

# 2018

## **POPULAR ANNUAL FINANCIAL REPORT**



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



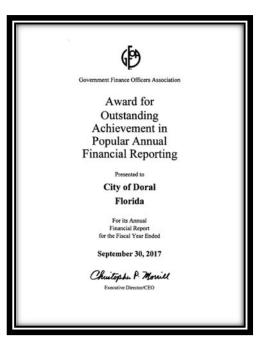
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The financial information presented in the Popular Annual Financial Report (PAFR) of the City of Doral is published in order to increase public awareness and provide a more user-friendly presentation of the City's financial position. This includes a review of sources of revenue and uses of expenditures, as well as economic information about the community and a highlight of fiscal spending for the City for the current fiscal year.

The PAFR summarizes and condenses the financial activities of the City of Doral's governmental and business-type activities and derives its information from the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended September 30, 2018. The CAFR is prepared in conformance with accounting principles generally accepted in the United States (GAAP) and it also includes financial statements audited by Garcia, Espinosa, Miyares, Rodriguez, Trueba & Co. LLP.



Please note that the financial data in this report is un-audited and presented on a non-GAAP basis. This means that it contains condensed financial information and does not provide all of the necessary financial statements and note disclosures required by GAAP for governmental entities. The GAAP basis presentation in the CAFR includes the presentation of individual funds, as well as full disclosure of all material events, financial and non-financial, in notes to the financial statements. We invite you to access the City's audited CAFR online presented on a GAAP basis with more detailed information on the City's finances. Both the PAFR and the CAFR are available online at <a href="https://www.cityofdoral.com/all-departments/finance/">https://www.cityofdoral.com/all-departments/finance/</a>.



To the Citizens of the City of Doral:



The Mayor and City Council are pleased to present herein the City's Popular Annual Financial Report (PAFR) for the Fiscal Year ending September 30, 2018. The PAFR provides our citizens with a snapshot of the City's financial condition in a user-friendly manner and helps demonstrate why the City of Doral is such a great place to "Live, Work, Learn and Play." The financial information presented here is derived from the City's 2018 Comprehensive Annual Financial Report (CAFR). The CAFR provides complete financial disclosure and may be viewed and downloaded by accessing the City's website at www.cityofdoral.com.

The City of Doral is the fastest growing City in Florida and the eleventh fastest in the country based on the 2016 U.S. Census estimates. The

population grew twenty-nine percent or over 13,000 people from 2010 to 2016, accompanied by fastpaced construction of new homes. In 2016, the city had approximately 59,000 citizens and it is projected that by 2020 the population will reach an estimated 78,000.

The City continues to grow in most of the important industry sectors in Miami-Dade County. The City of Doral is a hotspot for international trade and the home of over 240 multi-national businesses. Since incorporation, Doral's employment growth has played a significant role in driving total employment in Miami-Dade County, representing over 17% of all new net jobs created as reported by the 2017 Florida International University Metropolitan Center Economic Analysis.

I would like to give thanks to the Finance staff, all City Department and the City's Auditors, which helped provide necessary information in creating the City's Popular Annual Financial Report.

Respectfully yours,

Mart. P. Childress

Albert P. Childress Acting City Manager

Mission Statement To serve our community by relentlessly pursuing the highest quality of life through the delivery of efficient, sustainable, transparent, ethical and accountable government.



The City of Doral incorporated on January 28, 2003, is one of thirty-four municipalities in Miami-Dade County, Florida. Conveniently located just one mile from Miami International Airport and twelve miles from Downtown Miami, our City is home to approximately 68,244 residents and regularly hosts in excess of 100,000 people who work within the City. The City of Doral occupies a land area of 15 square miles bordered on the west by the Ronald Reagan Turnpike, to the north by the Town of Medley, to the east by the Palmetto Expressway and to the South by the City of Sweetwater.

The City of Doral has operated under the Mayor-Council-Manager form of government since incorporation. Policymaking and legislative authority are vested in a governing council consisting of the mayor and four other council members. The Council, which is elected at large, is responsible among other things, for passing ordinances and resolutions, adopting the annual budget, appointing the City Manager, City Clerk and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the daily operations of the government, and for appointing the heads of various departments.



Juan Carlos Bermudez Mayor



Pete Cabrera Councilman



Claudia Mariaca Vice Mayor



*Christi Fraga* Councilwoman



*Digna Cabral* Councilwoman

The City of Doral offers a wide range of services, including, police protection, public works maintenance, a full service building department, planning and zoning, parks and recreation and stormwater services. Described as the premier place to live, work, play, and learn, our many assets provide for a superior quality of life in an urban center known for its commerce.



