



DEPARTMENT OF OFF-STREET PARKING
ANNUAL REPORT 2018

Component Unit of the City of Miami, Florida
Fiscal Year Ended September 30, 2018



This 2018 report features photos and art from "Zero Mile Marker," a creative transformation of MPA's public lots 52-55. Located between the Design District and Midtown Miami, and below the I-195 overpass, this unique installation was created by artist Vito Di Bari & Associates.

messages



From the Chairman

I am honored to serve as the Chairman of the Board of Directors for the Miami Parking Authority (MPA). I am excited to work with an exemplary board comprised of five independent members of the community from various professions and industries. Collectively, we provide the vision, leadership and policy to chart the future of the Authority.

I am also proud to work with an incredibly talented staff. The MPA executives and staff foster innovation; maximize revenues for the City of Miami; provide exceptional customer service; and lead the Authority (and the entire parking industry) with distinction. The city and community are fortunate to have such an extraordinary team of employees who are committed to the highest ethical standards and corporate social responsibility.

These are exciting times for the MPA as we enter a new transformational phase for the agency. On behalf of our Board of Directors, I want to express my gratitude to Art Noriega, who has brilliantly served the organization for more than 15 years as the Chief Executive Officer. Art's unparalleled leadership, passion, and vision has positioned the MPA at the pinnacle of the parking industry.

All of us at MPA remain steadfast in our commitment to the communities that we serve as we chart a new and exciting course for the organization.

A handwritten signature in dark ink, reading "Thomas B. Jelke".

Thomas B. Jelke, Ph.D.
Chairman of the Board of Directors



From the CEO

As we enter a new fiscal year, it is an appropriate time to reflect on what we have accomplished, while looking ahead at the prospect of new and exciting initiatives planned for the future.

Last year, we began the gradual transformation of the Authority into a multi-faceted parking organization in line with the foreseen changes in the industry. During the fiscal year, we broke ground on a new parking garage in Coconut Grove, known as Regatta Harbour. Projected to be completed in the summer of 2019, Regatta Harbour will add over 400 much-needed spaces to the existing parking inventory in the heart of Coconut Grove.

The Authority also commenced renovations on the lot under I-195 located between the Design District and Midtown Miami. Named Zero Mile Marker, these improvements represent the uniqueness of the intersection of parking and art. Zero Mile Marker is a metaphor for the borderline between the two neighborhoods representing a sophisticated quality of life, seen through the eyes of internationally renowned Italian artist, Vito Di Bari, and a diverse team of young artists from the far corners of the world. This lot features an art installation second to none.

The MPA also awarded a contract to add 350 parking spaces in Courthouse garage as well as the first downtown urban core housing project created by the agency. Known as Grand Station, this project is expected to fulfill the need for additional housing units as well as foster economic development.

Operationally, the Authority reached a new milestone by becoming the number one parking organization in the U.S. in volume of PayByPhone transactions, with a current adoption rate in Miami of about 90 percent.

Lastly, our work would not be complete without acknowledging the role that the MPA continues to play in community endeavors. From voluntary participation in boards and committees to sponsorships and in-kind contributions, the Authority is a constant presence across all Miami neighborhoods.

In closing, it would be remiss of me not to recognize the contributions of our dedicated employees whose commitment to excellence and service I earnestly appreciate.

A handwritten signature in dark ink, reading "Art N".

Arthur Noriega, V
Chief Executive Officer

leadership

City of Miami Mayor and Commission



Francis Suarez
Mayor



Wifredo (Willy) Gort
Vice Chair, District 1



Ken Russell
Chairperson, District 2



Joe Carollo
District 3



Manolo Reyes
District 4



Keon Hardemon
District 5

MPA Board of Directors



Thomas B. Jelke, Ph.D.
President & CEO
t.jelke solutions
Chair



Marlon A. Hill
Partner
Hamilton, Miller &
Birthisel, LLP



Stephen Nostrand
President & COO
One Commercial Real Estate
Chair, Finance Committee



