>
Total deferred outflows of resources	<u>689,964</u>	<u>-</u>	<u>689,964</u>
<b>Net Position:</b>			
Net investment in capital assets	80,888,083	6,334,901	87,222,984
Restricted for:			
Transportation	4,685,415	-	4,685,415
Public Safety	86,175	-	86,175
Capital Projects	1,015,503	-	1,015,503
Unrestricted	<u>243,747</u>	<u>355,549</u>	<u>599,296</u>
Total net position	<u>\$ 86,918,923</u>	<u>\$ 6,690,450</u>	<u>\$ 93,609,373</u>

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

**Village of Pinecrest, Florida**  
**Statement of Activities**  
**Fiscal Year Ended September 30, 2016**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 3,658,770	\$ 142,011	\$ -	\$ -	\$ (3,516,759)	\$ -	\$ (3,516,759)
Public safety	9,090,344	661,755	48,130	17,747	(8,362,712)	-	(8,362,712)
Building, planning and zoning	2,018,974	2,960,255	71,985	-	1,013,266	-	1,013,266
Parks and recreation	5,014,683	1,886,173	-	106,892	(3,021,618)	-	(3,021,618)
Public works	6,099,665	285,654	154,280	649,116	(5,010,615)	-	(5,010,615)
Interest and other debt service costs	395,876	-	-	-	(395,876)	-	(395,876)
Total governmental activities	<u>26,278,312</u>	<u>5,935,848</u>	<u>274,395</u>	<u>773,755</u>	<u>(19,294,314)</u>	<u>-</u>	<u>(19,294,314)</u>
Business-type activities:							
Stormwater	666,287	969,189	-	-	-	302,902	302,902
Total business-type activities	<u>666,287</u>	<u>969,189</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>302,902</u>	<u>302,902</u>
Total primary government	<u>\$ 26,944,599</u>	<u>\$ 6,905,037</u>	<u>\$ 274,395</u>	<u>\$ 773,755</u>	<u>(19,294,314)</u>	<u>302,902</u>	<u>(18,991,412)</u>
General revenues:							
Ad valorem taxes					9,036,615	-	9,036,615
Franchise fees on gross receipts					944,867	-	944,867
Utilities taxes					2,227,275	-	2,227,275
Communications services tax					885,499	-	885,499
Transportation tax					481,436	-	481,436
Business tax					122,659	-	122,659
Intergovernmental, not restricted to specific programs					1,914,248	-	1,914,248
Interest earnings					95,591	1,734	97,325
Miscellaneous					218,171	-	218,171
Total general revenues					<u>15,926,361</u>	<u>1,734</u>	<u>15,928,095</u>
Change in net position					(3,367,953)	304,636	(3,063,317)
Net position - beginning of year					<u>90,286,876</u>	<u>6,385,814</u>	<u>96,672,690</u>
Net position - end of year					<u>\$ 86,918,923</u>	<u>\$ 6,690,450</u>	<u>\$ 93,609,373</u>

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

**Village of Pinecrest, Florida**  
**Balance Sheet**  
**Governmental Funds**  
**September 30, 2016**

	<u>General Fund</u>	<u>Transportation Fund</u>	<u>CITT Public Transit Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>						
Cash and cash equivalents	\$ 8,249,908	\$ 4,417,836	\$ 32,994	\$ 6,038,196	\$ 72,066	\$ 18,811,000
Receivables, net	466,503	-	277,519	-	15,524	759,546
Prepays	<u>107,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>107,537</u>
Total assets	<u>\$ 8,823,948</u>	<u>\$ 4,417,836</u>	<u>\$ 310,513</u>	<u>\$ 6,038,196</u>	<u>\$ 87,590</u>	<u>\$ 19,678,083</u>
<b>Liabilities and Fund Balances:</b>						
Liabilities:						
Accounts payable and other accrued liabilities	\$ 1,280,517	\$ 15,541	\$ 27,393	\$ 95,169	\$ 1,415	\$ 1,420,035
Unearned revenue	<u>82,464</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,464</u>
Total liabilities	<u>1,362,981</u>	<u>15,541</u>	<u>27,393</u>	<u>95,169</u>	<u>1,415</u>	<u>1,502,499</u>
Fund balances:						
Nonspendable:						
Prepays	107,537	-	-	-	-	107,537
Restricted for:						
Transportation	-	4,402,295	283,120	-	-	4,685,415
Public safety	-	-	-	-	86,175	86,175
Capital projects	-	-	-	4,927,524	-	4,927,524
Assigned to:						
Capital projects	-	-	-	1,015,503	-	1,015,503
Subsequent year's budget	1,131,194	-	-	-	-	1,131,194
Unassigned	<u>6,222,236</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,222,236</u>
Total fund balances	<u>7,460,967</u>	<u>4,402,295</u>	<u>283,120</u>	<u>5,943,027</u>	<u>86,175</u>	<u>18,175,584</u>
Total liabilities and fund balances	<u>\$ 8,823,948</u>	<u>\$ 4,417,836</u>	<u>\$ 310,513</u>	<u>\$ 6,038,196</u>	<u>\$ 87,590</u>	<u>\$ 19,678,083</u>

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

**Village of Pinecrest, Florida**  
**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position**  
**September 30, 2016**

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**Fund Balances - Total Governmental Funds** \$ 18,175,584

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

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

Governmental capital assets	\$ 206,118,990	
Less accumulated depreciation	<u>(117,440,634)</u>	88,678,356

Deferrals on refundings and deferrals related to pensions are not financial resources and, therefore are not reported as applicable assets or liabilities in the governmental funds:

Deferred outflows related to pensions	3,974,702	
Deferred inflows related to pensions	(667,057)	
Deferred charge on refunding	66,311	
Deferred gain on refunding	<u>(22,907)</u>	3,351,049

Certain liabilities are not due and payable in the current period and therefore are not reported in the funds:

OPEB liability	(717,000)	
Net pension liability	(9,294,896)	
Accrued interest payable	(37,584)	
Compensated absences	(475,386)	
Governmental bonds payable	<u>(12,761,200)</u>	<u>(23,286,066)</u>

**Net Position of Governmental Activities** \$ 86,918,923

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

**Village of Pinecrest, Florida**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**Fiscal Year Ended September 30, 2016**

	<u>General Fund</u>	<u>Transportation Fund</u>	<u>CITT Public Transit Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>						
Taxes	\$ 13,216,915	\$ 481,436	\$ -	\$ -	\$ -	\$ 13,698,351
Licenses and permits	2,815,703	-	-	-	-	2,815,703
Intergovernmental	2,073,892	32,000	771,396	36,980	48,129	2,962,397
Charges for services	2,267,048	-	-	-	-	2,267,048
Fines and forfeitures	797,830	-	-	-	55,268	853,098
Interest	53,393	9,937	1,682	30,569	10	95,591
Miscellaneous	215,171	-	-	3,000	-	218,171
	<u>21,439,952</u>	<u>523,373</u>	<u>773,078</u>	<u>70,549</u>	<u>103,407</u>	<u>22,910,359</u>
Total revenues						
<b>Expenditures:</b>						
Current:						
General government	3,493,423	-	-	16,800	-	3,510,223
Public safety	8,503,298	-	-	-	277,469	8,780,767
Building, planning and zoning	1,986,632	-	-	-	-	1,986,632
Parks and recreation	4,283,656	-	-	1,485,043	-	5,768,699
Public works	724,388	405,291	1,657,239	11,314	-	2,798,232
Debt service:						
Principal	-	-	-	-	1,579,700	1,579,700
Interest	-	-	-	-	387,283	387,283
	<u>18,991,397</u>	<u>405,291</u>	<u>1,657,239</u>	<u>1,513,157</u>	<u>2,244,452</u>	<u>24,811,536</u>
Total expenditures						
Excess (deficiency) of revenues over expenditures	<u>2,448,555</u>	<u>118,082</u>	<u>(884,161)</u>	<u>(1,442,608)</u>	<u>(2,141,045)</u>	<u>(1,901,177)</u>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	775,000	2,107,983	2,882,983
Transfers out	(2,856,993)	(25,990)	-	-	-	(2,882,983)
	<u>(2,856,993)</u>	<u>(25,990)</u>	<u>-</u>	<u>775,000</u>	<u>2,107,983</u>	<u>-</u>
Total other financing sources (uses)						
Net change in fund balances	(408,438)	92,092	(884,161)	(667,608)	(33,062)	(1,901,177)
<b>Fund balances, beginning</b>	<u>7,869,405</u>	<u>4,310,203</u>	<u>1,167,281</u>	<u>6,610,635</u>	<u>119,237</u>	<u>20,076,761</u>
<b>Fund balances, ending</b>	<u>\$ 7,460,967</u>	<u>\$ 4,402,295</u>	<u>\$ 283,120</u>	<u>\$ 5,943,027</u>	<u>\$ 86,175</u>	<u>\$ 18,175,584</u>

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

**Village of Pinecrest, Florida**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in**  
**Fund Balance of Governmental Funds to the Statement of Activities**  
**For the Fiscal Year Ended September 30, 2016**

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**Net Change in Fund Balances - Total Governmental Funds** \$ (1,901,177)

Amounts reported for governmental activities are different because:

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

The details of the difference are as follows:

Capital outlay	\$ 3,421,760	
Depreciation	<u>(5,979,942)</u>	
Net adjustment		(2,558,182)

Principal payments on long-term debt are reported as expenditures in governmental funds, but as a reduction of long-term liabilities in the statement of net position. 1,579,700

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

The details of the difference is as follows:

Change in net pension liability		(4,445,994)
Change in deferred outflows related to pensions		3,059,564
Change in deferred inflows related to pensions		1,046,652
Change in other post-employment benefits		(62,000)
Amortization of deferred charge and gain on refunding		(14,045)
Change in accrued interest		5,452
Change in compensated absences		<u>(77,923)</u>

**Change in Net Position of Governmental Activities:** \$ (3,367,953)

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

Village of Pinecrest, Florida  
Statement of Net Position  
Proprietary Fund  
September 30, 2016

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	<u>Stormwater Fund</u>
<b>Assets:</b>	
Current assets:	
Cash and cash equivalents	\$ 451,415
Receivables	<u>202,191</u>
Total current assets	<u>653,606</u>
Non-current assets:	
Capital assets, net	<u>6,334,901</u>
Total non-current assets	<u>6,334,901</u>
Total assets	<u>6,988,507</u>
<b>Liabilities and Net Position:</b>	
Current liabilities:	
Accounts payable	3,249
Revenues collected in advance	<u>294,808</u>
Total liabilities	<u>298,057</u>
Net position:	
Net investment in capital assets	6,334,901
Unrestricted	<u>355,549</u>
Total net position	\$ <u><u>6,690,450</u></u>

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

Village of Pinecrest, Florida  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Fund  
For the Year Ended September 30, 2016

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	<u>Stormwater Fund</u>
<b>Operating Revenues:</b>	
Utility fees	\$ 956,282
Miscellaneous income	<u>12,907</u>
Total operating revenues	<u>969,189</u>
<b>Operating Expenses:</b>	
Cost of sales	368,480
Depreciation	<u>297,807</u>
Total operating expenses	<u>666,287</u>
Operating income	<u>302,902</u>
<b>Nonoperating Revenues:</b>	
Interest earnings	<u>1,734</u>
Change in net position	304,636
<b>Net Position, beginning</b>	<u>6,385,814</u>
<b>Net Position, ending</b>	\$ <u><u>6,690,450</u></u>

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

Village of Pinecrest, Florida  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended September 30, 2016

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	<b>Stormwater Fund</b>
<b>Cash Flows from Operating Activities:</b>	
Receipts from customers and users	\$ 1,009,768
Payments to suppliers	<u>(395,448)</u>
Cash flows provided by operating activities	<u>614,320</u>
<b>Cash Flows from Capital and related Financing Activities:</b>	
Acquisition of capital assets	<u>(790,233)</u>
Cash flows used by capital and related financing	<u>(790,233)</u>
<b>Cash Flows from Investing Activities:</b>	
Interest received	<u>1,734</u>
Cash flows provided by investing activities	<u>1,734</u>
Net decrease in cash and cash equivalents	(174,179)
<b>Cash and Cash Equivalents, beginning of year</b>	<u>625,594</u>
<b>Cash and Cash Equivalents, end of year</b>	\$ <u><u>451,415</u></u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>	
Operating income	\$ 302,902
Depreciation	297,807
Change in operating assets and liabilities:	
(Increase) decrease in accounts receivable	(67,359)
Increase (decrease) in accounts payable	(26,968)
Increase (decrease) in revenues collected in advance	<u>107,938</u>
Total adjustments	<u>13,611</u>
Net cash provided by operating activities	\$ <u><u>614,320</u></u>

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

## NOTES TO BASIC FINANCIAL STATEMENTS

## Note 1 - Summary of Significant Accounting Policies

### A. Reporting entity

The Village of Pinecrest was incorporated on March 12, 1996 pursuant to Ordinance 95-207 adopted by the Miami Dade Board of County Commissioners on November 12, 1995. The Village of Pinecrest occupies a land area of eight (8) square miles and serves a population of 18,382. The Village of Pinecrest operates under a Council-Manager form of government and provides the following services: public safety (police), public works, building, planning and zoning, code enforcement, stormwater management, and parks and recreation. The basic financial statements of the Village of Pinecrest have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental and financial reporting principles.

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

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

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the activities of the Village of Pinecrest. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges 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.

Separate financial statements are provided for governmental funds and the proprietary fund. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**Note 1 - Summary of Significant Accounting Policies (continued)**

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting is used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The Village of Pinecrest reports the following major governmental funds:

- The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Transportation Fund receives grants from the State of Florida to be used to account for and report resources restricted or committed to improvement of the Village of Pinecrest roadway system. The primary sources of revenue are intergovernmental grants for a portion of the gasoline sales tax.
- The CITT Public Transit Fund reports on the public transit funds received from a portion of the transportation sales tax and a Miami-Dade County share of a 1/2 cent sales tax to be used for non-public transportation.
- The Capital Projects Fund receives transfers from the General Fund as well as grants and accounts for purchases of land and improvements to the parks and buildings in the community.

The Village reports its only proprietary fund as a major fund:

- The Stormwater Fund (an enterprise fund) accounts for the stormwater control activities of the community. Funds are received from business and residential users and used to maintain the stormwater collection system.