## Líve, Work...

Popula	tion	Language Spoken	
Total Population	68,244	English Only	8.0%
Median Age	34.7	Language Other Than English	92.0%
Age 0-19	30.9%	Spanish	84.4%
Age 20-34	19.7%	Other	6.0%
Age 35-54	33.6%		
Median Fami	ly Income	Education	
2018	\$76,184.00	Percent high school graduate or higher	96.8%
Unemploym	ent Rate	Percent Bachelor's degree or higher	55.8%
2018	3.7%		



For more Census information go to www.census.gov

Learn...



Principal Employers								
			Percentage of					
			Total City					
Employer	Employees	Rank	Employment					
Carnival Cruise Lines	2,380	I	2.78%					
Univision Network LTD Partnership	1300	2	1.52%					
Trump Endeavor 12 LLC	900	3	1.05%					
Leon Medical Center Inc	760	4	0.89%					
Miami Herald Media Company	635	5	0.74%					
Supreme International Corp	525	6	0.61%					
Amadeus North America LLC	450	7	0.53%					
Perry Ellis International Inc	420	8	0.49%					
Blue Cross Blue Shield of FL Inc	412	9	0.48%					
Brinks Incorporated	366	10	0.43%					
Total	8,148							

and Play

#### **Quality of Life**

Housing options that fit any life-style and need, Single-Family Homes, Townhomes, Condominimums,

Apartments Rentals and Mix-Use neighborhoods are all available in the City of Doral

Over 10 Colleges, Universities and Technical Schools

Over 10 Public, Charter and Private Schools with "A" Grade Status

Awarded Playful City USA every year since 2010 and Tree City USA in 2008 and 2013

Seven parks with a combined 140 acres of green space and recreational facilities

CITY ORGANIZATIONAL CHA

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### **Strategic Goals**



CITY OF DORAL





The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a **Certificate of Achievement for Excellence in Financial Reporting** to the City for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2017. In order to be awarded a Certificate of Achievement; a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to conform to the Certificate of Achievement Program requirements and we are submitting it to the GFOA to

determine its eligibility for another certificate.

The Government Finance Officers Association of the United States and Canada (GFOA) presented a **Distinguished Budget Presentation Award** to City of Doral, Florida for its annual budget for the fiscal year beginning October I, 2017. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and has been submitted to the GFOA to determine its eligibility for another award.





The Government Finance Officers Association of the United States and Canada (GFOA) has given an **Award for Outstanding Achievement in Popular Annual Financial Reporting** to City of Doral, Florida for its Popular Annual Financial Report for the fiscal year ended September 30, 2017. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual financial reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. The Award for Outstanding Achievement in Popular Annual Reporting is valid for a period of one year only. We believe our current report

continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.



The Government-wide Balance Sheet, known as the *Statement of Net Position*, presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. There was a net increase of \$11.1 million in the City's net position over fiscal year 2017, as restated in Note XIII of the City financial statements. The following financial summary is based upon a condensed summary of the City's net position for all governmental and business-type activities as of September 30, 2017 and 2018.

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



**Net Investment in Capital Assets -** This represents the City's investment in its capital assets, less accumulated depreciation, and any related outstanding debt attributable. The resources needed to repay this debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

**Restricted Net Position -** Resources whose use is subject to externally imposed restrictions. The City has resources set aside for debt service, capital projects, and specific projects and programs established by the City Council.

**Unrestricted Net Position -** These are resources that are accessible to the City to provide services to the residents if there were no additional revenues or resources available.



The Government-wide Income Statement is known as the *Statement of Activities*, which provides a report on the money received (revenues) and spent (expenses) by the City during the fiscal year. The following graphs show a summary of revenues and expenses for Governmental and Business-type activities as they relate to the program category in which the funds were collected or expended. Governmental activities reflect the City's basic services, including general government, police, public works and physical environment, planning, zoning, and code enforcement, building, and parks and recreation. Business-type activities are comprised of Stormwater (wastewater) utilities.



Governmental activities increased the City's net position by \$9.4 million during the current fiscal for year. Charges services for 26% of accounted total governmental revenues. Building service revenues comprised 43% of the total charges for services, which increased by \$1.9 million primarily as a result of an increase in impact fees and building permits issued attributable to new construction taking place throughout the City. Total governmental program expenses totaled \$61.5 million with Police program expenses representing 37.8% of the total. The increase of \$2.7 million in Police program expenses is primarily attributable to increases in personnel and related operating expenditures.