Jami Reyes



Larry Spring, Jr.
City Manager
North Miami

MPA Management Team

Arthur Noriega, V
Chief Executive Officer

Scott Simpson
Chief Financial Officer

Alejandra Argudin
Chief Operations Officer

Angel L. Diaz Jr.
Director of Operations

Henry Espinosa
Director of Information
Technology

Angela D. Hernandez
Director of Human Resources

Terrell Reid
Director of Planning
& Development

Roland Galdos
Senior Executive Advisor
to the CEO

Margie Carmenates
Controller



overview

The Miami Parking Authority (MPA), also known as the Department of Off-Street Parking, manages and develops on- and off-street parking in the City of Miami, Florida. It shares responsibility with the City of Miami Police Department and Miami-Dade County for enforcement of parking regulations.

MPA, a semi-autonomous, self-sustaining agency managed by parking industry professionals and financed by parking revenues, receives no taxpayer support. Funds not used by operations are returned to the City of Miami, and all ticket citation revenues are payable directly to Miami-Dade County.

The Authority is governed by a five-member Off-Street Parking Board, which has the customary duties and powers of a private corporation's board. The Miami City Commission retains authority for approval of MPA's annual budget and rate structure, the confirmation of appointments to the Board and the issuance of parking revenue bonds. As a component unit of the City of Miami, MPA's financial statements are incorporated as a proprietary fund into the City of Miami's Comprehensive Annual Financial Report.

The MPA Board and management view parking as a vital component of the urban transportation network, overall mobility strategy and economic development. MPA conducts its operations according to its mission: "We will meet the City's parking needs while working in partnership with, and being responsive to, our internal and external customers by continuously and measurably improving performance and striving for excellence in all aspects of our business."

As of September 30, 2018, the Authority managed approximately 46,800 spaces, including 14 garages, 69 surface lots, 8 Miami-Dade County parks, 1 City of Miami marina, and approximately 11,800 on-street spaces. The Authority operates the facilities it owns, as well as others owned by other government units, non-profit entities and public-private sector joint ventures.



operations

The Department of Off-Street Parking Board of the City of Miami (d/b/a Miami Parking Authority), established by the Florida State Legislature in 1955 and chartered by City ordinance in the same year, continues to serve the purpose for which it was created. The Board oversees the management and development of convenient, safe and affordable parking facilities within the City of Miami. In fiscal year 2017/2018, MPA provided the City with \$7.8 million in excess revenues. Additionally, the City received nearly \$3.7 million from citation fines and approximately \$1.2 million from the operation of the James L. Knight Center Garage. This amounts to a total of approximately \$12.7 million that the City received resulting from MPA's parking and enforcement operations.

Miami Parking Authority continued to provide parking management services for the Public Health Trust's 7,000 parking spaces on the Jackson Medical Campus. In this capacity, MPA has been able to steadily increase revenues while consistently decreasing expenses. MPA was able to steward approximately \$8.1 million in revenue for the County's public hospital for the year ended September 30, 2018.

The Authority has continued its partnership with the County by providing parking management services at several County parks. It successfully implemented the PayByPhone technology in eight parks, which affords customers a faster, more convenient form of payment. This has facilitated the flow of traffic at the parks, allowing customers to arrive at their destination without inconvenience. There have been over 297,258 PayByPhone transactions for 2018 in all of the Miami-Dade County parks and 30,182 for the same period of time in City of Miami parks.

PayByPhone users in the City of Miami reached an all-time high this fiscal year. MPA has the highest percentage of users for a municipal organization in North America. Its main draw is the convenience it affords users when they need to pay for their parking. As of September 2018, approximately 494,545 new vehicles registered to participate in the program, which generated approximately \$15.3 million in parking revenue and assisted us in reaching a record 88% adoption for the current fiscal year.

The Authority has continued to expand its role beyond its operational responsibilities to further its participation in the community development process. Paramount to the success of this initiative is the need to foster an awareness of parking as an integral component of a balanced transportation infrastructure network, both public and vehicular, and the community development process.