**Note 1 - Summary of Significant Accounting Policies (continued)**

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Stormwater Fund are charges to business and residential customers for stormwater system maintenance. Operating expenses report on the costs to maintain the stormwater system, the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

**1. Deposits and investments**

Cash and cash equivalents, which are cash and short-term investments with maturities of three months or less, include cash on hand, and investments with the State Board of Administration Investment Pool. Investments are reported at fair value.

**2. Capital assets**

Capital assets, which include property, land, rights of way, equipment, computer software and infrastructure assets (e. g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$ 10,000 (amount not rounded) and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

- Buildings - 40 years
- Improvements - 15 years
- Equipment:
  - Cars - 5 years
  - Trucks - 10 years
  - Equipment - 5 years
  - Computer equipment - 3 years
- Computer software - 7 years

**Note 1 - Summary of Significant Accounting Policies (continued)**

- Infrastructure:
  - Roads - 25 years
  - Stormwater system - 50 years
  - Sidewalks - 20 years

**3. Deferred outflows/inflows of resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Village has two items that qualify for reporting in this category. One is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in 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 refunding debt. The second item is the deferred outflows relating to the pension plans and discussed in further detail in Note 3E2.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Village has two items that qualify for reporting in this category. One is a deferred gain on refunding that results from the difference in 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 refunding debt. The second item is the deferred inflows relating to the pension plans and is discussed in further detail in Note 3E2.

**4. Compensated absences**

Village employees are granted vacation and sick leave in varying amounts based on length of service and the department that the employee services.

The Village's sick leave policy is to permit employees to accumulate earned but unused sick pay benefits. Such leave is accrued and reported as a fund liability when it is probable that the Village will compensate the employee in the following fiscal year. Unused sick pay is not paid at termination.

The Village's vacation policy is that earned vacation must be taken within one year of the employee's anniversary. Carryover is limited to two hundred and forty (240) hours. Unused vacation pay, if any, is paid with the employee's termination or retirement. Those amounts estimated to be liquidated with expendable available financial resources from the General Fund are reported as expenditures and a fund liability of the General Fund.

**5. Long term obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

**Note 1 - Summary of Significant Accounting Policies (continued)**

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as another financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

**6. Property taxes**

Property taxes for the current year were assessed and collected by Miami-Dade County and subsequently remitted to the Village. Property taxes are assessed as of January 1 each year and are first billed (levied) and due the following November 1. Under Florida law, the assessment of all properties and the collection of all county, municipal, school board and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws for the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$ 10 per \$ 1,000 of assessed taxable valuation). The millage rate assessment by the Village for the year ended September 30, 2016 was 2.3000 mills.

The tax levy of the Village is established by the Village Council prior to October 1 of each year, and the County Property Appraiser incorporates the millage into the tax levy, which includes Miami-Dade County, Miami-Dade County School Board and special taxing districts.

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

All real and tangible personal property taxes are due and payable on November 1, each year or as soon as practicable thereafter as the assessment roll is certified by the County Property Appraiser. Miami-Dade County mails to each property owner on the assessment roll a notice of the taxes due and Miami-Dade County also collects the taxes for the Village. Taxes may be paid upon receipt of such notice from Miami-Dade County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April 1 of the year following the year in which taxes were assessed. Procedures for the collection of delinquent taxes by Miami-Dade County are provided for in the laws of Florida. There were no material delinquent property taxes at September 30, 2016.

**7. Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**8. Date of Management Review**

Subsequent events were evaluated by management through February 24, 2017, which is the date the financial statements were available to be issued.

**Note 2 - Detailed Notes on all Funds**

**A. Deposits and investments**

**Deposits**

In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

**Investments**

The Village of Pinecrest invests surplus funds in an external investment pool, the Local Government Surplus Funds Trust Fund ("Florida PRIME"). Florida PRIME is administered by the Florida State Board of Administration ("SBA"), who provides regulatory oversight.

The Florida PRIME has adopted operating procedures consistent with the requirement for a 2a7-like fund. The Village of Pinecrest's investment in the Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares. The Florida PRIME investment is exempt from GASB Statement No. 72, *Fair Value Measurements and Application* disclosures.

The Village of Pinecrest had the following investments as of September 30, 2016:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Florida PRIME	Weighted average days to maturity is 50 days	\$ 14,535,040

Credit Risk

The Village of Pinecrest has an investment policy that emphasis the safety of principal while maintaining adequate liquidity to meet its needs. Investments are limited to the highest ratings by two of the nationally recognized statistical rating organizations (NRSRO) - (Standard and Poor's and Moody's Investment Services). Florida PRIME is rated AAAM by Standard and Poor's.

Concentration Credit Risk

GASB Statement 40 requires disclosure when the percent is 5% or more in any one issuer. External investment pools are exempt from concentration risk disclosures.

Village of Pinecrest, Florida  
Notes to the Financial Statements  
September 30, 2016

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**Note 2 - Detailed Notes on all Funds (continued)**

Interest Rate Risk

In accordance with our investment policy, the Village of Pinecrest manages its exposure to declines in fair values by investing in conservative investments with the emphasis on safety of principal.

**B. Receivables**

Receivables as of fiscal year end for the Village's individual major and nonmajor funds, in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	CITT Public Transit Fund	Other Non-Major Governmental Funds	Stormwater	Total
Receivables:					
Intergovernmental	\$ 116,002	\$ 277,519	\$ 14,916	\$ -	\$ 408,437
Franchise and utility	251,038	-	-	-	251,038
Ad valorem taxes	42,748	-	-	-	42,748
Fines	39,227	-	608	-	39,835
Other	17,488	-	-	202,191	219,679
	<u>466,503</u>	<u>277,519</u>	<u>15,524</u>	<u>202,191</u>	<u>961,737</u>
Gross receivables	466,503	277,519	15,524	202,191	961,737
Less: allowance for doubtful accounts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receivables	<u>\$ 466,503</u>	<u>\$ 277,519</u>	<u>\$ 15,524</u>	<u>\$ 202,191</u>	<u>\$ 961,737</u>

**C. Capital assets**

Capital asset activity for the year ended September 30, 2016, was as follows:

	Beginning Balance	Increases	Adjustments Transfers	Decreases	Ending Balance
<b>Governmental Activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 16,959,440	\$ -	\$ -	\$ -	\$ 16,959,440
Construction in progress	<u>-</u>	<u>944,435</u>	<u>-</u>	<u>-</u>	<u>944,435</u>
Total capital assets, not being depreciated	<u>16,959,440</u>	<u>944,435</u>	<u>-</u>	<u>-</u>	<u>17,903,875</u>

Village of Pinecrest, Florida  
Notes to the Financial Statements  
September 30, 2016

**Note 2 - Detailed Notes on all Funds (continued)**

	Beginning Balance	Increases	Adjustments Transfers	Decreases	Ending Balance
Capital assets, being depreciated:					
Buildings	19,702,918	-	-	-	19,702,918
Improvements	7,158,041	514,661	-	-	7,672,702
Equipment	3,408,787	401,778	-	-	3,810,565
Computer software	220,563	42,948	-	-	263,511
Infrastructure	<u>155,247,481</u>	<u>1,517,938</u>	<u>-</u>	<u>-</u>	<u>156,765,419</u>
 Total capital assets, being depreciated	 <u>185,737,790</u>	 <u>2,477,325</u>	 <u>-</u>	 <u>-</u>	 <u>188,215,115</u>
Less accumulated depreciation for:					
Buildings	(4,233,458)	(451,787)	-	-	(4,685,245)
Improvements	(3,532,821)	(436,844)	-	-	(3,969,665)
Equipment	(2,443,467)	(305,840)	-	-	(2,749,307)
Computer software	(112,413)	(30,503)	-	-	(142,916)
Infrastructure	<u>(101,138,533)</u>	<u>(4,754,968)</u>	<u>-</u>	<u>-</u>	<u>(105,893,501)</u>
 Total accumulated depreciation	 <u>(111,460,692)</u>	 <u>(5,979,942)</u>	 <u>-</u>	 <u>-</u>	 <u>(117,440,634)</u>
 Total capital assets, being depreciated, net	 <u>74,277,098</u>	 <u>(3,502,617)</u>	 <u>-</u>	 <u>-</u>	 <u>70,774,481</u>
 Governmental activities capital assets, net	 <u>\$ 91,236,538</u>	 <u>\$ (2,558,182)</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 88,678,356</u>
 <b>Business-Type Activities:</b>					
Capital assets, being depreciated:					
Infrastructure	\$ 10,033,168	\$ 790,233	\$ -	\$ -	\$ 10,823,401
Equipment	<u>47,066</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,066</u>
 Total capital assets, being depreciated	 <u>10,080,234</u>	 <u>790,233</u>	 <u>-</u>	 <u>-</u>	 <u>10,870,467</u>
Less accumulated depreciation for:					
Infrastructure	(4,224,239)	(293,301)	-	-	(4,517,540)
Equipment	<u>(13,520)</u>	<u>(4,506)</u>	<u>-</u>	<u>-</u>	<u>(18,026)</u>
 Total accumulated depreciation	 <u>(4,237,759)</u>	 <u>(297,807)</u>	 <u>-</u>	 <u>-</u>	 <u>(4,535,566)</u>
 Total capital assets, being depreciated, net	 <u>5,842,475</u>	 <u>492,426</u>	 <u>-</u>	 <u>-</u>	 <u>6,334,901</u>
 Business-type activities capital assets, net	 <u>\$ 5,842,475</u>	 <u>\$ 492,426</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 6,334,901</u>

**Note 2 - Detailed Notes on all Funds (continued)**

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

Governmental activities:	
General government	\$ 173,268
Public safety	216,291
Public works	4,841,165
Building, planning and zoning	25,401
Parks and recreation	<u>723,817</u>
 Total depreciation expense, governmental activities	 \$ <u><u>5,979,942</u></u>
 Business type activities:	
Stormwater	\$ <u>297,807</u>
 Total depreciation expense business type activities	 \$ <u><u>297,807</u></u>

**D. Transfers**

The composition of interfund operating transfers as of September 30, 2016, is as follows:

	<u>Transfers In</u>	<u>Transfer Out</u>	<u>Transfer Purpose</u>
General Fund	\$	\$ 1,940,993	Debt Service Fund
General Fund		125,000	Hardwire Fund
General Fund		775,000	Capital Projects Fund
General Fund		16,000	Wireless Fund
Transportation Fund		25,990	Debt Service Fund
Hardwire Fund	125,000		Provide operational funds
Wireless Fund	16,000		Provide operational funds
Debt Service Fund	25,990		Provide debt service funds
Debt Service Fund	1,940,993		Provide debt service funds
Capital Projects Fund	<u>775,000</u>		Provide capital funds
	<u>\$ 2,882,983</u>	<u>\$ 2,882,983</u>	

**Note 2 - Detailed Notes on all Funds (continued)**

**E. Long-term debt**

Florida Municipal Loan Revenue Bonds, Series 2011-1, Series 2011-2 Series 2012, Series 2014, and Series 2015. The Village of Pinecrest has five bond issues outstanding. Series 2011-1 was for \$ 4,320,000 for the refunding of the 1999 bonds for development of Pinecrest Park. Series 2011-2 for \$ 1,505,000 was for capital improvements at Pinecrest Gardens and the Community Center. The 2011 series bonds bear interest rates from 2.0 - 5.0 %. Series 2012 for \$ 4,860,000 bearing interest at 2.3% refunded the Series 2002 bonds that paid for the development of Pinecrest Gardens. Series 2014 for \$ 2,085,000 bearing interest at 2.13% refunded the Series 2004 bonds that paid for the construction costs of the Library/Community Center at Pinecrest Gardens. Series 2015 for \$ 5,939,439 bearing interest at 2.40% was for the expansion of the Community Center and improvements at Coral Pines Park. The principal and interest on these bonds are payable from a pledge of non-ad valorem revenues, as defined.

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest and fees</u>	<u>Total</u>
2017	\$ 1,619,900	\$ 353,225	\$ 1,973,125
2018	1,664,800	310,630	1,975,430
2019	1,709,700	265,200	1,974,900
2020	1,149,300	216,289	1,365,589
2021	1,178,200	187,309	1,365,509
2022-2026	3,647,000	554,545	4,201,545
2027-2030	<u>1,792,300</u>	<u>133,600</u>	<u>1,925,900</u>
Totals	\$ <u>12,761,200</u>	\$ <u>2,020,798</u>	\$ <u>14,781,998</u>

Changes in long-term debt of governmental activities during the year are summarized as follows:

	<u>Balance September 30, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance September 30, 2016</u>	<u>Due Within One Year</u>
Bonds payable	\$ 14,340,900	\$ -	\$ 1,579,700	\$ 12,761,200	\$ 1,619,900
Compensated absences	<u>397,463</u>	<u>654,278</u>	<u>576,355</u>	<u>475,386</u>	<u>404,078</u>
Totals	\$ <u>14,738,363</u>	\$ <u>654,278</u>	\$ <u>2,156,055</u>	\$ <u>13,236,586</u>	\$ <u>2,023,978</u>

Compensated absences are paid from the General Fund in the form of vacation pay.

**Note 2 - Detailed Notes on all Funds (continued)**

**F. Accounts Payable and Other Accrued Liabilities**

Accounts payable and other accrued liabilities as of fiscal year end for the Village's individual major and nonmajor funds, in the aggregate are as follows:

	General Fund	Transportation Fund	CITT Public Transit Fund	Capital Funds	Other Non-Major Governmental Funds	Stormwater	Total
Payables:							
Payroll	\$ 454,672	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 454,672
Vendors	334,359	15,541	27,393	95,169	1,415	3,249	477,126
Security deposits	195,722	-	-	-	-	-	195,722
Other	295,764	-	-	-	-	-	295,764
<b>Total payables</b>	<b>\$ 1,280,517</b>	<b>\$ 15,541</b>	<b>\$ 27,393</b>	<b>\$ 95,169</b>	<b>\$ 1,415</b>	<b>\$ 3,249</b>	<b>\$ 1,423,284</b>

**G. Other Post-Employment Benefits (OPEBs)**

**1. Description**

In June 2004, GASB issued Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. GASB No. 45 requires employer governments to account for and report the annual cost of other postemployment benefits in the same manner as they do for pensions. The Village recognizes the cost of postemployment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Village's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 15 years, commencing with the 2008 liability.