Business-type funds are used to report any activity for which a fee is charged to users for goods and services to recover the cost of the service provided. The net position in businesstype activities increased to \$34.1 million when compared to the \$32.5 million from the last fiscal year. Overall, this is a result of revenues continuing to exceed expenditures.

CITY OF DORAL



The City maintains many individual 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 nearterm inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.







**Fund Balance:** Represents the difference between the assets and liabilities in a governmental fund.

**Unassigned Fund Balance:** Is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

**Committed Fund Balance:** Is the portion of fund balance that represents resources whose use is constrained by limitations that the government imposes on itself.

The General Fund balance increased from \$64.3 million at the end of 2017, to \$71.9 million at the end of the current fiscal year. Of that amount, \$44.5 million constitutes unassigned fund balance, which is available for spending at the City's discretion; \$27.4 million, is committed for various projects such as the purchase of land for land banking for future civic use, construction of a ramp over Doral Blvd. as a part of the Florida's Turnpike widening project, the build-out of Emergency **Operations** Center. an completion of the construction of Doral Glades Park, and fleet purchases.

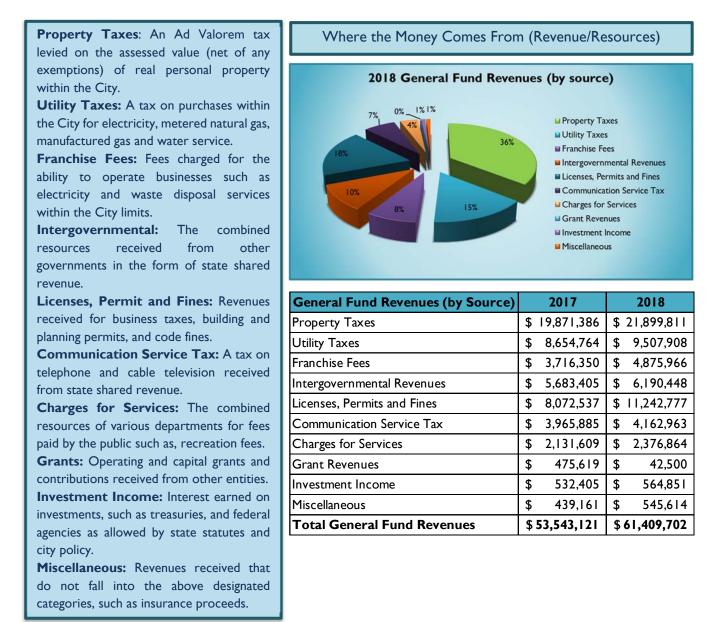
The change in Transportation Fund balance was a decrease of \$844 thousand. The general fund did not contribute to the transportation fund in the current fiscal year. While revenues increased by \$453 thousand mainly due to increases in impact fees, expenditures in the fund exceeded revenues. Currently, there are various ongoing roadway improvement projects, which were partially funded from contributions from the general fund.

CITY OF DORAL



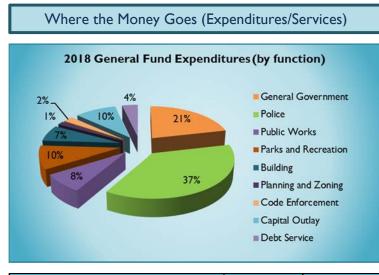
The General Fund is the primary operating fund of the City. It is used to account for all financial resources except for those required to be accounted for in another fund. It is useful to analyze as it reflects revenues and expenditures available for general use. The general fund is where the most significant revenue source (property taxes) and a majority of the City's expenditures are accounted for, including public safety (police) and City administration.

The majority of services are financed through shared state sales tax, local utility tax, property tax and direct charges for services. Compared to previous year, FY 2018 total general fund revenues increased by \$7.8 million. The largest revenue source for the City is property taxes, which make up for 36% of general fund revenues. The second and third largest revenue sources are licenses, permits and fines (18%) and utility taxes (15%), respectively.





Compared to previous year General fund expenditures decreased by \$7.4 million. The largest General fund expenditures were for police services, which makes up for 37%, and general government for 21% of total General fund expenditures.