The Authority's continued expansion of its role in community involvement is demonstrated in various parking-related projects geared toward neighborhood beautification, economic development and engagement, as well as continued participation in civic and governmental boards and committees. The Authority's continued role in community involvement is demonstrated as follows:

- The Board and Authority continue to participate in civic and governmental committees to share resources and provide input on decisions that have an impact on the area's transportation needs and the City's community development process. Specific to its role in community development, this year the Authority has broadened and expanded its participation and outreach as it relates to the beautification of the city and the expansion of art in public places. Some of these examples include: "Walk for the Animals" to benefit the Humane Society of Greater Miami; the Miami-Dade County League of Cities' Best Practices Conference; the 2017 Park-Your-Art contest; eMerge Americas Conference; Miami-Dade County Parks and Marinas PayByPhone public outreach; Customer Service Week; and a new grassroots education campaign that kicked off in late summer, aimed at visiting local community organizations to register City of Miami residents for the 20% parking discount program.
- The Authority has continued its public information campaign in order to update citizens about its role in parking management and any new programs being offered, as well as its support and financial contributions to the City. It has been MPA's mission to ensure that it reaches out to all the communities it serves. To this end, the Authority collaborates with the English-, Spanish- and Creole-language media to communicate information to the public.
- In-kind sponsorships, in the form of donated parking, were provided to numerous organizations such as the Susan G. Komen Race for the Cure; the Miami Book Fair, the Coconut Grove Arts Festival, Sant La's Annual Gala, Invest Miami 2018 Panel on P3, back-to-school uniforms for children who live in the Lotus House shelter, the Miami International Film Festival, the Calle Ocho Music Festival, Mad Hatter, and the Back-to-School Supply Drive, among others.
- The Authority continues its participation in neighborhood parking advisory committees, which provides a platform for citizen input into the Authority's decision-making process.



planning & development

The Miami Parking Authority prides itself on providing affordable, safe and innovative parking solutions, but we also understand how important development is for the economic success of the community. In 2018, we commenced several development projects that will expand our inventory and enable us to better serve our community. These projects have also enhanced curb appeal, generated more jobs, and brought community members together.

Although known for parking cars, we have always strived to be different from the rest. One of our most creative projects completed in 2018 was the redevelopment of a series of I-195 underpass lots anchored by two vibrant neighborhoods: the Design District and Midtown. This project was the first of its kind for us. The project provided much-needed restorations to the lot, while incorporating art in public places. The lots were transformed into a fun place to park with vibrant colors, lights and original artwork from designers representing five continents and reflecting nothing short of diversity and heritage. The project began in September 2018 and was completed in December 2018.

Another milestone for the Authority in 2018 is the progress made on the development of the Regatta Harbour Garage (formerly Grove Bay Garage) in Coconut Grove. The proposed three-level garage is located off Pan American Drive and South Bayshore Drive. The mixed-use garage will feature 253 parking spaces within the garage, 77 surface parking spaces and 33,476 square feet of retail establishments on the ground floor. Boasting lush landscaping and artwork that pays homage to the Pan American history in Coconut Grove, the garage will be an attractive asset to the community. It is scheduled to be substantially completed in June 2019.

Our 2018 was a busy year, but with several development projects already in the pipeline, we are certainly looking forward to an exciting 2019.



information technology

Miami Parking Authority's success depends largely on leveraging technology in innovative ways. Setting objectives for the Information Technology department serves as a road map for the Authority's strategic and long-range goals. Miami Parking Authority's Information Technology Department continually strives to meet its goals to improve technology, communication and service for the Authority.