Under Florida State law, the Village of Pinecrest is required to offer a continuation of health insurance coverage to retirees at the same premium that is charged by the insurance carrier with respect to active employees. Currently, the Village does not have any retirees who are receiving post-employment benefits, nor plans to contribute directly towards post-employment benefits other than making insurance available. Therefore, for purposes of the actuarial valuation, future retirees were assumed to contribute an amount equal to the actual premiums for health insurance that are charged by the carrier and the actuary assumed that there will be no other post-employment benefits provided. Based on this assumption, there is an implied subsidy in the healthcare insurance premium for retirees because the premium charged for retirees will be the same as the premium charged for active employees, who are younger than retirees on average. The actuary assumed that monthly retiree healthcare premiums at age 65 for single coverage would be \$ 450 higher on average for the HMO plan if the subsidy were not in place. Therefore the actuary treated \$ 450 per month as the implied subsidy at age 65 for purposes of GASB 45 and the subsidy decreased for younger ages based on the assumption that healthcare costs increase at a rate of 3.00% for each year of age. The plan which is a single employer plan is not accounted for as a trust fund and an irrevocable trust has not been established to fund this plan. The plan does not issue a separate financial report. It is the Village's current policy to fund the plan on a "pay-as-you-go" basis from the General Fund.

**Note 2 - Detailed Notes on all Funds (continued)**

**2. Annual OPEB cost and net OPEB obligation**

The Village's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The Village has engaged an actuary to calculate the ARC and related information per the provisions of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 15 years.

The following table shows the components of the Village's annual OPEB cost for the year, the amount actually contributed to the plan, and the Village's net OPEB obligation at September 30, 2016:

Annual required contribution	\$ 117,000
Interest on net OPEB obligation	26,000
Adjustment to annual required contribution	<u>(57,000)</u>
Annual OPEB cost	86,000
Contributions made	<u>(24,000)</u>
Increase in net OPEB obligation	62,000
Net OPEB obligation, October 1, 2015	<u>655,000</u>
Net OPEB obligation, September 30, 2016	<u>\$ 717,000</u>

The annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for 2016 and two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
9/30/2014	\$ 85,000	20.0%	\$ 585,000
9/30/2015	\$ 87,000	20.0%	\$ 655,000
9/30/2016	\$ 86,000	28.0%	\$ 717,000

**3. Funded Status and Funding Progress**

The funded status of the Plan as of January 1, 2016 was as follows:

Actuarial accrued liability	\$ 610,000
Actuarial value of Plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 610,000
Funded ratio	0%
Covered payroll	\$ 7,640,000
UAAL as a percentage of covered payroll	8.0%

**Note 2 - Detailed Notes on all Funds (continued)**

The actuarial valuation for the calculation of OPEB involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded 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. The required schedule of funding progress presented as required supplementary information is designed to provide multi-year trend information to show whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. However, the Village has not contributed assets to the Plan at this time.

**4. Actuarial Methods and Assumptions**

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Village and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Valuation date	January 1, 2016
Actuarial cost method	Projected unit credit
Amortization method	15-year open period; level-dollar payment
Inflation rate	2.75%
Investment return	4.00%
Healthcare cost trend rate(s):	<u>Insurance Premiums</u>
Select rates	7.00% for 2016 graded to 5.50% for 2019
Ultimate rate	5.00% per annum

**H. Equity Classifications and Policies**

**1. Fund Statements**

Fund balances of the governmental funds are classified as follows:

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

**Note 2 - Detailed Notes on all Funds (continued)**

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

Committed - amounts that can be used only for specific purposes determined by a formal action of Village Council. Village Council is the highest level of decision making authority for the Village. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by Village Council. It is equally difficult to remove the constraint provided by an ordinance or a resolution.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Village's adopted policy, only Village Council may assign amounts for specific purposes.

Unassigned - all other spendable amounts. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

*Fund balance flow assumptions*

Sometimes the Village will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Village's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

*Fund balance policy*

The Village of Pinecrest will maintain a minimum unassigned fund balance in the General Fund of 10% of budgeted expenditures and transfers out. The Village shall strive to keep an additional unassigned fund balance for extraordinary expenditures and mitigation due to the Village being located in a hurricane zone. That amount is to be determined each year by Village Council during the budget process.

Village of Pinecrest, Florida  
Notes to the Financial Statements  
September 30, 2016

**Note 2 - Detailed Notes on all Funds (continued)**

As of September 30, 2016, fund balances are composed of the following:

	General Fund	Transportation Fund	CITT Public Transit Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepays	\$ 107,537	\$ -	\$ -	\$ -	\$ -	\$ 107,537
Restricted:						
Transportation	-	4,402,295	283,120	-	-	4,685,415
Public safety	-	-	-	-	86,175	86,175
Capital projects	-	-	-	4,927,524	-	4,927,524
Assigned:						
Capital projects	-	-	-	1,015,503	-	1,015,503
Subsequent year's budget	1,131,194	-	-	-	-	1,131,194
Unassigned Funds	<u>6,222,236</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,222,236</u>
Total fund balances	<u>\$ 7,460,967</u>	<u>\$ 4,402,295</u>	<u>\$ 283,120</u>	<u>\$ 5,943,027</u>	<u>\$ 86,175</u>	<u>\$ 18,175,584</u>

The makeup of the "Subsequent Year Appropriations" in the General Fund consists of:

Carryovers (see footnote 3F)	\$ 71,774
Used to balance 2017 budget	<u>1,059,420</u>
Total	<u>\$ 1,131,194</u>

**2. Government-Wide and Proprietary Fund Statements**

Equity is classified as net position and displayed in three components:

- Net investment in capital assets - consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvements of those assets.
- Restricted - consists of net position with constraints placed on the use either by: 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - consists of all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

*Net position flow assumption*

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

### Note 3 - Commitments and Contingencies

#### A. Risk Management

The Village is exposed to various risks of loss related to torts, theft of or damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters for which the Village carries insurance through the Florida League of Cities. There were no significant reductions in insurance coverage from the coverage in the prior year. There were no settled claims that have exceeded insurance coverage for each of the past three years.

#### B. Litigation

The Village is a defendant in various lawsuits incidental to its operations. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Village's management and legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the Village.

#### C. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. In the opinion of management, future disallowances of grant expenditures, if any, would not have a material adverse effect on the Village's financial condition.

#### D. Interlocal Agreement

On June 17, 1997 the Village entered into an interlocal agreement with Miami-Dade County to pass thru the Village's share of the franchise fee on electricity collected by Florida Power and Light. Under this agreement, the County remitted \$ 800,440 to the Village for the fiscal year ended September 30, 2016. This agreement will be in effect as long as the Ordinance establishing the collection of these fees is in place.

On July 17, 2003 the Village entered into another interlocal agreement with Miami-Dade County. Under this agreement, the County remitted \$ 771,396 to the Village for the fiscal year ended September 30, 2016 for the purpose of providing transportation services within the Village. This agreement shall remain in effect as long as the County receives net proceeds from the ½ cent County Transit System Surtax as authorized by Miami-Dade County Ordinance No. 02-116 pursuant to the authority of Section 212.055(1) Florida Statutes 2002.

#### E. Pension Plans

##### 1. Defined Contribution Plan

The Village of Pinecrest 401(a) Money Purchase Plan is a defined contribution plan established by the Village to provide benefits at retirement for its employees. All full time employees must be a member of the plan. Plan members are required to contribute 7% of base earnings for the plan year. The Village is required to contribute 10% of base earnings for each participant for the plan year. Plan provisions and contribution requirements are established and may be amended by the Village Council.

**Note 3 - Commitments and Contingencies (continued)**

The Plan's assets are administered by ICMA Retirement Corporation. The Village does not exercise any control over the plan assets. Village contributions to the plan were \$ 519,922. There are current year forfeitures of \$ 4,423 which will carryover for use in fiscal year 2017. Employee contributions were \$ 363,944 for the year ended September 30, 2016.

**2. Defined Benefit Plan**

The Village participates in the Florida Retirement System (FRS), a statewide cost-sharing multiple-employer public employee retirement system (PERS), available to governmental units within the state and administered by the State of Florida Department of Management Services, Division of Retirement. The sworn police personnel are eligible to participate in the FRS.

General Information - As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, by calling (877) 377-1737, or by visiting: [www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

**Pension Plan**

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

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service.

**Note 3 - Commitments and Contingencies (continued)**

For Special Risk and Special Risk Administrative Support class members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 60 or 30 years of service regardless of age. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before August 1, 2011 the annual cost-of-living adjustment (COLA) is three percent per year. The COLA formula for retirees with an effective retirement date or DROP begin date on or after August 1, 2011, will be the sum of the pre-July 2011 service credit divided by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions - Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2015 through June 30, 2016 and from July 1, 2016 through September 30, 2016, respectively, were as follows: Special Risk Administrative Support - 32.95% and 28.06%; Special Risk - 22.04% and 22.57%; and DROP participants - 12.88% and 12.99%. These employer contribution rates include 1.66% HIS Plan subsidy for the periods October 1, 2015 through September 30, 2016.

The Village's contributions, including employee contributions, to the Pension Plan totaled \$ 954,311 for the fiscal year ended September 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2016, the Village reported a liability of \$ 7,871,188 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. At June 30, 2016, the Village's proportion was .031172926 percent, which was an increase of .003236391 percentage points from its proportion measured as of June 30, 2015.

**Note 3 - Commitments and Contingencies (continued)**

For the year ended September 30, 2016, the Village recognized pension expense of \$ 1,097,887. At September 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 602,679	\$ 73,286
Changes of assumptions	476,183	-
Net difference between projected and actual earnings on pension plan investments	2,034,606	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	384,647	590,528
Village contributions subsequent to the measurement date	216,114	-
	<u>3,714,229</u>	<u>663,814</u>
Total	\$ <u>3,714,229</u>	\$ <u>663,814</u>

\$ 216,114 reported as deferred outflows of resources related to pensions resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:		
2017	\$	322,834
2018	\$	322,834
2019	\$	1,116,050
2020	\$	811,678
2021	\$	193,235
Thereafter	\$	67,670

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

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	7.60%, net of pension plan investment expense, including inflation

Mortality assumptions were based on the Generational RP-2000 with Projection Scale BB tables.

**Note 3 - Commitments and Contingencies (continued)**

The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The Florida Retirement System (FRS) Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to section 216.136(10), Florida Statutes. During presentations to the 2016 FRS Actuarial Assumption Conference, Aon Hewitt, the investment consultant for the State Board of Administration, and the consulting actuary both recommended reducing the investment return assumption. Based on their respective capital market outlook models, the 50th percentile average annual long-term future return rates ranged between 6.3 percent and 6.6 percent. When Aon Hewitt applied the State Board of Administration's approach to assumption development, the investment return forecast was 7.0 percent. The consulting actuary notes the reduced investment return assumption adopted by the FRS Actuarial Assumption Conference conflicts with their judgment of a reasonable assumption as defined by the Actuarial Standards of Practice Number 27 (ASOP 27).

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

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.0%	3.0%	1.7%
Fixed income	18.0%	4.7%	4.6%	4.6%
Global equity	53.0%	8.1%	6.8%	17.2%
Real Estate (property)	10.0%	6.4%	5.8%	12.0%
Private equity	6.0%	11.5%	7.8%	30.0%
Strategic investments	12.0%	6.1%	5.6%	11.1%
Total	100.0%			
Assumed Inflation - Mean			2.6%	1.9%

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

Discount Rate - The discount rate used to measure the total pension liability was 7.60%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

**Note 3 - Commitments and Contingencies (continued)**

Sensitivity of the Village's proportion share of the net pension liability to changes in the discount rate - The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 7.60 percent, as well as what the Village's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60 percent) or 1-percentage-point higher (8.60 percent) than the current rate:

	1% Decrease (6.60%)	Current Discount Rate (7.60%)	1% Increase (8.60%)
Village's proportionate share of the net pension liability for FRS	\$ 14,491,391	\$ 7,871,188	\$ 2,360,744

**HIS Plan:**

Plan Description - The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided - For the fiscal year ended September 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment of \$ 5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$ 30 and a maximum HIS payment of \$ 150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2016, the HIS contribution was 1.66%. The Village contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The Village's contributions to the HIS Plan totaled \$ 48,773 for the fiscal year ended September 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2016, the Village reported a liability of \$ 1,423,708 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. At June 30, 2016, the Village's proportionate share was .012215863 percent, which was an increase of .000051991 percent from its proportionate share measured as of June 30, 2015.

**Note 3 - Commitments and Contingencies (continued)**

For the fiscal year ended September 30, 2016, the Village recognized pension expense of \$ 104,907. In addition the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,243
Change of assumptions	223,416	-
Net difference between projected and actual earnings on HIS Plan investments	720	-
Changes in proportion and differences between Village HIS Plan contributions and proportionate share of contributions	19,129	-
Village HIS Plan contributions subsequent to the measurement date	17,208	-
Total	\$ 260,473	\$ 3,243

\$ 17,208 reported as deferred outflows of resources related to pensions resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Year Ended September 30:		
2017	\$	43,669
2018	\$	43,669
2019	\$	43,532
2020	\$	43,467
2021	\$	36,715
Thereafter	\$	28,970

Actuarial Assumptions - The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Municipal bond rate	2.85 %

**Note 3 - Commitments and Contingencies (continued)**

Mortality assumptions were based on the Generational RP-2000 with Projection Scale BB tables.

Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan. The municipal rate used to determine total pension liability was decreased from 3.80% to 2.85%.