General Fund Expenses (by Function)	2017	2018
General Government	\$ 11,568,812	\$ 11,435,676
Police	\$ 17,856,455	\$ 19,781,681
Public Works	\$ 3,199,318	\$ 4,105,450
Parks and Recreation	\$ 5,391,640	\$ 5,203,301
Building	\$ 3,940,410	\$ 3,673,008
Planning and Zoning	\$ 867,138	\$ 791,404
Code Enforcement	\$ 1,215,533	\$ I,282,484
Capital Outlay	\$  4,797,145	\$ 5,133,430
Debt Service	\$ 1,907,519	\$ 1,935,777
General Fund Total Expenses	\$ 60,743,970	\$ 53,342,211

**General Government:** Financial and Administrative services provided for the benefit of the public and the governmental body as a whole.

**Police:** Expenditures associated with services provided by the City for the safety and security of the public.

**Public Works:** Expenditures reflecting costs associated with maintaining public infrastructure such as City roads, medians, and City facilities.

**Parks and Recreations:** Reflects the expenses associated with services that enhance the culture of the community, such as recreation, sports, fitness, and special events.

**Building, Planning & Zoning, and Code Enforcement:** These categories include costs associated with services provided for building safety, code compliance and planning functions.

**Capital Outlay:** Expenditures associated with acquiring, maintaining, repairing or upgrading capital assets such as, machinery, facilities and land.

**Debt Service:** Expenditures to pay the principal and interest payments related to the City's long-term debt.





Capital Assets are defined as land, building, improvements, equipment, and infrastructure owned by the City and purchased by each department as needed. For the current fiscal year, the City's capital assets for governmental activities, net of accumulated depreciation were \$212.9 million. The capital assets for business-type activities, net of accumulated depreciation were \$25.3 million. Below is a summary of the total dollar amount held by the City, as of September 30, 2018:



Governmental Activities (Net)										
Capital Asset		2017		2018						
Land	\$	77,605,960	\$	77,605,960						
Construction in Progress	\$	24,875,454	\$	10,375,326						
Buildings	\$	48,260,255	\$	62,252,459						
Infrastructure	\$	44,456,966	\$	48,265,066						
Public Domain & System Infrastructure	\$	4,018,633	\$	3,658,936						
Furniture, Fixtures and Equipment	\$	7,038,673	\$	7,431,762						
Vehicles	\$	2,936,361	\$	3,334,464						
Totals	\$ 2	09,192,302	\$	212,923,973						

Business-Type Activities (Net)										
Capital Asset 2017 20										
Construction in Progress	\$	3,327,501	\$	1,918,302						
Infrastructure - Stormwater Imp.	\$	20,798,888	\$	23,342,923						
Furniture, Fixtures and Equipment	\$	1,626	\$	1,211						
Vehicles	\$	20,818	\$	14,966						
Totals	\$	24,148,833	\$	25,277,402						

#### **Capital Asset Highlights**

- Public Works repair, replacement and beautification of streets
- Information Technology upgrades and improvement to City's systems
- > Park improvements and construction of Glades Park
- Additions to the City's fleet of vehicles
- Expansion of the Police/Public Works facility and the construction of the new substation
- > Contribution of Park land



**Land:** Represents total dollar amount in land purchased and owned by the City of Doral for government use.

**Infrastructure:** Includes the cost of all roads, bridges, medians, drainage systems, water and sewer systems, and other permanent improvements that add value to the land.

**Buildings:** The amount listed is the cost of permanent structures such as City Hall, Police and Public Works buildings.

Furniture,FixturesandEquipment:Includes the cost of allmachinery office furniture,IT devices,etc.

PublicDomainandSystemInfrastructure:The cost of all ITsystem equipment.

**Parks and Recreation Facilities:** This category tracked all assets purchased by the Parks department; the category was removed and all assets in the category were moved to their respective categories.

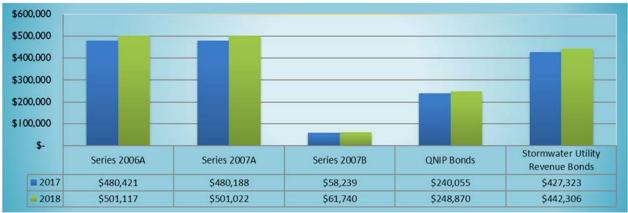


The City's current Standard & Poor's bond rating is AA. As of September 30, 2018, the City's debt for Governmental activity totaled approximately \$39.5 million, excluding compensated absences. This represents a \$600 thousand increase over the last year's total debt of \$38.9 million. The increase is attributable to the net pension and OPEB liabilities.



