

CITY OF CORAL GABLES BUDGET/AUDIT ADVISORY BOARD

Wednesday, July 7th, 2021, 8:00 a.m.

Location: City Hall Commission Chambers

405 Biltmore Way, 2nd Floor, Coral Gables, FL 33134

Public via Zoom: Meeting ID: 850 1610 4427

MEETING MINUTES

MEMBERS	A	S	O	N	D	J	F	M	A	M	J	J	APPOINTED BY:
	20	20	20	20	20	21	21	21	21	21	21	21	
Alex Menendez	P	-	-	-	-	-	-	-	-	-	-	P	Vince Lago
Javier Banos	-	-	-	-	-	-	-	-	-	-	-	P	Rhonda Anderson
Carmen Sabater	E	-	-	-	-	PVC	E	M	-	-	-	E	Kirk Menendez
Matt Martinez	-	-	-	-	-	-	-	-	-	-	-	P	Jorge Fors
Francisco Paredes	P	-	-	-	-	P	P	P	-	-	-	E	Michael Mena

(Dash indicates no meeting; blank space indicates member not yet serving.)
 ^ New Member #- Special meeting **- Resigned Member PVC – Present Via Video Call
 P – Present A – Absent E - Excused

City Staff:

Diana Gomez, Finance Director

Keith Kleiman, Assistant Finance Director for Management, Budget & Compliance

Call to Order:

The meeting was called to order at 8:03AM by the Chair. The roll was taken and there was an in-person quorum of three members. Meeting was also available on Zoom for public.

Meeting Minutes:

A motion was made by Alex Menendez to approve the transcript minutes of March 31st, 2021, but the item was deferred until the next meeting due to lack of members present from previous meeting.

Presentations/Discussions:

• **Discussion: 2021-2022 Budget Estimate Workshop**

The workshop was facilitated by Keith Kleiman who discussed the details surrounding the 2021-22 Budget Estimate. A calendar highlighting the division’s priority commitments with their respective deadlines was also shared. The first significant financial comment was the use of the outstanding federal funds which have been earmarked for capital expenditures.

A one-time surplus from the previous year was also discussed prompting Diana Gomez to elaborate on the calculation and its intended use. These funds will be distributed on a priority basis and a recommendation will be made to the Commission of the most critical projects generally supported by the Commissioner’s initiatives.

Javier Banos inquired about the methodology of cost allocations contained in several places in the budget. Mr. Banos used the General Services allocation as an example. Mr. Kleiman explained the reason for cost allocations and the related methodology to carry them out.

General insurance expenditures were also addressed, and Ms. Gomez noted that although the City is self-insured, there is still a cost. Additional questions regarding pension, worker’s compensation and general

liability allocations were brought up by Alex Menendez and Javier Banos. Mr. Kleiman indicated that allocations for these items are applied as a percentage of salaries.

Mr. Kleiman continued the budget presentation with a review of the 3-year budget reduction methodology implemented to address the COVID-19-related downturn in the economy. The methodology included hard reductions which were items eliminated from the budget to balance with available revenues, as well as soft reductions which are additional items identified in the budget as possible additional reductions if budgeted revenues underperform.

The FY22 budget estimate contains an estimated 11% increase in health insurance premiums. This estimate might be reduced during the summer as the City gets more solid estimates from our health insurance carrier. In addition, the budget includes an increase to the pension payment made up of three main components: the annual 1.25% pension index, an increase in pension assumption costs, and an increase in employee participation of the 401A program.

A review of the benefits and employee classifications was displayed, and Mr. Banos questioned Car Allowances. Ms. Gomez explained that this line item is treated as a separate line item and is not considered a benefit but rather reported as travel expense. This part of the discussion also included a 10-Year headcount comparison spanning from 2013-2022. Forty-four open positions were cited with an impact of approximately \$1.175M. Open placements will be contingent on funding and will be driven by need and scope.

A summary citing millage rates from 2013-2022 displayed a slight annual decline from 2013 through 2015 levelling off in 2016 remaining constant through 2021. Despite the rate, an increase in property values generated additional revenue for the City. Another insightful slide ranks Coral Gables in eleventh place as compared to the other 35 cities within the Miami-Dade municipality. A pie chart ended the discussion displaying how the property tax is currently distributed: \$.29 Coral Gables, \$.31 Dade County, \$.02 Regional and \$.38 School Board.

No further action necessary/taken on this item.

Scheduling:

The next meeting is scheduled for Wednesday, September 1st, 2021, at 8:00 AM.

Adjournment:

Meeting Adjourned at 9:27 AM.