Discount Rate - The discount rate used to measure the total pension liability was 2.85%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate and the municipal bond rate of 2.85% was used to determine the total pension liability. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the Village's proportionate share of the net pension liability calculated using the discount rate of 2.85%, as well as what the Village's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.85%) or one percentage point higher (3.85%) than the current rate:

	1% Decrease (1.85%)	Current Discount Rate (2.85%)	1% Increase (3.85%)
Village's proportionate share of the net pension liability	\$ 1,633,317	\$ 1,423,708	\$ 1,249,745

**F. Construction Commitments**

There are three projects and five equipment purchases on backorder in the General Fund which were not completed by year end and carried over. The projects are:

Lieutenant promotion test	\$ 3,000
A/C Chiller, Village Hall	60,000
Master Plan, BPZ Comprehensive Development	<u>8,774</u>
Total General Fund carryovers	<u>\$ 71,774</u>

**Note 3 - Commitments and Contingencies (continued)**

Kendall Drive Design	\$ 19,798
Kendall Drive Construction	250,000
US1 Design	121,000
Bike Path and Lanes	1,300,400
Masthead Project	120,000
US1 Bike Mobility Plan	400,000
US1 Landscaping	<u>400,000</u>
 Total Transportation Fund carryovers	 \$ <u><u>2,611,198</u></u>
 Water line	 \$ 300,000
Web upgrade	11,200
Coral Pines, Landscaping	163,200
Coral Pines, Building Renovations	294,913
Public Works, Storage Building	45,447
Public Works, Storage Building	3,686
Community Center, Building Expansion	4,472,263
Pinecrest Gardens, Cypress Hall	339,627
Pinecrest Gardens, Handicapped Improvements	26,699
Pinecrest Gardens, Retaining wall, Fish feeding area	8,400
Pinecrest Gardens, Walkways	592,366
Pinecrest Gardens, Upper Gardens Lighting	28,000
Pinecrest Gardens, Master plan	<u>46,000</u>
 Total Capital Projects Fund carryovers	 \$ <u><u>6,331,801</u></u>

**G. Subsequent Event**

None

REQUIRED SUPPLEMENTARY INFORMATION  
(Other Than MD&A)

**Village of Pinecrest, Florida**  
**Required Supplementary Information**  
**Other Post-Employment Benefits**  
**Schedule of Funding Progress**  
**(Unaudited)**

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<u>Actuarial Valuation Date</u>	<u>(a) Actuarial Value of Assets</u>	<u>(b) Actuarial Accrued Liability (AAL)</u>	<u>(b-a) Unfunded AAL (UAAL)</u>	<u>(a/b) Funded Ratio</u>	<u>(c) Annual Covered Payroll</u>	<u>(b-a)/c UAAL as a Percentage of Covered Payroll</u>
1/1/2010	\$ -	\$ 634,000	\$ (634,000)	0.00%	\$ 5,712,000	11.10%
1/1/2012	\$ -	\$ 529,000	\$ (529,000)	0.00%	\$ 5,104,000	10.40%
1/1/2014	\$ -	\$ 567,000	\$ (567,000)	0.00%	\$ 6,979,000	8.10%
1/1/2016	\$ -	\$ 610,000	\$ (610,000)	0.00%	\$ 7,640,000	8.00%

**Village of Pinecrest, Florida**  
**Schedule of Proportionate Share of Net Pension Liability**  
**Florida Retirement System Pension Plan**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

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	<u>2016</u>	<u>2015</u>	<u>2014</u>
Village of Pinecrest, Florida's proportion of the net pension liability	.031172926%	.027936535%	.028331981%
Village of Pinecrest, Florida's proportionate share of the net pension liability	\$ 7,871,188	\$ 3,608,378	\$ 1,728,668
Village of Pinecrest, Florida's covered-employee payroll	\$ 4,419,337	\$ 3,727,429	\$ 3,648,836
Village of Pinecrest, Florida's proportionate share of the net pension liability as a percentage of its covered-employee payroll	178.11%	96.81%	47.38%
Plan fiduciary net position as a percentage of total pension liability	84.88%	92.00%	96.09%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Village of Pinecrest, Florida**  
**Schedule of Proportionate Share of Net Pension Liability**  
**Retiree Health Insurance Subsidy Program**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

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	<u>2016</u>	<u>2015</u>	<u>2014</u>
Village of Pinecrest, Florida's proportion of the net pension liability	.012215863%	.012163872%	.012124598%
Village of Pinecrest, Florida's proportionate share of the net pension liability	\$ 1,423,708	\$ 1,240,524	\$ 1,133,680
Village of Pinecrest, Florida's covered-employee payroll	\$ 4,419,337	\$ 3,727,429	\$ 3,648,836
Village of Pinecrest, Florida's proportionate share of the net pension liability as a percentage of its covered-employee payroll	32.22%	33.28%	31.07%
Plan fiduciary net position as a percentage of total pension liability	0.97%	0.50%	0.99%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Village of Pinecrest, Florida**  
**Schedule of Contributions**  
**Florida Retirement System Pension Plan**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

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	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 834,553	\$ 703,668	\$ 656,121
Contributions in relation to the contractually required contribution	<u>834,553</u>	<u>703,668</u>	<u>656,121</u>
Contribution deficiency (excess)	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>
Village of Pinecrest, Florida's covered employee payroll	\$ 4,419,337	\$ 3,727,429	\$ 3,648,836
Contributions as a percentage of covered payroll	18.88%	18.88%	17.98%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Village of Pinecrest, Florida**  
**Schedule of Contributions**  
**Retiree Health Insurance Subsidy Program**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

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	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 48,773	\$ 43,532	\$ 37,882
Contributions in relation to the contractually required contribution	<u>48,773</u>	<u>43,532</u>	<u>37,882</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Village of Pinecrest, Florida's covered employee payroll	\$ 4,419,337	\$ 3,727,429	\$ 3,648,836
Contributions as a percentage of covered payroll	1.10%	1.17%	1.04%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

Village of Pinecrest, Florida  
Schedule of Investment Returns  
Florida Retirement System Pension Plan  
Last 10 Fiscal Years \*  
(Unaudited)

---

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted annual rate of return, net of investment expenses	0.57%	3.77%	17.57%

\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

**Village of Pinecrest, Florida**  
**Schedule of Investment Returns**  
**Retiree Health Insurance Subsidy Program**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

---

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted annual rate of return, net of investment expenses	0.57%	3.77%	17.57%

\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

**Village of Pinecrest, Florida**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended September 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Taxes:</b>				
Ad valorem taxes	\$ 9,076,860	\$ 9,076,860	\$ 9,036,615	\$ (40,245)
Franchise fees	913,030	913,030	944,867	31,837
Utility taxes	2,180,870	2,180,870	2,227,275	46,405
Communications services tax	953,940	953,940	885,499	(68,441)
Business tax	115,000	115,000	122,659	7,659
Total taxes	13,239,700	13,239,700	13,216,915	(22,785)
Licenses and permits	2,518,540	2,643,540	2,815,703	172,163
Intergovernmental revenue	2,018,390	2,018,390	2,073,892	55,502
Charges for services	2,000,990	2,042,503	2,267,048	224,545
Fines and forfeitures	1,551,100	1,551,100	797,830	(753,270)
<b>Miscellaneous revenues:</b>				
Interest earnings	15,000	15,000	53,393	38,393
Other miscellaneous revenues	301,000	301,000	215,171	(85,829)
Total miscellaneous revenues	316,000	316,000	268,564	(47,436)
Total revenues	21,644,720	21,811,233	21,439,952	(371,281)
<b>Expenditures:</b>				
General government	3,571,770	3,661,283	3,493,423	167,860
Public safety	9,487,400	9,588,230	8,503,298	1,084,932
Building, planning and zoning	1,814,850	1,987,750	1,986,632	1,118
Parks and recreation	4,397,770	4,397,770	4,283,656	114,114
Public works	724,520	724,520	724,388	132
Total expenditures	19,996,310	20,359,553	18,991,397	1,368,156
Excess of revenues over expenditures before other financing sources (uses)	1,648,410	1,451,680	2,448,555	(1,739,437)
<b>Other financing sources (uses):</b>				
Appropriation of prior year's fund balance	1,209,080	1,405,810	-	(1,405,810)
Transfers out	(2,857,490)	(2,857,490)	(2,856,993)	497
Total other financing sources (uses)	(1,648,410)	(1,451,680)	(2,856,993)	(1,405,313)
Net change in fund balance	\$ -	\$ -	\$ (408,438)	\$ (408,438)

See notes to budgetary comparison schedules

Village of Pinecrest, Florida  
 Required Supplemental Information  
 Budgetary Comparison Schedule  
 Transportation Fund  
 Fiscal Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Transportation taxes	\$ 437,820	\$ 437,820	\$ 481,436	\$ 43,616
Intergovernmental	1,000,000	1,000,000	32,000	(968,000)
Interest	4,000	4,000	9,937	5,937
Total revenues	<u>1,441,820</u>	<u>1,441,820</u>	<u>523,373</u>	<u>(918,447)</u>
<b>Expenditures:</b>				
Public works	<u>2,405,840</u>	<u>3,254,246</u>	<u>405,291</u>	<u>2,848,955</u>
Total expenditures	<u>2,405,840</u>	<u>3,254,246</u>	<u>405,291</u>	<u>2,848,955</u>
Excess (deficiency) of revenues over expenditures	<u>(964,020)</u>	<u>(1,812,426)</u>	<u>118,082</u>	<u>1,930,508</u>
<b>Other Financing Sources (Uses):</b>				
Appropriation of prior year's fund balance	990,010	1,838,416	-	(1,838,416)
Transfers out	<u>(25,990)</u>	<u>(25,990)</u>	<u>(25,990)</u>	<u>-</u>
Total other financing sources (uses)	<u>964,020</u>	<u>1,812,426</u>	<u>(25,990)</u>	<u>(1,838,416)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,092</u>	<u>\$ 92,092</u>

See notes to budgetary comparison schedules

Village of Pinecrest, Florida  
 Required Supplemental Information  
 Budgetary Comparison Schedule  
 CITT Public Transit Fund  
 Fiscal Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 636,000	\$ 636,000	\$ 771,396	\$ 135,396
Interest	<u>1,000</u>	<u>1,000</u>	<u>1,682</u>	<u>682</u>
Total revenues	<u>637,000</u>	<u>637,000</u>	<u>773,078</u>	<u>136,078</u>
<b>Expenditures:</b>				
Public works	<u>1,550,950</u>	<u>1,691,103</u>	<u>1,657,239</u>	<u>33,864</u>
Total expenditures	<u>1,550,950</u>	<u>1,691,103</u>	<u>1,657,239</u>	<u>33,864</u>
Excess (deficiency) of revenues over expenditures	<u>(913,950)</u>	<u>(1,054,103)</u>	<u>(884,161)</u>	<u>169,942</u>
<b>Other Financing Sources (Uses):</b>				
Appropriation of prior year's fund balance	913,950	1,054,103	-	(1,054,103)
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>913,950</u>	<u>1,054,103</u>	<u>-</u>	<u>(1,054,103)</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(884,161)</u>	\$ <u>(884,161)</u>

See notes to budgetary comparison schedules

**Village of Pinecrest, Florida**  
**Required Supplementary Information**  
**Notes to Budgetary Comparison Schedules**  
**Fiscal Year Ended September 30, 2016**

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**Note 1 - Budgets and Budgetary Accounting:**

An annual appropriated budget is adopted for all of the governmental funds except for the Police Forfeiture Fund on a basis consistent with accounting principles generally accepted in the United States.

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. The Village Manager submits to the Council a proposed operating and capital budget for the ensuing year. The budget includes proposed expenditures and means of financing them.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. Prior to October 1, the budget is legally enacted through the passage of a budget ordinance.
- d. The Village Council, by motion, may make supplemental appropriations for the year up to the amount of revenues in excess of those estimated. There were supplemental appropriations in the General Fund for an additional \$ 363,243 during the fiscal year ended September 30, 2016.
- e. Formal budgetary integration is employed as a management control devise during the year for all of the funds.
- f. The Village Manager is authorized to transfer part of, all or an unencumbered appropriation within a department within a fund; however, any revisions that alter the total appropriations of any department or fund must be approved by the Village Council. The Departments are General Government, Police, BPZ (Building, Planning and Zoning), Public Works, and Parks and Recreation. The classification detail at which expenditures may not legally exceed appropriations is at the department level.
- g. Unencumbered appropriations lapse at fiscal year end. Unencumbered amounts are reappropriated in the following year's budget.
- h. Budgeted amounts are as originally adopted or as amended. Individual type amendments are not material in relation to the original appropriations.

**Note 2 - Reconciliation of Budgeted and Actual Results**

The GAAP to budgetary basis was the same for all funds.

COMBINING FUND FINANCIAL  
STATEMENTS AND SCHEDULES

## 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.

**Police Education Fund** - This fund receives funds from judgments, donations and grants to be used to provide training to police department personnel.

**Police Forfeiture Fund** - This fund is used to account for revenues received from federal, state and local law enforcement forfeitures and seizures which are restricted for law enforcement purposes.

**Hardwire Fund** - This fund receives funds derived from a tax on land-based phone lines and is used to fund 911 services.

**Wireless Fund** - This fund receives funds derived from a tax on cell phones and is used to fund 911 services.

**Prepaid 911 Fund** - This fund receives funds collected by the State for the emergency telephone number 911 which are restricted for the purchase of systems, training, communications and related capital asset purchases.

### Debt Service Fund

**Debt Service Fund** - This fund is used to accumulate resources and distribute principal, interest and bond related issuance costs on long-term debt payable by the Village of Pinecrest.