u Series 2006A ui Series 2007A ui Series 2007B ui Net Pension Liability ui QNIP Bonds ui OPEB Liability ui Stormwater Utility Revenue Bo

The table below represents the City's annual financial obligations for the years ended September 30, 2017 and 2018:



The following is a summary of changes in long-term liabilities of the City for the year ended September 30, 2018:

							D	ue within	
Governmental Activities	Beginning		ginning Additions		Reductions		Ending		Dne Year
Capital Improvement Revenue Bonds:									
Series 2006A	\$	5,917,053	\$	-	\$	(501,117)	\$ 5,415,936	\$	522,705
Series 2007A	\$	5,924,196	\$	-	\$	(501,022)	\$ 5,423,174	\$	522,761
Series 2007B	\$	787,524	\$	-	\$	(61,740)	\$ 725,784	\$	65,45 I
Total Bonds	\$	12,628,773	\$	-	\$	(1,063,879)	\$ 11,564,894	\$	1,110,917
Other Liabilities:									
Net Pension Liability	\$	22,334,157	\$	3,549,964	\$	(2,305,441)	\$ 23,578,680	\$	-
QNIP Bonds	\$	2,382,510	\$	-	\$	(248,870)	\$ 2,133,640	\$	258,505
OPEB Liability	\$	1,879,591	\$	405,041	\$	(84,827)	\$ 2,199,805	\$	-
Compensated Absences	\$	1,461,396	\$	2,113,859	\$	(1,896,186)	\$ I,679,069	\$	250,000
Total Other Liabilities	\$	28,057,654	\$	6,068,864	\$	(4,535,324)	\$ 29,591,194	\$	508,505
Governmental Activities long-term liabilities	\$	40,686,427	\$	6,068,864	\$	(5,599,203)	\$ 41,156,088	\$	1,619,422

								D	ue within
Business-type Activities	E	Beginning	Α	dditions	Re	ductions	Ending	O	ne Year
Stormwater Utility Revenue Bonds	\$	6,440,554	\$	-	\$	(442,306)	\$ 5,998,248	\$	457,289
Business-type Activities long-term liabilities	\$	6,440,554	\$	-	\$	(442,306)	\$ 5,998,248	\$	457,289



CITY OF DORAL CITY HALL 8401 NW 53 TERRACE DORAL, FL 33166 TEL: 305-593-6725

CITY MAYOR AND COUNCIL CITY HALL 3<sup>RD</sup> FLOOR TEL: 305-593-6725

OFFICE OF THE CITY MANAGER CITY HALL 3<sup>RD</sup> FLOOR TEL: 305-593-6690

OFFICE OF THE CITY ATTORNEY CITY HALL 3<sup>RD</sup> FLOOR TEL: 305-593-6725

OFFICE OF THE CITY CLERK CITY HALL IST FLOOR TEL: 305-593-6730 BUILDING DEPARTMENT CITY HALL 2<sup>ND</sup> FLOOR TEL: 305-593-6700

CODE COMPLIANCE DEPARTMENT CITY HALL 2<sup>ND</sup> FLOOR TEL: 305-593-6680

FINANCE DEPARTMENT CITY HALL 3<sup>RD</sup> FLOOR TEL: 305-593-6725

HUMAN RESOURCES DEPARTMENT CITY HALL 3<sup>RD</sup> FLOOR TEL: 305-593-6760

OFFICE OF ECONOMIC DEVELOPMENT CITY HALL 3<sup>RD</sup> FLOOR TEL: 305-593-6725 PARKS & RECREATION DEPARTMENT CITY HALL IST FLOOR TEL: 305-593-6600

PLANNING & ZONING DEPARTMENT CITY HALL 2<sup>ND</sup> FLOOR TEL: 305-593-6630

POLICE DEPARTMENT 6100 NW 99 AVENUE DORAL, FL 33178 TEL: 305-593-6699

PUBLIC AFFAIRS DEPARTMENT CITY HALL 3<sup>RD</sup> FLOOR TEL: 305-593-6746

PUBLIC WORKS DEPARTMENT CITY HALL 2<sup>ND</sup> FLOOR TEL: 305-593-6740

#### INTERESTED IN MORE FINANCIAL INFORMATION?

The information in this report is drawn from the City of Doral Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2018, which may be accessed at <u>www.cityofdoral.com</u>.

The City's financial statements are designed to provide Doral citizens, taxpayers, customers, investors, and creditors with a general overview of City finances and to demonstrate the City's accountability of the resources it receives and expends.