

City of Coral Gables

*405 Biltmore Way
Coral Gables, FL 33134
www.coralgables.com*



Meeting Minutes

Wednesday, August 20, 2025

8:00 AM

<https://us06web.zoom.us/j/84243975634>

Communications/Public Affairs Conference Room

Budget/ Audit Advisory Board

*Chairperson John Holian
Vice Chairperson Joseph Palmar
Board Member Richard L. Barbara
Board Member Thomas Korge
Board Member Debra Register*

Virtual Zoom Meeting Available for Public Participation

<https://us06web.zoom.us/j/84243975634>

CALL TO ORDER

The meeting was called to order at 8:01 AM by Mrs. Diana Gomez.

ROLL CALL

The roll was taken, and an in-person quorum was established. The meeting was also available on Zoom for public access. Mr. Barbara was unable to attend, and his absence will be excused as he was out of town.

Present: 4 - Board Member Register, Vice Chairperson Palmar, Chairperson Holian and Board Member Korge

Excused: 1 - Board Member Barbara

APPROVAL OF THE MINUTES

A motion was made by John Holian, seconded by Debra Register, to approve the April 30, 2025, meeting minutes.

[25-9134](#)

Budget Audit Advisory Board Meeting of April 30, 2025.

Attachments: [MeetingMinutes April 30, 2025-Legistar Generated](#)

The motion passed by the following votes:

Yeas: 4 - Board Member Register, Vice Chairperson Palmar, Chairperson Holian and Board Member Korge

Excused: 1 - Board Member Barbara

DISCUSSION ITEMS**Update Re: FY 2026 Budget**

The July 1st budget estimate was presented to the City Commission on July 2nd. The tentative budget and millage rate will be adopted at the first and second budget hearings in September. The total operating revenue is \$281.3 million plus \$31.2 million in transfers coming in, from reserves (fund balance), for planned one-time use, making total revenues \$312 million for the current estimate. Changes to the July 1st include changes to revenue for the preliminary July 1st Property Values and revenues from the State of Florida and changes to expenditures for decreased health insurance cost estimates, professional services and transfers to reserve. Mrs. Rodriguez also explained that the current FY 2025 budget was amended to add 20 positions and equipment, respective to the position of the Building Division of the Development Services department, funded by building permit revenue which is restricted to use for

the enforcement of the Florida Building Code. The city is also in the process of performing a study of Development Services process with a consultant who is reviewing operations, permit process, staffing, and permit fees. Mrs. Rodriguez provided a brief overview of the Parking fund and explained that city has been training the Parking budget to be able to absorb the planned debt service for the renovation of garage 1/Mobility Hub. Mrs. Register asked how much the garage would cost. At the moment, only older figures are available, and discussions are taking place regarding new figures. Mr. Korge wanted to verify that the particular garage/mobility hub improvements will be funded with debt service, and that was correct.

Mrs. Rodriguez continued to review the revised budget estimate; property values went up by about 5.4% thereby increasing property tax revenue by 5.4%. Mr. Palmar wanted to understand where the 25% reserve is calculated in the budget. Mrs. Rodriguez explained that the 25% required reserve is not budgeted for but that the incremental amount needed to fund 25% of total operating and debt service expenditure budget is determined at the end of each fiscal year. The calculation does not include capital.

Certain revenues are restricted to specific use, for example, the building inspections division is restricted to the expenditures of their division. The Parking department revenue is not restricted; the funding is used to fund parking operations and capital and excess funds fund trolley, freebee, and the general fund. Mrs. Rodriguez also reviewed increases and decreases into expenditures. Mrs. Register asked where the permit fee goes when a resident hires a landscaper, and Mrs. Rodriguez confirmed that it goes to the Public Works department. Mrs. Rodriguez also went over the funding for City Hall repairs, which will cost upwards of \$20 million. Mr. Korge asked if capital projects would be funded out of recurring revenues, and Mrs. Rodriguez confirmed that it does. However, depending on the amount needed, going out for debt may be necessary in certain cases.