Village of Pinecrest, Florida  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2016

	<u>Police Education Fund</u>	<u>Police Forfeiture Fund</u>	<u>Hardwire Fund</u>	<u>Wireless Fund</u>	<u>Prepaid 911 Fund</u>	<u>Total Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total Non-Major Governmental Funds</u>
<b>Assets:</b>								
Cash and cash equivalents	\$ 2,306	\$ 44,807	\$ 10,640	\$ 13,902	\$ 411	\$ 72,066	\$ -	\$ 72,066
Receivables	<u>608</u>	<u>-</u>	<u>13,332</u>	<u>1,132</u>	<u>452</u>	<u>15,524</u>	<u>-</u>	<u>15,524</u>
Total assets	<u>\$ 2,914</u>	<u>\$ 44,807</u>	<u>\$ 23,972</u>	<u>\$ 15,034</u>	<u>\$ 863</u>	<u>\$ 87,590</u>	<u>\$ -</u>	<u>\$ 87,590</u>
<b>Liabilities, Equity and Other Credits:</b>								
Liabilities	\$ -	\$ -	\$ 1,202	\$ 213	\$ -	\$ 1,415	\$ -	\$ 1,415
Fund balances:								
Restricted for:								
Public safety	<u>2,914</u>	<u>44,807</u>	<u>22,770</u>	<u>14,821</u>	<u>863</u>	<u>86,175</u>	<u>-</u>	<u>86,175</u>
Total fund balances	<u>2,914</u>	<u>44,807</u>	<u>22,770</u>	<u>14,821</u>	<u>863</u>	<u>86,175</u>	<u>-</u>	<u>86,175</u>
Total liabilities and fund balance	<u>\$ 2,914</u>	<u>\$ 44,807</u>	<u>\$ 23,972</u>	<u>\$ 15,034</u>	<u>\$ 863</u>	<u>\$ 87,590</u>	<u>\$ -</u>	<u>\$ 87,590</u>

**Village of Pinecrest, Florida**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Fiscal Year Ended September 30, 2016**

	<u>Police Education Fund</u>	<u>Police Forfeiture Fund</u>	<u>Hardwire Fund</u>	<u>Wireless Fund</u>	<u>Prepaid 911 Fund</u>	<u>Total Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total Non-major Governmental Funds</u>
<b>Revenues:</b>								
Intergovernmental	\$ -	\$ -	\$ 37,565	\$ 7,501	\$ 3,063	\$ 48,129	\$ -	\$ 48,129
Fines and forfeitures	3,598	51,670	-	-	-	55,268	-	55,268
Interest	-	4	5	1	-	10	-	10
	<u>-</u>	<u>4</u>	<u>5</u>	<u>1</u>	<u>-</u>	<u>10</u>	<u>-</u>	<u>10</u>
Total revenues	<u>3,598</u>	<u>51,674</u>	<u>37,570</u>	<u>7,502</u>	<u>3,063</u>	<u>103,407</u>	<u>-</u>	<u>103,407</u>
<b>Expenditures:</b>								
Current:								
Public safety	7,778	74,539	157,798	35,154	2,200	277,469	-	277,469
Debt service:								
Principal	-	-	-	-	-	-	1,579,700	1,579,700
Interest	-	-	-	-	-	-	387,283	387,283
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>387,283</u>	<u>387,283</u>
Total expenditures	<u>7,778</u>	<u>74,539</u>	<u>157,798</u>	<u>35,154</u>	<u>2,200</u>	<u>277,469</u>	<u>1,966,983</u>	<u>2,244,452</u>
Excess (deficiency) of revenues over expenditures	<u>(4,180)</u>	<u>(22,865)</u>	<u>(120,228)</u>	<u>(27,652)</u>	<u>863</u>	<u>(174,062)</u>	<u>(1,966,983)</u>	<u>(2,141,045)</u>
<b>Other Financing Sources:</b>								
Transfers in	-	-	125,000	16,000	-	141,000	1,966,983	2,107,983
	<u>-</u>	<u>-</u>	<u>125,000</u>	<u>16,000</u>	<u>-</u>	<u>141,000</u>	<u>1,966,983</u>	<u>2,107,983</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>125,000</u>	<u>16,000</u>	<u>-</u>	<u>141,000</u>	<u>1,966,983</u>	<u>2,107,983</u>
Net change in fund balances	(4,180)	(22,865)	4,772	(11,652)	863	(33,062)	-	(33,062)
<b>Fund balances, beginning</b>	<u>7,094</u>	<u>67,672</u>	<u>17,998</u>	<u>26,473</u>	<u>-</u>	<u>119,237</u>	<u>-</u>	<u>119,237</u>
<b>Fund balances, ending</b>	<u>\$ 2,914</u>	<u>\$ 44,807</u>	<u>\$ 22,770</u>	<u>\$ 14,821</u>	<u>\$ 863</u>	<u>\$ 86,175</u>	<u>\$ -</u>	<u>\$ 86,175</u>

Village of Pinecrest, Florida  
 Budgetary Comparison Schedule  
 Police Education Fund  
 Fiscal Year Ended September 30, 2016

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures	\$ <u>5,140</u>	\$ <u>5,140</u>	\$ <u>3,598</u>	\$ <u>(1,542)</u>
Total revenues	<u>5,140</u>	<u>5,140</u>	<u>3,598</u>	<u>(1,542)</u>
<b>Expenditures:</b>				
Public safety	<u>9,010</u>	<u>9,010</u>	<u>7,778</u>	<u>1,232</u>
Total expenditures	<u>9,010</u>	<u>9,010</u>	<u>7,778</u>	<u>1,232</u>
Excess (deficiency) of revenues over expenditures	<u>(3,870)</u>	<u>(3,870)</u>	<u>(4,180)</u>	<u>(310)</u>
<b>Other Financing Sources (Uses):</b>				
Appropriation of prior year's fund balance	<u>3,870</u>	<u>3,870</u>	<u>-</u>	<u>(3,870)</u>
Total other financing sources	<u>3,870</u>	<u>3,870</u>	<u>-</u>	<u>(3,870)</u>
Net change in fund balance	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>(4,180)</u></u>	\$ <u><u>(4,180)</u></u>

Village of Pinecrest, Florida  
 Budgetary Comparison Schedule  
 Police Forfeiture Fund  
 Fiscal Year Ended September 30, 2016

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ -	\$ -	\$ 51,670	\$ 51,670
Interest	-	-	4	4
Total revenues	-	-	51,674	51,674
<b>Expenditures:</b>				
Current:				
Public safety	-	51,090	74,539	(23,449)
Total expenditures	-	51,090	74,539	(23,449)
Excess (deficiency) of revenues over expenditures	-	(51,090)	(22,865)	28,225
<b>Other Financing Sources (Uses):</b>				
Appropriation of prior year's fund balance	-	51,090	-	(51,090)
Total other financing sources	-	51,090	-	(51,090)
Net change in fund balance	\$ -	\$ -	\$ (22,865)	\$ (22,865)

Village of Pinecrest, Florida  
 Budgetary Comparison Schedule  
 Hardwire Fund  
 Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 53,520	\$ 53,520	\$ 37,565	\$ (15,955)
Interest	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
Total revenues	<u>53,520</u>	<u>53,520</u>	<u>37,570</u>	<u>(15,950)</u>
<b>Expenditures:</b>				
Public safety	<u>176,900</u>	<u>176,900</u>	<u>157,798</u>	<u>19,102</u>
Excess (deficiency) of revenues over expenditures	<u>(123,380)</u>	<u>(123,380)</u>	<u>(120,228)</u>	<u>3,152</u>
<b>Other Financing Sources (Uses):</b>				
Appropriation of prior year's fund balance	8,380	8,380	-	(8,380)
Transfers in	<u>115,000</u>	<u>115,000</u>	<u>125,000</u>	<u>10,000</u>
Total other financing sources (uses)	<u>123,380</u>	<u>123,380</u>	<u>125,000</u>	<u>1,620</u>
Net change in fund balance	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>4,772</u></u>	\$ <u><u>4,772</u></u>

Village of Pinecrest, Florida  
 Budgetary Comparison Schedule  
 Wireless Fund  
 Fiscal Year Ended September 30, 2016

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental Interest	\$ 5,200	\$ 5,200	\$ 7,501	\$ 2,301
	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Total revenues	<u>5,200</u>	<u>5,200</u>	<u>7,502</u>	<u>2,302</u>
<b>Expenditures:</b>				
Public safety	<u>34,040</u>	<u>34,040</u>	<u>35,154</u>	<u>(1,114)</u>
Total expenditures	<u>34,040</u>	<u>34,040</u>	<u>35,154</u>	<u>(1,114)</u>
Excess (deficiency) of revenues over expenditures	<u>(28,840)</u>	<u>(28,840)</u>	<u>(27,652)</u>	<u>1,188</u>
<b>Other Financing Sources (Uses):</b>				
Appropriation of prior year's fund balance	12,840	12,840	-	(12,840)
Transfers in	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>
Total other financing sources (uses)	<u>28,840</u>	<u>28,840</u>	<u>16,000</u>	<u>(12,840)</u>
Net change in fund balance	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>(11,652)</u></u>	\$ <u><u>(11,652)</u></u>

Village of Pinecrest, Florida  
 Budgetary Comparison Schedule  
 Prepaid 911 Fund  
 Fiscal Year Ended September 30, 2016

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 2,200	\$ 3,063	\$ 863
Total revenues	-	2,200	3,063	863
<b>Expenditures:</b>				
Public safety	-	2,200	2,200	-
Total expenditures	-	2,200	2,200	-
Net change in fund balance	\$ -	\$ -	\$ 863	\$ 863

Village of Pinecrest, Florida  
 Budgetary Comparison Schedule  
 Debt Service Fund  
 Fiscal Year Ended September 30, 2016

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Principal	\$ 1,579,700	\$ 1,579,700	\$ 1,579,700	\$ -
Interest	<u>397,780</u>	<u>397,780</u>	<u>387,283</u>	<u>10,497</u>
Total expenditures	<u>1,977,480</u>	<u>1,977,480</u>	<u>1,966,983</u>	<u>10,497</u>
 <b>Other Financing Sources:</b>				
Transfers in	<u>1,977,480</u>	<u>1,977,480</u>	<u>1,966,983</u>	<u>(10,497)</u>
Net change in fund balance	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

Village of Pinecrest, Florida  
 Budgetary Comparison Schedule  
 Capital Projects Fund  
 Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 513,000	\$ 513,000	\$ 36,980	\$ (476,020)
Interest	5,000	5,000	30,569	25,569
Miscellaneous	25,000	25,000	3,000	(22,000)
Total revenues	<u>543,000</u>	<u>543,000</u>	<u>70,549</u>	<u>(472,451)</u>
<b>Expenditures:</b>				
Current:				
General government	100,000	325,000	16,800	308,200
Public Works	-	-	11,314	(11,314)
Parks and recreation	1,569,910	7,529,614	1,485,043	6,044,571
Total expenditures	<u>1,669,910</u>	<u>7,854,614</u>	<u>1,513,157</u>	<u>6,341,457</u>
Excess (deficiency) of revenues over expenditures	<u>(1,126,910)</u>	<u>(7,311,614)</u>	<u>(1,442,608)</u>	<u>5,869,006</u>
<b>Other Financing Sources (Uses):</b>				
Appropriation of prior year's fund balance	351,910	6,536,614	-	(6,536,614)
Transfers in	775,000	775,000	775,000	-
Total other financing sources (uses)	<u>1,126,910</u>	<u>7,311,614</u>	<u>775,000</u>	<u>(6,536,614)</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(667,608)</u>	\$ <u>(667,608)</u>

## STATISTICAL SECTION

## STATISTICAL SECTION

This part of the Village of Pinecrest 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 government's overall financial health.

### Contents

#### Financial Trends:

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

- Table 1 - Net Position by Component
- Table 2 - Changes in Net Position
- Table 3 - Governmental Activities Tax Revenues by Source
- Table 4 - Fund Balances in Governmental Funds
- Table 5 - Statement of Revenues, Expenditures and Changes in Fund Balance

#### Revenue Capacity:

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

- Table 6 - General Governmental Revenues by Function
- Table 7 - Assessed Value of Taxable Property
- Table 8 - Property Tax Rates - Direct and Overlapping Governments
- Table 9 - Property Tax Levies and Collections
- Table 10 - Principal Taxpayers

#### Debt Capacity:

These schedules contain information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

- Table 11 - Ratio of Outstanding Debt by Type
- Table 12 - Ratio of General Bonded Debt Outstanding
- Table 13 - Computation of Direct and Overlapping Debt

#### Demographic and Economic Information:

These schedules offer demographic and economic indicators to help the reader understand the environment with which the government's financial activities take place.

- Table 14 - Demographic and Economic Statistics
- Table 15 - Principal Employers

#### Operating Information:

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

- Table 16 - Full Time Equivalent Government Employees by Function
- Table 17 - Operating Indicators by Function
- Table 18 - Capital Assets by Function

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

**Village of Pinecrest, Florida**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**  
**Amounts Expressed in Thousands**

Table 1

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 105,008	\$ 107,337	\$ 104,605	\$ 101,247	\$ 97,386	\$ 92,221	\$ 88,373	\$ 84,461	\$ 82,757	\$ 80,888
Restricted	8,403	5,171	4,167	4,099	4,668	5,365	6,505	6,739	5,597	5,787
Unrestricted	<u>3,707</u>	<u>3,584</u>	<u>7,951</u>	<u>7,510</u>	<u>7,049</u>	<u>7,921</u>	<u>7,425</u>	<u>7,696</u>	<u>1,933</u>	<u>244</u>
Total governmental activities net position	<u>117,118</u>	<u>116,092</u>	<u>116,723</u>	<u>112,856</u>	<u>109,103</u>	<u>105,507</u>	<u>102,303</u>	<u>98,896</u>	<u>90,287</u>	<u>86,919</u>
<b>Business-type activities:</b>										
Net investment in capital assets	4,696	4,654	4,590	4,626	4,534	4,783	5,456	6,140	5,842	6,335
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	<u>1,587</u>	<u>1,817</u>	<u>1,963</u>	<u>2,231</u>	<u>2,422</u>	<u>2,058</u>	<u>1,317</u>	<u>410</u>	<u>543</u>	<u>355</u>
Total business-type activities net position	<u>6,283</u>	<u>6,471</u>	<u>6,553</u>	<u>6,857</u>	<u>6,956</u>	<u>6,841</u>	<u>6,773</u>	<u>6,550</u>	<u>6,385</u>	<u>6,690</u>
<b>Primary government:</b>										
Net investment in capital assets	109,704	111,991	109,195	105,873	101,920	97,004	93,829	90,601	88,599	87,223
Restricted	8,403	5,171	4,167	4,099	4,668	5,365	6,505	6,739	5,597	5,787
Unrestricted	<u>5,294</u>	<u>5,401</u>	<u>9,914</u>	<u>9,741</u>	<u>9,471</u>	<u>9,979</u>	<u>8,742</u>	<u>8,106</u>	<u>2,476</u>	<u>599</u>
Total primary government net position	<u>\$ 123,401</u>	<u>\$ 122,563</u>	<u>\$ 123,276</u>	<u>\$ 119,713</u>	<u>\$ 116,059</u>	<u>\$ 112,348</u>	<u>\$ 109,076</u>	<u>\$ 105,446</u>	<u>\$ 96,672</u>	<u>\$ 93,609</u>

**Village of Pincrest, Florida**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**  
**Amounts Expressed in Thousands**

**Table 2**

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Expenses:</b>										
Governmental activities:										
General government	\$ 3,946	\$ 2,913	\$ 6,012	\$ 4,868	\$ 3,415	\$ 3,363	\$ 3,857	\$ 3,736	\$ 3,593	\$ 3,659
Public safety	6,807	6,658	7,043	7,294	7,559	7,203	7,259	7,361	7,310	9,090
Building, planning and zoning	1,801	1,740	1,491	1,459	1,499	1,552	1,604	1,728	1,918	2,019
Parks and recreation	2,647	2,476	3,583	3,823	4,144	4,263	4,652	4,705	4,950	5,015
Public works	5,236	6,054	5,480	5,656	5,561	5,658	5,889	6,157	5,919	6,099
Interest on long-term debt	747	825	684	660	521	680	281	377	419	396
Total governmental activities	<u>21,184</u>	<u>20,666</u>	<u>24,293</u>	<u>23,760</u>	<u>22,699</u>	<u>22,719</u>	<u>23,542</u>	<u>24,064</u>	<u>24,109</u>	<u>26,278</u>
Business-type activities										
Stormwater	287	241	312	295	380	566	587	761	841	666
Total business-type activities	<u>287</u>	<u>241</u>	<u>312</u>	<u>295</u>	<u>380</u>	<u>566</u>	<u>587</u>	<u>761</u>	<u>841</u>	<u>666</u>
Total primary government expenses	<u>\$ 21,471</u>	<u>\$ 20,907</u>	<u>\$ 24,605</u>	<u>\$ 24,055</u>	<u>\$ 23,079</u>	<u>\$ 23,285</u>	<u>\$ 24,129</u>	<u>\$ 24,825</u>	<u>\$ 24,950</u>	<u>\$ 26,944</u>

