

ORDINANCE No. 2024-11

AN ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, AMENDING ARTICLE IV “FINANCIAL MATTERS” OF CHAPTER 2 “ADMINISTRATION” TO CREATE SECTION 2-253 OF THE CITY OF DORAL CODE OF ORDINANCES ENTITLED “CAPITAL ASSET RESERVE FUND POLICY,” WHICH SHALL PROVIDE FOR MINIMUM CONTRIBUTIONS AND A MINIMUM FUND BALANCE WITHIN THE INFRASTRUCTURE REPLACEMENT FUND OF THE CITY’S BUDGET; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCORPORATION INTO THE CODE; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Section 166.241, Florida Statutes, requires that each municipality in the state adopt a budget each fiscal year, and said budget must be adopted by ordinance or resolution unless otherwise specified in the respective municipality’s charter; and

WHEREAS, Section 4.05 of the City of Doral (“City”) Charter requires that each annual budget adopted by the City Council shall be a balanced budget, and that the budget shall be specific as to the nature of each category of appropriations; and

WHEREAS, pursuant to the aforementioned authority and process, an Infrastructure Replacement Fund was established by the City in FY 2015-2016, in an effort to help fund future capital replacement; and

WHEREAS, the Infrastructure Replacement funding principle is premised upon ensuring that money is collected and segregated, over a period of time, to cover the repair or replacement cost of existing common elements, to wit, capital facilities already in existence; and

WHEREAS, in furtherance of the above, the adoption of a Capital Asset Reserve Fund Policy, as set forth herein, will provide for funding and minimum reserve requirements for the Infrastructure Replacement Fund, following recommendations from

the Government Finance Officers Association (GFOA) best practices on Strategies for Establishing Capital Asset Renewal and Replacement Reserve Policies; and

WHEREAS, it is in the City's best interest to adopt the proposed Capital Asset Reserve Fund Policy in order to guide capital asset management practices that are supported by both finance and operational/engineering expertise in order to ensure financial sustainability.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA AS FOLLOWS:

Section 1. Recitals. Chapter 2 of the Code of Ordinances of the City of Doral is hereby amended to read as follows:

Chapter 2 – ADMINISTRATION

ARTICLE IV. – FINANCIAL MATTERS

DIVISION 1 – GENERALLY

Sec. 2-253. - Capital Asset Reserve Fund Policy

(a) Administrative review. As part of the City's Capital Improvement Element development process, maintenance and replacement funding will be prioritized each year to ensure that capital facilities are sufficiently maintained to avoid service disruptions. In furtherance of ensuring that the City will maintain its capital facilities in a manner adequate to protect the City's capital investments and to minimize future liabilities for maintenance and replacement costs, the Finance Department in conjunction with the Public Works Department shall develop procedures that provide for the minimum:

- (1) Complete inventory and periodic measurement of the physical condition of city capital facilities;
- (2) Establish condition/functional standards for the building(s) asset class;
- (3) Evaluate capital facilities and set priorities; and

(4) Monitor and communicate progress internally between the finance and public works departments.

(b) Utilization of assigned fund balance. Funds reserved pursuant to this section may be used only in accordance with the following requirements: The funds in the Infrastructure Replacement Fund are to be used solely to address building hardening and security, and to fund unscheduled and anticipated repairs, and other operational issues relating to the City's properties.

(c) Minimum funding.

- (1) Annual contributions to the Infrastructure Replacement Fund will be budgeted from the General Fund through the annual budget process.
- (2) The City shall annually contribute a minimum of 25% percent of the annual depreciation based on the City's Buildings asset category reported on the most recently available Annual Comprehensive Financial Report.
- (3) The Infrastructure Replacement fund target funding levels will be monitored on an annual basis during the Five-Year budget development process to ensure there is adequate funding for anticipated/ scheduled repair and maintenance of capital facilities.

(d) Minimum reserve. The City shall maintain a minimum ending reserve (fund balance) for the Infrastructure Replacement Fund equal to the dollar amount five-year average of the City's General Fund annual capital budget.

(e) Replenishment of balance. Shall the aforementioned fund balance fall below the required reserve levels as set forth in this section, the City shall contribute 50% percent of the annual depreciation based on the City's buildings asset category reported on the most recently available Annual Comprehensive Financial Report, until the fund balance level is restored to the minimum requirements.

(f) Council approval. All expenditures budgeted from this fund shall have prior approval of the City Council through the budget process. Any anticipated downward departure from the minimum annual contributions required by this section shall be presented to the City Council as a separate item in advance of the first hearing on the annual budget adoption, and shall require approval by the City Council by a super-majority vote of those present.

Section 3. **Repealer.** All ordinances, or parts of ordinances in conflict herewith be, and the same, are hereby repealed.

Section 4. **Severability.** If any section, subsection, clause, or provision of this Ordinance is declared invalid or unconstitutional by a court of competent jurisdiction, the remainder shall not be affected by such invalidity.

Section 5. **Incorporation Into the Code.** It is the intention of the Mayor and the City Council, and it is hereby ordained, that the provisions of this Ordinance shall become and made a part of the Code of Ordinances of the City of Doral; that the sections of this Ordinance may be renumbered or re-lettered to accomplish such intentions; and that the word "Ordinance" shall be changed to "Section" or other appropriate word, as required.

Section 6. **Effective Date.** This Ordinance will become effective ten (10) days after adoption at second reading.

The Prime Sponsor of the foregoing ordinance is Mayor Christi Fraga.

The foregoing Ordinance was offered by Vice Mayor Puig-Corve who moved its adoption. The motion was seconded by Councilmember Pineyro upon being put to a vote, the vote was as follows:

Mayor Christi Fraga	Yes
Vice Mayor Oscar Puig-Corve	Yes
Councilwoman Digna Cabral	Yes
Councilman Rafael Pineyro	Yes
Councilwoman Maureen Porras	Yes

PASSED AND ADOPTED on FIRST READING this 14 day of February, 2024.

PASSED AND ADOPTED on SECOND READING this 13 day of March, 2024.



CHRISTI FRAGA, MAYOR

ATTEST:



CONNIE DIAZ, MMC
CITY CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY
FOR THE USE AND RELIANCE OF THE CITY OF DORAL ONLY:

By: 
GREENSPOON MARDER, LLP
INTERIM CITY ATTORNEY