

**CITY OF CORAL GABLES
BUDGET/AUDIT ADVISORY BOARD**

Meeting Minutes: April 16, 2014, 8:15 a.m.

Conference Room First Floor, City Hall, 405 Biltmore Way, Coral Gables, Florida

MEMBERS:	M	J	J	A	S	O	N	D	J	F	M	A		APPOINTED BY:
Jose E. Smith^				P	-	P	-	-	P	P	-	P		Mayor Jim Cason
Roland Sanchez	P	P	P	P	-	P	-	-	P	P	-	P		Vice Mayor William H. Kerdyk, Jr.
Alex Menendez^				P	-	P	-	-	P	P	-	P		Commissioner Vince Lago
Ramon Oyarzun**	P	P	P	P	-	P	-	-	E	P	-			Commissioner Frank C. Quesada
Cheryl Goldstein^				A	-	P	-	-	P	P	-	P		Commissioner Pat Keon

(Dash indicates no meeting; blank space indicates member not yet serving.)

^ = New Member

= Special Meeting

** = Resigned Member

Staff:

Carmen Olazabal, Assistant City Manager

Cynthia Birdsill, Economic Sustainability Director

Leonard Roberts, Assistant Economic Sustainability Director

Diana Gomez, Finance Director

Keith Kleiman, Management and Budget Director

Minutes Preparation and Recording Secretary: Nancy C. Morgan, Coral Gables Services, Inc.

PROCEEDINGS:

The meeting was called to order by Mr. Sanchez at 8:25 a.m.

MINUTES – FEBRUARY 26, 2014 MEETING:

Mr. Menendez made a motion to approve the minutes of the February 26, 2014 meeting as presented. Mr. Smith seconded the motion, which passed unanimously.

REVIEW OF PROPOSED LEASE TERMS WITH ABOTI, LLC d/b/a HAAGEN DAZS FOR THE RETAIL SPACE AT 286 MIRACLE MILE:

Pursuant to Procurement Code provisions, Ms. Birdsill and Mr. Roberts comprehensively reviewed proposed lease terms with Aboti, LLC d/b/a Haagen Dazs for the retail space at 286 Miracle Mile. They responded to Board questions throughout and subsequent to the presentation. Also in accordance with Code provisions, three questions were posed to Board members, who responded as follows:

- Question: Is the lease consistent with the property appraisal as required under Section 2-2014?
Answer: Yes. The annual value of the lease is less than \$250,000, so no appraisal is required.
- Question: What is the immediate impact on the current fiscal budget and the long term effect on future budgets, i.e., the long term overall effect on the City?
Answer: The long term effect is that the City will have 10 years of rent as a result of this agreement, and will have reduced carrying costs for the empty space. The proposed rental rate is an increase over the prior tenant's rate.
- Question: Considering the City's mission statement, are there other alternatives to entering into the proposed transaction?
Answer: This transaction is appropriate, as this is leased space that will generate income for the City.

Mr. Menendez made a motion to recommend approval of the proposed lease transaction to the City Commission. Ms. Goldstein seconded the motion, which passed unanimously.

DISCUSSION REGARDING BUDGET TO ACTUAL EXPENDITURES:

As requested by Commissioner Keon at the February Commission meeting, Ms. Gomez distributed and reviewed with the Board, along with Mr. Kleiman, the quarterly report of budget-to-actual expenditures for three months ended December

31, 2013. They responded throughout to Board questions and comments. At the conclusion of the presentation, Ms. Gomez sought feedback in terms of the report's value for Board purposes, and said that more detailed information would be provided going forward. During discussion, and at the Board's request, Mr. Kleiman reviewed his background as well as the City's budget and capital improvement plan processes.

Ms. Gomez stated that a quarterly report would be sent via email to the Board after the close of each quarter. If the Board wants additional information, Finance staff will provide it. For comparison, Ms. Goldstein asked that the reports include the prior year's revenues and expenses for the same period. Board members expressed satisfaction with the review.

Ms. Gomez then distributed and reviewed the City's quarterly salary and benefits vs. overtime reimbursement report for the first quarter of FY2014 as well as the same report modified to include headcount information as requested by the Board.

Last year's audited financials were distributed and reviewed by Ms. Gomez and Mr. Kleiman, during which time they also explained the definitions of the City's unrestricted, restricted and reserve funds.

DISCUSSION ITEMS:

Informal discussion was held about issues of interest to the Board.

The meeting adjourned at 9:35 a.m.

Next Meeting: Wednesday, May 28, 2014, 8:15 a.m. City Hall First Floor Conference Room.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'CO', with a stylized flourish at the end.

Carmen Olazabal
Assistant City Manager, Secretary to the Board