**Village of Pinecrest, Florida**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**  
**Amounts Expressed in Thousands**

**Table 2**  
**(continued)**

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Program revenues:</b>										
Governmental activities:										
Charges for services:										
General government	\$ -	\$ -	\$ 35	\$ 68	\$ 114	\$ 185	\$ 246	\$ 616	\$ 122	\$ 142
Public safety	594	487	362	527	460	426	375	350	444	662
Building, planning and zoning	1,677	1,604	1,377	1,580	1,779	1,964	2,172	2,245	2,854	2,960
Parks and recreation	553	636	799	782	1,181	1,344	1,492	1,669	1,707	1,886
Public works	-	-	-	-	-	77	111	131	261	286
Operating grants and contributions	1,252	1,062	99	99	87	82	71	196	279	274
Capital grants and contributions	72	1,201	6,838	1,746	1,047	189	1,293	603	690	774
<b>Total governmental activities program revenues</b>	<u>4,148</u>	<u>4,990</u>	<u>9,510</u>	<u>4,802</u>	<u>4,668</u>	<u>4,267</u>	<u>5,760</u>	<u>5,810</u>	<u>6,357</u>	<u>6,984</u>
Business type activities:										
Charges for services:										
Stormwater system	402	379	375	449	473	445	514	538	676	969
Capital grants and contributions	-	-	-	143	-	-	-	-	-	-
<b>Total business-type activities program revenues</b>	<u>402</u>	<u>379</u>	<u>375</u>	<u>592</u>	<u>473</u>	<u>445</u>	<u>514</u>	<u>538</u>	<u>676</u>	<u>969</u>
<b>Total primary government program revenues</b>	<u>\$ 4,550</u>	<u>\$ 5,369</u>	<u>\$ 9,885</u>	<u>\$ 5,394</u>	<u>\$ 5,141</u>	<u>\$ 4,712</u>	<u>\$ 6,274</u>	<u>\$ 6,348</u>	<u>\$ 7,033</u>	<u>\$ 7,953</u>
<b>Net (expense)/revenue</b>										
Governmental activities	\$ (17,036)	\$ (15,676)	\$ (14,783)	\$ (18,958)	\$ (18,031)	\$ (18,452)	\$ (17,782)	\$ (18,254)	\$ (17,752)	\$ (19,294)
Business-type activities	115	138	63	297	172	(120)	(73)	(223)	(165)	303
<b>Total primary government net expense</b>	<u>\$ (16,921)</u>	<u>\$ (15,538)</u>	<u>\$ (14,720)</u>	<u>\$ (18,661)</u>	<u>\$ (17,859)</u>	<u>\$ (18,572)</u>	<u>\$ (17,855)</u>	<u>\$ (18,477)</u>	<u>\$ (17,917)</u>	<u>\$ (18,991)</u>

**Village of Pinecrest, Florida**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**  
**Amounts Expressed in Thousands**

**Table 2**  
**(continued)**

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General revenues and other changes in net assets;</b>										
Governmental activities:										
Ad valorem taxes	\$ 8,132	\$ 7,369	\$ 7,484	\$ 7,441	\$ 6,992	\$ 7,410	\$ 7,441	\$ 7,818	\$ 8,598	\$ 9,037
Franchise fees on gross receipts	1,852	1,807	1,407	1,432	1,074	1,217	1,166	894	914	945
Utility taxes	1,802	1,827	1,802	1,933	1,937	1,982	2,067	2,227	2,193	2,227
Communications services tax	816	1,003	1,331	1,198	1,147	1,108	1,084	1,019	977	885
Transportation tax	1,252	986	932	907	983	956	518	471	481	481
Business tax	122	156	155	98	122	127	114	116	114	123
Intergovernmental, not restricted to specific programs	762	904	1,799	1,581	1,755	1,623	1,743	1,847	1,876	1,914
Interest earnings	821	276	57	138	61	80	49	12	56	96
Miscellaneous	390	322	447	363	437	353	398	442	149	218
Total governmental activities	<u>15,949</u>	<u>14,650</u>	<u>15,414</u>	<u>15,091</u>	<u>14,508</u>	<u>14,856</u>	<u>14,580</u>	<u>14,846</u>	<u>15,358</u>	<u>15,926</u>
Business-type activities										
Interest earnings	<u>81</u>	<u>51</u>	<u>19</u>	<u>7</u>	<u>6</u>	<u>6</u>	<u>4</u>	<u>1</u>	<u>1</u>	<u>2</u>
Total business-type activities	<u>81</u>	<u>51</u>	<u>19</u>	<u>7</u>	<u>6</u>	<u>6</u>	<u>4</u>	<u>1</u>	<u>1</u>	<u>2</u>
Total primary government	<u>\$ 16,030</u>	<u>\$ 14,701</u>	<u>\$ 15,433</u>	<u>\$ 15,098</u>	<u>\$ 14,514</u>	<u>\$ 14,862</u>	<u>\$ 14,584</u>	<u>\$ 14,847</u>	<u>\$ 15,359</u>	<u>\$ 15,928</u>
<b>Changes in net position</b>										
Government activities	\$ (1,087)	\$ (1,026)	\$ 631	\$ (3,867)	\$ (3,523)	\$ (3,596)	\$ (3,202)	\$ (3,408)	\$ (2,394)	\$ (3,368)
Business-type activities	<u>196</u>	<u>188</u>	<u>82</u>	<u>304</u>	<u>99</u>	<u>(114)</u>	<u>(69)</u>	<u>(222)</u>	<u>(164)</u>	<u>305</u>
Total primary government	<u>\$ (891)</u>	<u>\$ (838)</u>	<u>\$ 713</u>	<u>\$ (3,563)</u>	<u>\$ (3,424)</u>	<u>\$ (3,710)</u>	<u>\$ (3,271)</u>	<u>\$ (3,630)</u>	<u>\$ (2,558)</u>	<u>\$ (3,063)</u>

Village of Pinecrest, Florida  
 Governmental Activities Tax Revenues by Source  
 Last Ten Fiscal Years  
 (Accrual Basis of Accounting)  
 Amounts Expressed in Thousands

Table 3

<u>Fiscal Year</u>	<u>Ad Valorem Tax</u>	<u>Franchise Fees on Services</u>	<u>Utility Tax</u>	<u>Communications Service Tax</u>	<u>Transportation Tax</u>	<u>Business Tax</u>	<u>Total</u>
2007	\$ 8,132	\$ 1,852	\$ 1,802	\$ 816	\$ 1,252	\$ -	\$ 13,854
2008	7,369	1,807	1,827	1,003	986	156	13,148
2009	7,483	1,407	1,802	1,331	932	155	13,110
2010	7,441	1,432	1,933	1,197	907	98	13,008
2011	6,992	1,074	1,937	1,147	983	122	12,255
2012	7,410	1,217	1,982	1,108	956	127	12,800
2013	7,441	1,166	2,067	1,084	1,063	114	12,935
2014	7,818	894	2,227	1,019	471	116	12,545
2015	8,598	914	2,193	977	481	114	13,277
2016	9,037	945	2,227	885	481	123	13,698

**Village of Pinecrest, Florida**  
**Fund Balances in Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**Amounts Expressed in Thousands**

**Table 4**

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Fund:</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ 2	\$ 1	\$ 147	\$ 160	\$ 182	\$ 107	\$ 108
Committed	58	66	30	-	-	-	-	-	-	-
Assigned	-	583	1,048	1,540	80	198	141	556	1,358	1,131
Unassigned	7,268	3,464	6,862	6,050	6,875	7,851	7,791	7,420	6,404	6,222
<b>Total General Fund</b>	<b>\$ 7,326</b>	<b>\$ 4,113</b>	<b>\$ 7,940</b>	<b>\$ 7,592</b>	<b>\$ 6,956</b>	<b>\$ 8,196</b>	<b>\$ 8,092</b>	<b>\$ 8,158</b>	<b>\$ 7,869</b>	<b>\$ 7,461</b>
<b>All Other Governmental Funds:</b>										
Restricted:										
Special Revenue Funds	\$ 4,408	\$ 4,087	\$ 4,167	\$ 4,098	\$ 4,668	\$ 5,365	\$ 6,505	\$ 6,739	\$ 5,597	\$ 4,771
Capital Project Funds	-	-	-	-	-	-	-	-	5,803	4,928
Committed	3,937	542	-	-	-	-	-	-	-	-
Assigned:										
Capital Project Funds	-	541	608	540	1,758	1,078	634	502	807	1,016
Unassigned:										
Capital Project Funds	(3,561)	-	-	-	-	-	-	-	-	-
<b>Total all other governmental funds</b>	<b>\$ 4,784</b>	<b>\$ 5,170</b>	<b>\$ 4,775</b>	<b>\$ 4,638</b>	<b>\$ 6,426</b>	<b>\$ 6,443</b>	<b>\$ 7,139</b>	<b>\$ 7,241</b>	<b>\$ 12,207</b>	<b>\$ 10,715</b>
<b>Fund balances all governmental funds</b>	<b>\$ 12,110</b>	<b>\$ 9,283</b>	<b>\$ 12,715</b>	<b>\$ 12,230</b>	<b>\$ 13,382</b>	<b>\$ 14,639</b>	<b>\$ 15,231</b>	<b>\$ 15,399</b>	<b>\$ 20,076</b>	<b>\$ 18,176</b>

**Village of Pinecrest, Florida**  
**Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**Amounts Expressed in Thousands**

**Table 5**

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues:</b>										
Taxes	\$ 12,724	\$ 12,162	\$ 13,111	\$ 13,008	\$ 12,255	\$ 12,800	\$ 12,389	\$ 12,545	\$ 13,277	\$ 13,698
Licenses and permits	1,677	1,604	1,128	1,443	1,779	1,751	2,143	2,415	2,767	2,816
Intergovernmental	3,338	4,153	8,736	3,426	2,890	1,893	3,108	2,646	2,845	2,962
Charges for services	606	780	1,227	1,139	1,555	1,671	1,868	2,020	2,065	2,267
Fines and forfeitures	541	343	218	376	199	575	384	576	555	853
Interest	807	263	44	124	61	79	49	12	57	96
Miscellaneous	390	323	447	363	460	353	398	443	149	218
<b>Total revenues</b>	<b>20,083</b>	<b>19,628</b>	<b>24,911</b>	<b>19,879</b>	<b>19,199</b>	<b>19,122</b>	<b>20,339</b>	<b>20,657</b>	<b>21,715</b>	<b>22,910</b>
<b>Expenditures:</b>										
Current:										
General government	3,807	2,730	5,908	4,829	3,277	2,709	3,440	4,003	3,560	3,510
Public safety	6,729	6,588	6,910	7,281	7,280	6,994	7,287	7,384	7,994	8,792
Building, planning & zoning	1,824	1,734	1,476	1,434	1,501	1,573	1,656	1,695	1,905	1,987
Parks and recreation	7,654	7,827	4,085	3,270	4,308	3,895	4,615	4,352	4,523	5,769
Public works	1,143	2,087	1,596	2,048	1,559	1,085	1,230	1,560	3,039	2,787
Debt service:										
Principal	750	780	815	845	1,030	1,020	1,125	1,164	1,545	1,580
Interest	751	721	691	657	531	590	394	331	371	387
Issuance costs	-	-	-	-	113	32	-	48	39	-
<b>Total expenditures</b>	<b>22,658</b>	<b>22,467</b>	<b>21,481</b>	<b>20,364</b>	<b>19,599</b>	<b>17,898</b>	<b>19,747</b>	<b>20,537</b>	<b>22,976</b>	<b>24,812</b>
Excess (deficiency) of revenues over expenditures	(2,575)	(2,839)	3,430	(485)	(400)	1,224	592	120	(1,261)	(1,902)
<b>Other financing sources (uses):</b>										
Bond proceeds	-	-	-	-	5,825	4,860	-	2,085	5,939	-
Bond discount	-	-	-	-	(52)	-	-	-	-	-
Payment to refunding escrow agent	-	-	-	-	(4,220)	(4,828)	-	(2,037)	-	-
Transfers in	3,001	7,025	5,508	1,528	1,528	2,069	1,790	1,719	3,434	2,883
Transfers out	(3,001)	(7,025)	(5,508)	(1,528)	(1,528)	(2,069)	(1,790)	(1,719)	(3,434)	(2,883)
Capital lease	-	14	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>1,553</b>	<b>32</b>	<b>-</b>	<b>48</b>	<b>5,939</b>	<b>-</b>
Net change in fund balances	\$ (2,575)	\$ (2,825)	\$ 3,430	\$ (485)	\$ 1,153	\$ 1,256	\$ 592	\$ 168	\$ 4,678	\$ (1,902)
<b>Debt service as a percentage of non-capital expenditures</b>	<b>6.62%</b>	<b>9.34%</b>	<b>7.75%</b>	<b>7.99%</b>	<b>8.68%</b>	<b>9.31%</b>	<b>8.19%</b>	<b>7.53%</b>	<b>9.45%</b>	<b>9.19%</b>

**Village of Pinecrest, Florida**  
**General Governmental Revenues by Function**  
**Last Ten Fiscal Years**

**Table 6**

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Inter-Governmental</u>	<u>Charges for Services</u>	<u>Fines and Forfeitures</u>	<u>Interest</u>	<u>Misc.</u>	<u>Total</u>
2007	12,724,310	1,676,528	3,337,845	606,006	541,087	807,396	390,350	20,083,522
2008	12,161,876	1,604,268	4,153,107	779,504	343,479	263,059	322,496	19,627,789
2009	13,111,455	1,128,216	8,735,594	1,226,808	217,676	43,780	447,201	24,910,730
2010	13,008,451	1,442,526	3,426,265	1,139,215	376,128	124,343	362,894	19,879,822
2011	12,255,238	1,779,187	2,889,701	1,554,990	199,242	61,048	459,550	19,198,956
2012	12,800,336	1,750,720	1,893,397	1,670,789	574,774	79,518	352,699	19,122,233
2013	12,389,593	2,143,544	3,107,725	1,868,168	383,799	48,762	397,874	20,339,465
2014	12,544,802	2,414,989	2,645,832	2,020,361	576,038	11,831	442,429	20,656,282
2015	13,276,963	2,766,534	2,845,419	2,065,121	555,660	56,558	149,229	21,715,484
2016	13,698,351	2,815,703	2,962,397	2,267,048	853,098	95,591	218,171	22,910,359

Source: All governmental funds for fiscal years.