2018/2019 ACCOMPLISHMENTS

- Enhanced the Authority's disaster recovery process by configuring off-site replicas of critical systems. This project allows MPA to run our servers in the cloud should something prevent the use of our data center at MPA headquarters.
- Implemented occupancy and compliance study using license plate recognition (LPR) technology in Wynwood. This project used LPR to do statistical sampling of occupancy and compliance rates in the area. The data collected can be cross-referenced with staffing levels, citations issued and rate changes to determine the impact of each on occupancy and compliance.
- Implemented an on-street sensor pilot program in Coconut Grove. The system provides real time and historical occupancy information on a per space level. Additionally, this system allows MPA to analyze behavior in spaces of various types like loading zones, valet and ADA accessible parking spaces.
- Migrated outdated ScanNet and DATAPARK systems at MPA garages to the SKIDATA parking and revenue control system. This simplifies automation, management and reporting throughout the organization.
- Implemented credit card point-to-point encryption at MPA's Courthouse Center, Cultural Center and Knight Center garages. This project drastically improves security and reduces MPA's risk associated with credit card processing.
- Completed technology design specifications for the Regatta Harbour project located in Coconut Grove.
- Upgraded intercom systems to a unified platform in order to improve the reliability of communications with customers.
- Acquired Decisions business process management system. Over the course of 2019 and beyond, this system will allow MPA to automate workflows to improve efficiency.

human resources

The Human Resources (HR) team, in accordance with its mission, strived to accomplish goals in alignment with Miami Parking Authority's strategic objectives. HR focused on employee engagement activities, the wellness program, employee incentives, training development and maintaining excellent communications with staff.

HIGHLIGHTS

We expanded our activities to create new incentives that allow us to better promote the wellness program. The RALLY Online Wellness Incentives Program has added new missions for employee rewards as well as the Health Survey and Wellness Coaching programs. Internally, we have engaged employees in additional challenges like the Biggest Loser Challenge to create more opportunities to earn points and promote health, as well as offered a variety of screenings and prevention methods such as biometrics testing, health assessments and flu shots. At our Annual Health Fair, more than 80 percent of employees participated and enjoyed these services.

HR and the Safety Committee met their safety goals by implementing a new online safety training program for all employees. This program provides a variety of safety online courses that employees will take as part of a quarterly requirement to promote and maintain a safe work environment. This program also includes an on-board training course for all new hires as part of the orientation process.

We also continue our efforts of doing specialized and customized on-site training like Certification Class for Enforcement Officers, delivered by Miami Dade College. This course was also made available to all employees who were interested in obtaining this certification for future opportunities.

We introduced a train-the-trainer approach with our managers and assistant managers. We trained our managers on how to teach their employees safety prevention and healthy habits that they can implement in their departments to prevent incidents and promote a safe work environment.

We also completed the first phase of Diversity and Harassment training for all employees.

HR conducted a complete compensation and classification review of all jobs in order to remain competitive within the parking industry. We were able to sustain the quality of our compensation plan and effectively make adjustments that encompass all compensation levels. We implemented new pay bands as well as adjusted existing ones to ensure compensation equality. Several positions were evaluated and reclassified accordingly.

Additionally, we completed review of all recruitment and selection activities in order to improve service provision, inducted and launched social media recruitment via LinkedIn, Facebook, Instagram and Twitter. We also successfully revised the Manager Self-Service recruitment tools in ADP. Managers can now select and pre-screen applicants on the Recruitment/Applicant tab in the ADP system.

Throughout the year we have had several employee events. The calendar of employee events included:

- Bring Your Child to Work Day
- Valentine's Day Employee Celebration
- Employee Appreciation Day
- St. Patrick's Day Celebration
- Administrative Assistant Day
- Mother's Day Event
- Father's Day Event
- MPA's Annual Picnic
- Halloween Lunch and Costume Contest
- Health Fair
- Thanksgiving Pot Luck Luncheon
- Holiday Luncheon

HR continues to partner with TicketsatWork to offer employees special discounted tickets to special events, venues and hotels.

The Human Resources Department is proud of our work and accomplishments, and we are dedicated to continuing working on excelling our services to our employees as we maintain our course and maximize efficiency and effectiveness in business processes.

the 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 the Miami Parking Authority 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 preparing 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 for creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial 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 the GFOA.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**Miami Parking Authority
Florida**

For its Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrell

Executive Director/CEO

Financial Statements

The following is a condensed presentation of the Authority's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2018, completed in January 2019. As a condensed report, the presentation of the financial information does not conform to generally accepted accounting principles and related reporting standards. However, this simplified version of the financial data does utilize the same basis of accounting as the CAFR for presenting information.

