



Accountants Advisors

June 28, 2024

To the Honorable Mayor, Members of the City Council, and the City Manager
8401 NW 53rd Terrace
Doral, FL 33166

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Doral (the City) for the fiscal year ended September 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 23, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note I to the financial statements. As described in Note I to the financial statements, the City changed accounting policies related to subscription-based information technology arrangements by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 96, *Subscription-Based Information Technology Arrangements*, in 2023. We noted no transactions entered into by the City during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the City's financial statements was:

Management's estimate of the allowance for uncollectable accounts for accounts receivable and postretirement obligations. We evaluated the key factors and assumptions used to develop the allowance for uncollectable accounts for accounts receivable and postretirement obligations in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of the deposits and investments in Note III to the financial statements.

The disclosure of fair value measurements in Note III to the financial statements.

The disclosure of interest rate swaps in Note VIII to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. See Appendix A for material adjustments detected as a result of audit procedures performed and corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 28, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management’s Discussion and Analysis, Budgetary Comparison Schedules, Schedule of Changes in City’s Net Pension Liability and Related Ratios – Elected Officials’ Retirement System, Schedule of Contributions – Elected Officials’ Retirement System, Schedules of the Proportionate Share of the Net Pension Liability – FRS/HIS, Schedules of Contributions – FRS/HIS, and the Schedule of Changes in Total OPEB Liability and Related Ratios, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Combining and Individual Fund Financial Statements and Schedules, budgetary comparison schedules, and the schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Honorable Mayor, Members of the City Council, and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Caballero Fierman Llerena & Garcia, LLP

APPENDIX A

To record refunding and principal payment of Stormwater Bond refunding (PBC 226)			
401.0000.155.000	PREPAID EXPENSE	357,258.00	
401.0000.232.900	LONG TERM REVENUE BONDS	1,172,031.00	
401.0000.232.910	SHORT TERM REVENUE BONDS (CFLG)		429,173.00
401.0000.271.000	FUND BALANCE-UNRES/UNDES		1,100,116.00
Total		<u>1,529,289.00</u>	<u>1,529,289.00</u>

To correct PBC 121 entry for stormwater September 2023 payment from deferred revenue to receivables			
401.0000.115.100	Accounts Receivable	161,579.00	
401.8000.500.710	DEBT SERVICE - PRINCIPAL	34,009.00	
401.0000.223.000	DEFERRED REVENUE		161,579.00
401.8000.500.720	DEBT SERVICE - INTEREST		34,009.00
Total		<u>195,588.00</u>	<u>195,588.00</u>

To correct entry #121 for unavailable revenues			
106.0000.115.100	ACCOUNTS RECEIVABLE	499,448.00	
106.8000.312.600	MUNICIPAL SURTAX - CITT FUNDS	499,448.00	
106.0000.223.000	DEFERRED REVENUE		998,896.00
Total		<u>998,896.00</u>	<u>998,896.00</u>