Note: This schedule is prepared on a GAAP basis.  
The information reported is from the Comprehensive Annual Financial Reports.

**Village of Pinecrest, Florida  
Assessed Value of Taxable Property  
Last Ten Fiscal Years**

**Table 7**

<b>Fiscal Year</b>	<b>Real Property Assessed Value</b>	<b>Personal Property Assessed Value</b>	<b>Assessed Property Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
2007	3,053,194,733	44,846,184	3,098,040,917	2.4	3,261,095,702	95%
2008	3,460,282,932	39,173,088	3,499,456,020	2.4	3,683,637,916	95%
2009	3,895,944,419	46,427,219	3,942,371,638	1.95	4,149,864,882	95%
2010	3,901,885,281	36,488,013	3,938,373,294	1.98	4,145,656,099	95%
2011	3,682,575,484	39,424,119	3,721,999,603	2.1	3,917,894,319	95%
2012	3,510,207,226	41,237,888	3,551,445,114	2.104	3,738,363,278	95%
2013	3,601,059,193	38,903,907	3,639,963,100	2.2	3,831,540,105	95%
2014	3,692,062,025	45,043,568	3,737,105,593	2.2	3,933,795,361	95%
2015	3,867,702,788	45,842,524	3,913,545,312	2.3	4,119,521,381	95%
2016	4,336,413,371	44,457,478	4,380,870,849	2.3	4,161,827,307	95%

Data is provided by the Miami-Dade County Appraiser's Office.

**Village of Pinecrest, Florida  
Property Tax Rates - Direct and Overlapping Governments  
Last Ten Fiscal Years**

**Table 8**

Fiscal Year	Village	School		State				County			Special Districts			Total Direct Millage
	Direct Operating Millage	Operating Millage	Debt Service	Everglades Project	South Florida Water Management	Okeechobee Basin	FIN (1)	Operating Millage	Debt Service	Children's Trust	Fire Rescue	Fire Debt	Library	
2007	2.4000	7.947	0.491	0.100	0.597		0.0385	5.835	0.285	0.429	2.609	0.052	0.486	21.269
2008	2.4000	7.691	0.414	0.100	0.597		0.0385	5.615	0.285	0.422	2.609	0.042	0.486	20.700
2009	1.9500	7.570	0.378	0.0894	0.5346		0.0345	4.5796	0.285	0.4223	2.2067	0.042	0.3842	18.4763
2010	1.9809	7.533	0.264	0.0894	0.5346		0.0345	4.8379	0.285	0.4212	2.1851	0.042	0.3822	18.5898
2011	2.1040	7.698	0.297	0.0890	0.5350		0.0345	4.8379	1.285	0.5000	2.1850	0.042	0.3820	19.9894
2012	2.1040	7.864	0.385	0.0894	0.5346		0.0345	5.4275	0.445	0.5000	2.5750	0.020	0.2840	20.2630
2013	2.2000	7.765	0.240	0.0624	0.3739		0.0345	4.8055	0.285	0.5000	2.4496	0.013	0.1795	18.9085
2014	2.2000	7.765	0.233	0.0613	0.3676		0.0345	4.7035	0.285	0.5000	2.4496	0.013	0.1725	18.7851
2015	2.3000	7.775	0.199	0.0548	0.1577	0.1717	0.0345	4.6669	0.4500	0.5000	2.4207	0.0114	0.2840	19.0257
2016	2.3000	7.138	0.184	0.0471	0.1359	0.1477	0.0320	4.6669	0.4000	0.5000	2.4207	0.0075	0.2840	18.2638

Data is provided by the Miami-Dade County Appraiser's Office.  
(1) Florida Inland Navigation District

Village of Pinecrest, Florida  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Table 9

<u>Fiscal Year</u>	<u>Taxes Levied (1)</u>	<u>Amount Collected (2)</u>	<u>Percentage of Levy</u>	<u>Collections in Subsequent Years</u>	<u>Collected (2)</u>	<u>Percentage of Levy</u>
2007	8,398,694	8,121,422	96.8%	*	8,121,422	96.7%
2008	7,687,625	7,323,491	95.3%	*	7,323,491	95.3%
2009	7,801,524	7,483,478	95.9%	*	7,483,478	95.9%
2010	7,831,087	7,441,336	95.0%	*	7,441,336	95.0%
2011	7,702,974	6,909,711	89.7%	*	6,909,711	89.7%
2012	7,813,179	7,410,475	94.8%	*	7,410,475	94.8%
2013	8,007,919	7,440,742	92.9%	*	7,440,742	92.9%
2014	8,017,274	7,817,494	97.5%	*	7,817,494	97.5%
2015	9,001,154	8,597,762	95.5%	*	8,597,762	95.5%
2016	9,468,937	9,036,615	95.4%	*	9,036,615	95.4%

(1) Data is taken from Form DR 420 or DR 420MM submitted to the Miami-Dade County Appraiser's Office and the State of Florida.

(2) Information provided by the Village of Pinecrest.

\* Information is not available.

Village of Pinecrest, Florida  
Principal Taxpayers  
September 30, 2016

Table 10

Taxpayer	Type of Use	2016			2007		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Spector & Sons	Shopping Center	\$ 32,796,490	1	0.75%	\$ 36,260,920	1	0.92%
Cofe Shopping Center	Shopping Center	26,000,000	2	0.59%	-	-	-
Gator Dadeland Partners, LTD	Shopping Center	20,273,000	3	0.46%	17,507,120	5	0.44%
Kendall Plaza, LTD	Shopping Center	19,400,000	4	0.44%	18,933,937	4	0.48%
Kendall Imports LLC	Shopping Center	18,000,000	5	0.41%	24,123,849	2	0.61%
Florida Power & Light	Electric Power	15,704,329	6	0.36%	12,389,252	9	0.31%
Publix Super Markets, Inc.	Shopping Center	13,835,814	7	0.32%	-	-	-
Suniland Associates	Shopping Center	13,726,629	8	0.31%	-	-	-
G F B Enterprises	Automotive	13,700,000	9	0.31%	12,805,017	8	0.32%
Suniland Center Ltd.	Shopping Center	12,470,744	10	0.28%	-	-	-
Pinecrest Realty Associates	Shopping Center	-	-	-	21,079,759	3	0.53%
ESF Holdings	Automotive	-	-	-	14,059,957	6	0.36%
Kendall House Apartments	Apartments	-	-	-	-	-	-
Burdines Real Estate	Shopping Center	-	-	-	13,000,000	7	0.33%

Source: Miami-Dade County Tax Assessor's Office 2016 Tax Roll  
Real/Personal Property taxable value - \$ 4,380,870,849  
Miami-Dade County Tax Assessor's Office 2007 Tax Roll  
Real/Personal Property taxable value - \$ 3,942,371,638

Data is provided by the Miami-Dade County Appraisor's Office.

Village of Pinecrest, Florida  
Ratio of Outstanding Debt by Type  
Last Ten Fiscal Years

Table 11

<u>Fiscal Year</u>	<u>Governmental Activities General Obligation Bonds* (2)</u>	<u>Business Type Activities Outstanding Bonds</u>	<u>Total Primary Government</u>	<u>Population (1)</u>	<u>Percentage of Personal Income</u>	<u>Per Capita Debt</u>
2007	14,840	-	14,840	19,382	1.50%	766
2008	14,060	-	14,060	19,454	1.41%	723
2009	13,245	-	13,245	19,491	1.33%	680
2010	12,400	-	12,400	19,411	1.25%	639
2011	13,075	-	13,075	18,255	1.40%	716
2012	12,140	-	12,140	18,447	1.29%	658
2013	11,015	-	11,015	18,496	1.16%	596
2014	9,947	-	9,947	18,403	0.94%	540
2015	14,341	-	14,341	18,408	1.35%	779
2016	12,761	-	12,761	18,382	1.11%	694

Notes: \* In thousands

- (1) Fiscal year 2010 US Census and other years for the population as estimated by the Bureau of Economic and Business Research, University of Florida as of April 1 each year.
- (2) The Village of Pinecrest Finance Department is the source for this data.
- (3) Fiscal year 2000, US Census for Fiscal Years 2006-2007
- (4) American Community Survey for Fiscal Years 2008-2015 using a rolling average

Village of Pinecrest, Florida  
Ratio of General Bonded Debt Outstanding  
Last Ten Fiscal Years

Table 12

<u>Fiscal Year</u>	<u>General Obligation Bonds* (2)</u>	<u>Assessed Value of Taxable Property* (3)</u>	<u>Ratio of Bonded Debt to Assessed Value</u>	<u>Population (1)</u>	<u>Per Capita Debt</u>
2007	14,840	3,098,041	0.42%	19,382	766
2008	14,060	3,499,456	0.36%	19,454	723
2009	13,245	3,942,372	0.34%	19,491	680
2010	12,400	3,938,373	0.33%	19,411	639
2011	13,075	3,722,000	0.37%	18,255	716
2012	12,140	3,551,445	0.33%	18,447	658
2013	11,015	3,639,963	0.29%	18,496	596
2014	9,947	3,737,106	0.25%	18,403	540
2015	14,341	3,913,545	0.35%	18,408	779
2016	12,761	4,380,871	0.29%	18,382	694

- Notes: \* In Thousands
- (1) Fiscal year 2010 US Census and other years for the population as estimated by the Bureau of Economic and Business Research, University of Florida as of April 1 each year.
  - (2) The Village of Pinecrest Finance Department is the source for this data.
  - (3) Data is provided by the Miami Dade County's Property Appraiser.

Village of Pinecrest, Florida  
 Computation of Direct and Overlapping Debt  
 General Obligation Bonds  
 For the Fiscal Year Ended September 30, 2016

Table 13

<u>Jurisdiction</u>	<u>Bonded Debt Outstanding</u>	<u>Percentage Applicable to Pinecrest (1)</u>	<u>Amount Applicable to Pinecrest</u>	<u>Amount Per Capita Pinecrest (1)</u>
<b>Direct</b>				
Village of Pinecrest	\$ <u>12,761,200</u>	100.00%	\$ <u>12,761,200</u>	\$ <u>694.22</u>
<b>Overlapping</b>				
School Board (2)	\$ 519,258,000	0.68%	\$ 3,530,954	\$ 192
County (3)	<u>1,597,781,000</u>	0.68%	<u>10,864,911</u>	<u>590</u>
	\$ <u>2,117,039,000</u>		\$ <u>14,395,865</u>	\$ <u>782</u>
<b>Total direct and overlapping debt</b>			\$ <u>27,157,065</u>	

Notes:

- (1) Based upon population; Village of Pinecrest and Miami-Dade County.
- (2) Amounts provided by School Board are as of June 30th.
- (3) Amounts provided by the Miami-Dade County Finance Department.

Village of Pinecrest, Florida  
Demographic and Economic Statistics  
Last Ten Fiscal Years

Table 14

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Median Household Income (1)</u>	<u>Household Units (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>
2007	19,382	107,507	6,261	6,345	4.2%
2008	19,454	107,507	6,261	6,095	6.6%
2009	19,491	107,507	6,261	5,904	10.9%
2010	19,411	107,507	6,261	5,821	12.1%
2011	18,255	146,157	6,619	5,843	10.3%
2012	18,447	146,157	6,619	5,591	8.5%
2013	18,496	146,157	6,600	5,473	8.5%
2014	18,403	146,157	6,259	5,388	6.1%
2015	18,408	146,157	6,259	5,300	5.6%
2016	18,382	128,966	6,574	5,221	5.1%

Notes:

(1) Fiscal year 2010 US Census

Other years are estimated by the Bureau of Economic and Business Research, University of Florida as of April 1 each year.

(2) The Miami Dade School system is the source of this data.

(3) The Department of Labor is the source of this data.

Village of Pinecrest, Florida  
Principal Employers  
Current Year and Nine Years Ago

Table 15

Employer	2016			2007		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Kendall Imports, LLC	365	1	N/A	365	2	N/A
Miami Dade School System	365	2	N/A	559	1	N/A
Home Depot	245	3	N/A			
Village of Pinecrest	184	4	N/A	146	3	N/A
Publix Supermarket	162	5	N/A			
Whole Food Market	137	6	N/A			
Gulliver Preparatory School	110	7	N/A	110	4	N/A
Best Buy	100	8	N/A			
Captain's Tavern	65	9	N/A			
Denny's Liquors	65	10	N/A			
Autocity Pontiac, GMC of Pinecrest				53	5	N/A
Young, Stoval & Company				26	6	N/A
Prudential Florida WCI Realty				25	7	N/A
Pinecrest Presbyterian Church Day School				25	8	N/A
Florida Savings Bancorp Inc.				20	9	N/A
Color World Beauty, Inc.				19	10	N/A
Total	<u>1,798</u>			<u>1,348</u>		

Source: Occupational license records of the Village of Pinecrest, except Miami-Dade School Board and the Village of Pinecrest.  
The Miami-Dade School System provided data for the school system.  
See full time equivalent position table for the Village of Pinecrest data.

**Village of Pinecrest, Florida**  
**Full-Time Equivalent Government Employees by Function**  
**Last Ten Fiscal Years**

**Table 16**

<b>Function:</b>	<b>Full time Equivalent Employees as of September 30</b>									
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
General government	14.0	14.0	14.0	13.0	13.0	13.0	12.0	11.0	11.0	12.0
Public safety										
Sworn	56.0	51.0	51.0	51.0	50.0	50.0	50.0	50.0	54.0	54.0
Civilians	26.0	26.0	25.0	24.0	23.0	23.0	23.0	23.0	23.0	25.0
Building, planning and zoning	16.0	16.0	16.0	16.0	15.0	15.0	15.0	14.0	19.0	18.0
Public works	6.0	6.0	6.0	6.0	6.0	6.0	7.0	6.0	6.0	6.0
Parks and recreation	34.0	34.0	32.0	32.0	32.0	32.0	31.0	49.0	49.0	53.0
Pinecrest Gardens	32.0	32.0	32.0	29.0	24.0	24.0	21.0	-	-	-
<b>Total</b>	<b>184.0</b>	<b>179.0</b>	<b>176.0</b>	<b>171.0</b>	<b>163.0</b>	<b>163.0</b>	<b>159.0</b>	<b>153.0</b>	<b>162.0</b>	<b>168.0</b>
Population	18,382	18,408	18,403	18,496	18,447	18,255	19,411	19,491	19,454	19,382
Employees per capita (000)	10.01	9.72	9.56	9.25	8.84	8.93	8.19	7.85	8.33	8.67

Note:

(1) The Village of Pinecrest's various departments are the sources for this data.