Our CAFR is a detailed financial report audited by independent auditors. This was accomplished in the current year by RSM US LLP, independent certified public accountants. The CAFR fully conforms to generally accepted accounting principles. For a more detailed summary of the Authority's financial statements, a copy of the CAFR may be viewed and downloaded by accessing the Authority's website at www.miamiparking.com.

revenue

Where the money comes from

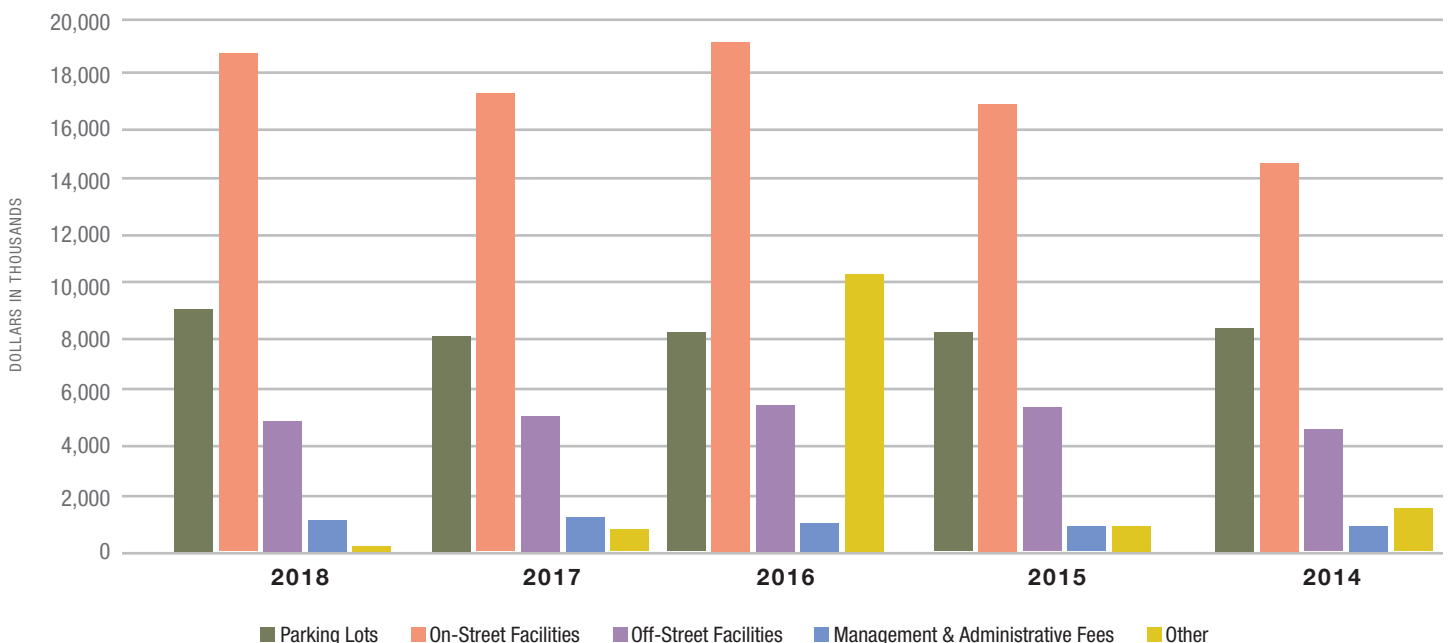
Major sources include charges for parking services, management fees and administrative fees. The Authority does not receive any taxpayer support or revenues from parking enforcement management. The Authority's traffic management enforcement efforts generated approximately \$3.7 million in parking fine revenues for the City and \$5.5 million for Miami-Dade County for a total of \$9.2 million. Total revenues for fiscal year 2018 were \$34.2 million, an increase from prior year's revenue of 5%. On-street parking revenue increased by 7% from the prior year due primarily to an increase in transient parkers visiting certain areas of the City, such as Wynwood, one of the City's most happening districts. Parking lot revenue increase by 10% from 2017 due primarily due to an increase in patrons parking at the Authority's municipal lots located along the Biscayne Boulevard corridor in Downtown Miami.