Presentation Re: RSM External Auditors Final Financial Statements

Mr. Anil Harris presented the results of the fiscal year 2024 financial audit. He reviewed the report to the City Commission consisting of auditing procedures & standards, and a high-level review of the actual financial statements. RSM issued an unmodified audit opinion, meaning that the financial statement met all requirement of governmental auditing standards for financial reporting with no exceptions. There were no significant issues, but Mr. Harris did mention two findings consisting of timing of expenditure recognition and a lack of formal allowance review for outstanding

receivables. Their recommendations include improving year-end expenditure review process and formalizing receivables allowance assessment procedures. Mr. Harris continued with the financial statement review indicating that the total assets of the city exceeded total liabilities, and the city maintained the reserve requirement of at least 25%. Mr. Holian inquired if a trend of permit increases is expected and Mrs. Gomez explained that it is a cyclical process. At the moment, there is a lot of construction, leading to more permits. Permits will eventually slow down as there is less construction. Mrs. Register inquired about where permit fees will be applied for developer construction taking place along US-1. Mrs. Paula Rodriguez explained that since those permits are being approved through the county, the county will be responsible for those fees.

Mr. Holian asked Mr. Harris how many hours, during the course of a year, are being dedicated specifically to the audit. Mr. Harris answered that the audit process is about a three-month process, taking approximately 1,500 hours. Mr. Joseph Palmar inquired if there were any material weaknesses in internal controls. Mr. Harris explained that based on dollar amount involved in the outstanding collections, they are still considered deficiencies and must be reported due to exceeding their auditing standards thresholds. However, no material weaknesses in controls were identified. Mr. Palmar also inquired about the outstanding collections. Mrs. Diana Gomez explained that due to the data breach of the third-party EMS billing processor, the city changed their billing company while they still worked with the previous company to collect any outstanding bills and recuperate lost data. Mr. Thomas Korge asked how the EMS billing company is compensated and Mrs. Gomez explained that a percentage is collected from the bill. Mr. Korge inquired about the percentage and Mrs. Gomez responded that she would provide him with the details at the next meeting.

Approval of FY '25 Budget Audit Advisory Board Annual Report

The annual report was provided to the board a week in advance to allow time for them to review. A motion was made by Mrs. Register, to approve the annual report, with Mr. Holian seconding the motion.

Vote Re: Board Chairperson and Vice Chairperson due to new two-year term two-year term

Mrs. Register made a motion to select Mr. Holian as chairperson, with Mr. Korge seconding the motion. Mrs. Register made a motion to

select Mr. Palmar as Vice Chairperson, with Mr. Holian seconding the motion.

Discussion Re: Resolution where the Coral Gables Budget Audit Advisory Board recommends that the City of Coral Gables City Commission maintain the millage rate of 5.559 mills for fiscal year 2025-2026

Mrs. Register asked if the Commission had decided to maintain the millage rate and Mrs. Rodriguez explained that the Commission directed staff to provide scenarios for potential millage rate reductions up to 5%. The Board proposed that a resolution be presented to the City Commission, at the September 10, 2025, meeting, to maintain the current millage rate of 5.559 mills. A motion was made by Mr. Holian, seconded by Mrs. Register, to move forward with presenting the resolution at the September 10th commission meeting. Mr. Palmar voted "yea" and Mr. Korge voted "nay" on this resolution.

PUBLIC COMMENT

There were no public comments.

SCHEDULING

The next meeting is scheduled for Wednesday, September 17th, 2025-8:00 AM.

ADJOURNMENT

The meeting adjourned at 9:39 AM.

NOTE

Any person who acts as a lobbyist pursuant to the City of Coral Gables Ordinance No. 2006-11, must register with the City Clerk, prior to engaging in lobbying activities before city staff, boards, committees and/or the City Commission. A copy of the Ordinance is available in the Office of the City Clerk, City Hall.

Any person, or persons, wishing to appeal any decision made by the City Commission with respect to any matter considered at this meeting or hearing, will require a verbatim record of the proceeding upon which the appeal is based. Interested persons should, therefore, take the necessary steps to ensure that a verbatim record of the proceedings is made which contains the testimony and evidence upon which the appeal is based.

Any person making impertinent or slanderous remarks or who become boisterous while addressing the Commission, shall be barred from further audience before the Commission by the Chair, unless permission to continue or again address the Commission is granted by the majority vote of the Commission Members present. Clapping, applauding, heckling or verbal outbursts or any remarks in support or opposition to a speaker shall be prohibited. Signs or placards shall not be permitted in Commission Chambers.

Any person with a disability requiring communication assistance (such as a sign language interpreter or other auxiliary aide or service) in order to attend or participate in the meeting should contact the City's ADA Coordinator Raquel Elejabarrieta, Esq., Director of Labor Relations and Risk Management (E-mail : relejabarrieta@coralgables.com, Telephone: 305-722-8686, TTY/TDD: 305-442-1600), at least three (3) business days before the meeting.