**Village of Pinecrest, Florida  
Operating Indicators by Function  
Last Ten Fiscal Years**

**Table 17**

<b>Function:</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Population (1)</b>	18,382	18,408	18,403	18,496	18,447	18,255	19,411	19,491	19,454	19,382
<b>Consumer Price Index (2) Plus/minus a year ago</b>	241.4 2.1%	237.9 1.9%	238.0 1.7%	234.2 1.2%	231.4 2.5%	226.9 3.9%	218.4 1.1%	216 -1.3%	218.8 4.9%	208.5 2.8%
<b>Police (3):</b>										
Part 1 crimes*	583	558	562	684	670	702	584	723	792	837
Traffic citations and warnings	6,297	6,618	8,347	12,211	14,483	15,801	17,089	18,168	11,290	11,743
False alarms	2,066	2,205	2,113	2,092	2,091	1,961	2,177	2,118	2,343	2,509
Crashes	1,553	1,017	956	893	842	800	793	787	749	918
Other**	414	420	424	497	552	577	635	642	740	1,250
<b>Total</b>	<b>10,913</b>	<b>10,818</b>	<b>12,402</b>	<b>16,377</b>	<b>18,638</b>	<b>19,841</b>	<b>21,278</b>	<b>22,438</b>	<b>15,914</b>	<b>17,257</b>

\* Part 1 crimes include homicide, sex offenses, robbery, aggravated assault, burglary, larceny, arson and auto theft.

\*\* Other, animal at large, barking dog, noise violation, trespassing, child exploitation, fire calls, recovered stolen vehicle, serving court orders, harassing or obscene phone calls, injured person, non-emergency medical, verbal threats, towing disabled vehicles and towing.

<b>Police (4):</b>										
Expenditures (thousands)	\$ 8,419	\$ 7,878	\$ 7,289	\$ 7,259	7,201	7,107	7,123	\$ 6,909	\$ 6,588	\$ 6,729
Revenue (thousands)	623	524	332	475	528	396	584	423	487	594
<b>Net expenses</b>	<b>\$ 7,796</b>	<b>\$ 7,354</b>	<b>\$ 6,957</b>	<b>\$ 6,784</b>	<b>6,673</b>	<b>6,711</b>	<b>6,539</b>	<b>\$ 6,486</b>	<b>\$ 6,101</b>	<b>\$ 6,135</b>
<b>Cost per resident</b>	<b>\$ 424.11</b>	<b>\$ 399.50</b>	<b>\$ 378.04</b>	<b>\$ 366.78</b>	<b>361.74</b>	<b>367.63</b>	<b>336.87</b>	<b>\$ 332.77</b>	<b>\$ 313.61</b>	<b>\$ 316.53</b>
911 calls	6,414	6,857	7,595	7,650	7,930	8,100	7,975	8,811	-	-
Service calls (911 and nonemergency dispatch calls)	16,937	17,550	18,620	20,011	19,865	19,100	19,074	19,528	-	-

**Building, planning and zoning (5):**

<b>Building permits:</b>										
Building	2,001	1,938	1,902	2,036	1,770	1,582	1,363	1,421	1,568	2,251
Electrical	615	534	464	644	525	619	466	448	654	855
Mechanical	328	314	335	285	307	319	339	245	321	378
Plumbing & Gas	610	658	583	488	497	581	556	439	570	805
<b>Total</b>	<b>3,554</b>	<b>3,444</b>	<b>3,284</b>	<b>3,453</b>	<b>3,099</b>	<b>3,101</b>	<b>2,724</b>	<b>2,553</b>	<b>3,113</b>	<b>4,289</b>

**Parks (4):**

<b>Pinecrest Gardens:</b>										
Expenditures (thousands)	\$ 1,933	\$ 1,925	\$ 1,739	\$ 1,734	\$ 1,614	\$ 1,513	\$ 1,357	\$ 1,193	\$ 1,108	\$ 1,109
Revenue (thousands)	596	598	509	468	404	312	125	126	215	156
<b>Net expenses</b>	<b>\$ 1,337</b>	<b>\$ 1,327</b>	<b>\$ 1,230</b>	<b>\$ 1,266</b>	<b>\$ 1,210</b>	<b>\$ 1,201</b>	<b>\$ 1,232</b>	<b>\$ 1,067</b>	<b>\$ 893</b>	<b>\$ 953</b>
<b>Net cost per resident</b>	<b>\$ 73.37</b>	<b>\$ 72.09</b>	<b>\$ 66.84</b>	<b>\$ 68.42</b>	<b>\$ 65.59</b>	<b>\$ 65.79</b>	<b>\$ 63.47</b>	<b>\$ 54.75</b>	<b>\$ 45.91</b>	<b>\$ 49.17</b>

**Village of Pinecrest, Florida**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

**Table 17**  
**(continued)**

<b>Function:</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Community Center:</b>										
Expenditures (thousands)	\$ 1,044	\$ 1,027	\$ 1,048	\$ 1,005	\$ 834	\$ 792	\$ 738	\$ 367	\$ 245	\$ -
Revenue (thousands)	994	804	808	693	652	612	504	204	116	-
Net expenses	\$ 50	\$ 223	\$ 240	\$ 312	\$ 182	\$ 180	\$ 234	\$ 163	\$ 129	\$ -
Net cost per resident	\$ 2.72	\$ 12.11	\$ 13.04	\$ 16.85	\$ 9.87	\$ 9.86	\$ 12.06	\$ 8.36	\$ 6.63	\$ -
<b>All other parks:</b>										
Expenditures (thousands)	\$ 1,289	\$ 1,214	\$ 1,208	\$ 1,191	\$ 1,108	\$ 1,177	\$ 1,076	\$ 1,346	\$ 1,158	\$ 1,173
Revenue (thousands)	284	287	256	309	278	201	201	429	204	188
Net expenses	\$ 1,005	\$ 927	\$ 952	\$ 882	\$ 830	\$ 976	\$ 875	\$ 917	\$ 954	\$ 985
Net cost per resident	\$ 54.67	\$ 50.36	\$ 51.73	\$ 47.69	\$ 44.99	\$ 53.46	\$ 45.08	\$ 47.05	\$ 49.04	\$ 50.82
<b>General Fund (4):</b>										
General Fund (GF) revenues	\$ 21,430	\$ 20,342	\$ 19,378	\$ 18,445	\$ 18,230	\$ 16,893	\$ 16,781	\$ 20,365	\$ 17,176	\$ 18,232
Per capita GF revenues	\$ 1,165.81	\$ 1,105.06	\$ 1,052.98	\$ 997.24	\$ 988.24	\$ 925.39	\$ 864.51	\$ 1,044.84	\$ 882.90	\$ 940.66
General Fund expenditures	\$ 21,848	\$ 20,631	\$ 19,311	\$ 18,549	\$ 16,991	\$ 17,529	\$ 17,129	\$ 16,538	\$ 20,402	\$ 17,149
Per capita GF expenditures	\$ 1,188.55	\$ 1,120.76	\$ 1,049.34	\$ 1,002.87	\$ 921.07	\$ 960.23	\$ 882.44	\$ 848.49	\$ 1,048.73	\$ 884.79
GF revenue as a percentage of GF expenditures	98.08%	98.60%	100.35%	99.44%	107.29%	96.37%	98.14%	122.92%	84.49%	106.31%
GF revenue as a percentage of amended budget	98.30%	98.20%	-	-	-	-	-	-	-	-
GF expense as a percentage of amended budget	93.56%	96.47%	-	-	-	-	-	-	-	-
Interest rates, maximum	0.84%	0.23%	0.16%	0.30%	0.35%	0.32%	0.40%	2.01%	5.62%	5.77%
Interest rates, minimum	0.01%	0.01%	0.01%	0.01%	0.02%	0.15%	0.10%	0.20%	1.60%	3.50%
<b>Stormwater Fund (4):</b>										
Operating revenue	\$ 969	\$ 637	\$ 490	\$ 466	\$ 444	\$ 474	\$ 449	\$ 375	\$ 379	\$ 402
Operating revenue per capita	\$ 53	\$ 35	\$ 27	\$ 25	\$ 24	\$ 26	\$ 23	\$ 19	\$ 19	\$ 21
Accounts receivable	\$ 202	\$ 135	\$ 107	\$ 132	\$ 135	\$ 172	\$ 151	\$ 120	\$ 110	\$ 74
Unrestricted net position	\$ 356	\$ 543	\$ 410	\$ 1,317	\$ 2,058	\$ 2,422	\$ 2,231	\$ 1,963	\$ 1,817	\$ 1,587
Percentage of accounts receivable to unrestricted net position	56.74%	24.86%	26.10%	10.02%	6.56%	7.10%	6.77%	6.11%	6.05%	4.66%

**Village of Pinecrest, Florida  
Operating Indicators by Function  
Last Ten Fiscal Years**

**Table 17  
(continued)**

<b>Function:</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>General Government (4)+(6):</b>										
Lien searches	563	548	587	616	522	459	420	393	304	496
Credit card transactions	20,274	19,250	15,999	14,217	11,048	-	-	-	-	-
Homestead properties (8)	4,525	4,519	4,582	4,656	4,682	4,733	4,807	-	-	-
Total properties	6,426	6,481	6,454	6,444	6,443	6,466	6,512	-	-	-
Homestead as percentage of total properties	70.4%	69.7%	71.0%	72.3%	72.7%	73.2%	73.8%	-	-	-
Percentage of accounts payable										
Payments made by:										
ACH	75.0%	40.0%	-	-	-	-	-	-	-	-
Dollar amount	76.1%	76.5%	-	-	-	-	-	-	-	-
Number of payroll checks issued by direct deposit										
	100.0%	100.0%	-	-	-	-	-	-	-	-
<b>Transportation (7):</b>										
Circulator Bus ridership	28,845	23,639	20,117	23,629	9,485	-	-	-	-	-
Circulator Bus expenses	\$ 181	\$ 138	\$ 175	\$ 173	\$ 177	-	-	-	-	-
Cost per rider	\$ 6	\$ 6	\$ 9	\$ 7	\$ 19	-	-	-	-	-
* Amounts in thousands										
Percentage of accounts payable (4)										
Payments made by:										
ACH	75.0%	36.0%								
Dollar amount	76.1%	76.5%								
Number of payroll checks issued by direct deposit										
	100.0%	100.0%								
Miami Unemployment rate (2)	5.1%	5.6%	6.4%	7.2%	8.2%	9.6%	10.8%	11.2%	6.4%	4.1%

Source of non accounting data:

- (1) Provided the University of Florida, Bureau of Economic & Business Research
- (2) Bureau of Labor Statistics
- (3) Village of Pinecrest Police Department
- (4) Village of Pinecrest Finance Department
- (5) Village of Pinecrest Building, Zoning and Planning Department
- (6) Village of Pinecrest Village Clerk Department
- (7) Village of Pinecrest Office of the Village Manager
- (8) Miami Dade Tax Rolls

**Village of Pinecrest, Florida  
Capital Assets by Function  
Last Ten Fiscal Years**

**Table 18**

<b>Function</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Police:</b>										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Police Vehicles	32	32	28	30	29	30	33	31	32	32
Number of motorcycles	2	2	2	2	-	-	-	-	-	-
<b>Parks:</b>										
Parks	7	7	7	7	7	6	7	7	7	7
Park Acreage	60	60	60	60	62	62	62	62	62	62
Tennis Courts	6	6	6	6	6	6	6	6	6	6
<b>Public Works</b>										
Miles of roads	108	108	108	108	108	108	108	108	108	108
Cable Television Systems	3	3	2	2	1	1	1	1	1	2
<b>Public Schools:</b>										
High Schools	1	1	1	1	1	1	1	1	1	1
Middle Schools	1	1	1	1	1	1	1	1	1	1
Elementary Schools	3	3	3	3	3	3	3	3	3	3

**Notes:**

(1) The Village of Pinecrest's various departments are the sources for this information.

## COMPLIANCE SECTION

INDEPENDENT AUDITOR'S 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*

To The Honorable Mayor,  
Village Council and Village Manager  
Village of Pinecrest, 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 Village of Pinecrest, Florida (the "Village") as of and for the year ended September 30, 2016, and the related notes to the financial statements which collectively comprise the Village's basic financial statements and have issued our report thereon dated February 24, 2017.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Village'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 Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village's financial statements are free of 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*.

Village of Pinecrest, Florida

**Purpose of this Report**

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
February 24, 2017

## INDEPENDENT AUDITOR'S REPORT TO VILLAGE MANAGEMENT

To The Honorable Mayor,  
Village Council and Village Manager  
Village of Pinecrest, Florida

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

We have audited the basic financial statements of Village of Pinecrest, Florida (the "Village"), as of and for the year ended September 30, 2016, and have issued our report thereon dated February 24, 2017.

### **Auditor's 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 and Chapter 10.550, Rules of the Florida Auditor General.

### **Other Reports**

We have issued our Independent Auditor's 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* and Independent Accountant's 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 these reports, which are dated February 24, 2017, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial 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 basic financial statements. The Village of Pinecrest was established by the Board of Miami-Dade County Commissioners with the adoption of Ordinance 97-7. The Village does not have any component units.

**Financial Condition**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not the Village 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 Village 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 Village’s financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

**Annual Financial Report**

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the Village for the fiscal year ended September 30, 2016, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2016. 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, Council Members and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
February 24, 2017

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH SECTION 218.415, FLORIDA STATUTES

To The Honorable Mayor,  
Village Council and Village Manager  
Village of Pinecrest, Florida

We have examined Village of Pinecrest, Florida's (the "Village") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on the Village'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 Village'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 Village's compliance with specified requirements.

In our opinion, the Village complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

*Keefe McCullough*

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
February 24, 2017