REVENUE* (for the years ended September 30)

	2018	2017	2016	2015	2014
Parking Lots	\$8,935,500	\$8,136,278	\$8,269,594	\$8,207,772	\$8,437,285
On-Street Facilities	18,413,148	17,208,835	19,033,708	16,783,353	14,559,254
Off-Street Facilities	4,975,018	5,028,186	5,408,425	5,301,316	4,565,200
Management & Administrative Fees	1,331,130	1,329,670	1,090,789	935,337	901,433
Other	590,052	918,699	10,450,945	1,002,018	1,621,414
Total	\$34,244,848	\$32,621,668	\$44,253,461	\$32,229,796	\$30,084,586

* Statement of Revenues, Expenditures & Changes in Net Position

TOTAL REVENUES BY FISCAL YEAR



expenditures

Where the money goes

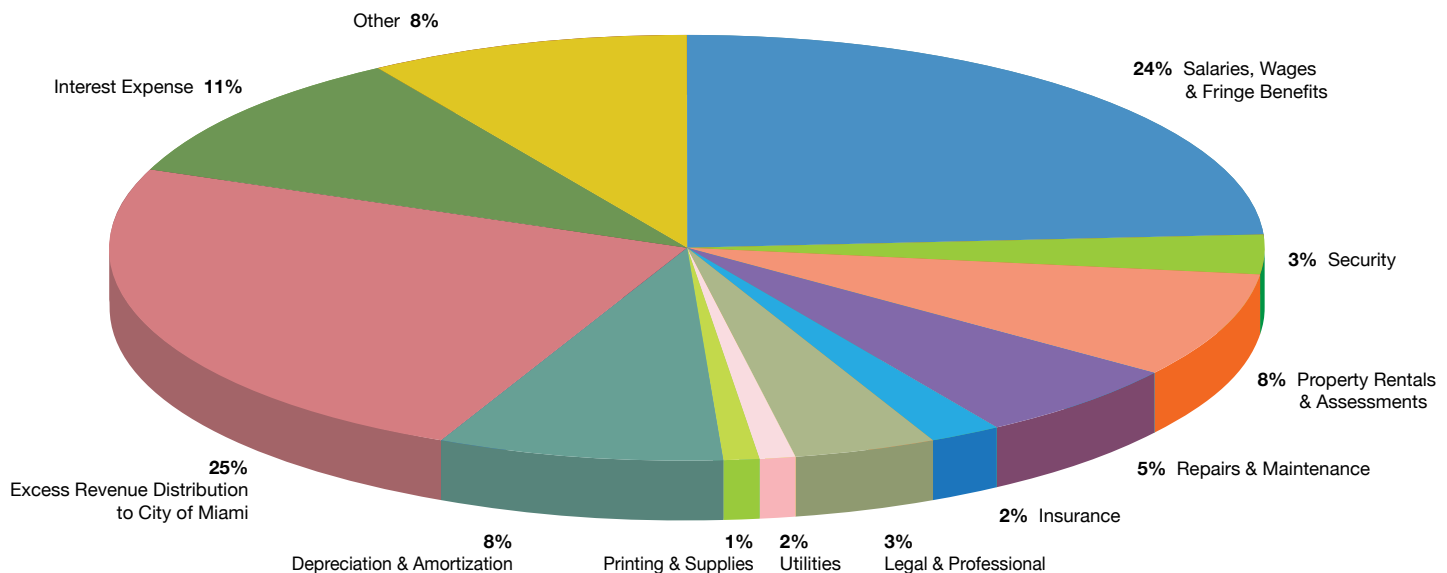
The Authority made a significant contribution to the City of Miami during fiscal year 2018 amounting to \$7.8 million as compared to \$7.7 million in the previous year. "Other" operating expenses during fiscal year 2018 increased by 19% as compared to the prior year due to additional credit card fees paid by the Authority as a result of an increase in customers using pay-by-phone as a method of payment.

EXPENDITURES* (for the years ended September 30)

	2018	2017	2016	2015	2014
Salaries, Wages & Fringe Benefits	\$7,543,801	\$7,475,084	\$7,266,120	\$6,688,847	\$6,369,006
Security	826,131	977,815	1,023,256	1,049,389	937,534
Property Rentals & Assessments	2,422,686	2,549,193	2,613,013	2,381,663	3,245,253
Repairs & Maintenance	1,827,835	1,731,395	1,503,318	1,305,458	1,402,472
Insurance	557,369	585,572	543,972	458,821	535,300
Legal & Professional	1,229,813	1,020,888	1,062,035	1,184,255	1,345,667
Utilities	469,803	593,730	662,173	700,679	707,609
Printing & Supplies	279,014	212,847	200,819	181,387	166,515
Depreciation & Amortization	2,664,234	2,673,315	2,938,872	3,609,462	3,561,853
Excess Revenue Distribution to City of Miami	7,792,377	7,700,000	8,900,000	7,700,000	6,700,000
Interest Expense	3,234,685	3,320,418	3,397,353	3,441,789	3,507,348
Other	2,969,026	2,503,605	5,234,529	1,996,018	1,666,184
Total	\$31,816,774	\$31,343,862	\$35,345,460	\$30,697,768	\$30,144,741

* Statement of Revenues, Expenditures & Changes in Net Position

TOTAL EXPENDITURES (for the year ended September 30, 2018)



net position

STATEMENT OF NET POSITION (for the years ended September 30)

	2018	2017	2016	2015	2014
Assets					
Current and Other Assets	\$47,392,770	\$47,750,488	\$47,210,750	\$32,984,083	\$28,873,336
Capital Assets, Net	54,223,894	51,264,449	52,163,117	60,039,548	62,091,562
Total Assets	101,616,664	99,014,937	99,373,867	93,023,631	90,964,898
Deferred Outflow of Resources					
Deferred Loss on Debt Refunding	1,004,684	1,052,337	1,099,991	1,147,644	1,195,297
Deferred Outflow of Resources Related to Pension	1,084,399	982,141	912,812	350,255	-
Deferred Outflow of Resources Related to OPEB	28,304	-	-	-	-
Total Deferred Outflow of Resources	2,117,387	2,034,478	2,012,803	1,497,899	1,195,297
Total Assets & Deferred Outflow of Resources	103,734,051	101,049,415	101,386,670	94,521,530	92,160,195
Liabilities					
Current and Other Liabilities	9,356,132	7,815,290	7,804,929	9,569,823	8,206,288
Long-Term Debt					
- Due within One Year	1,820,000	1,735,000	1,655,000	1,265,000	1,210,000
- Due in More than One Year	62,111,407	63,901,830	65,607,252	65,882,675	68,476,508
Total Liabilities	73,287,539	73,452,120	75,067,181	76,717,498	77,892,796
Deferred Inflow of Resources					
Deferred Inflow of Resources Related to Pension	780,309	-	-	392,544	-
Deferred Inflow of Resources Related to OPEB	16,399	-	-	-	-
Total Deferred Inflow of Resources	796,708	-	-	392,544	-
Net Position					
Net Investment in Capital Assets	(3,017,248)	(7,625,228)	(8,264,654)	(1,533,804)	(560,058)
Restricted for Capital Projects	12,147,594	12,147,594	12,147,594	-	-
Restricted for Debt Service	1,682,936	1,586,482	1,505,216	1,115,169	667,666
Restricted for Pension Benefits	1,152,952	469,482	686,958	1,732,500	-
Unrestricted	17,683,570	21,488,447	20,931,333	17,830,123	14,159,791
Total Net Position	\$29,649,804	\$27,597,295	\$26,319,489	\$17,411,488	\$14,267,399

During fiscal year 2018, capital assets, net of depreciation, increased by approximately \$3.0 million primarily due to initial construction costs incurred to develop the Regatta Harbour Garage located in Coconut Grove. The garage is expected to be completed by the summer of 2019.









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