

City of Coral Gables

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



Meeting Minutes

Wednesday, June 26, 2024

8:00 AM

Public Safety Building, Fifth Floor Conference Room

Budget/ Audit Advisory Board

*Chairperson Board Frank Paredes
Board Member John Holian
Board Member Joseph Palmar
Board Member Debra Register
Board Member Carmen Sabater*

Virtual Zoom Meeting Available for Public Participation

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

CALL TO ORDER

The meeting was called to order at 8:09 by Frank Paredes

ROLL CALL

The roll was taken, and an in-person quorum was established. The meeting was also available on Zoom for public access. Mrs. Sabater did not attend and her absence was marked as unexcused.

APPROVAL OF THE MINUTES

A motion was made by John Holian seconded by Joseph Palmar to approve the March 20, May 1, and May 22, 2024, meeting minutes.

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

Absent: 1 - Board Member Sabater

[24-7328](#)

Budget Audit Advisory Board Meeting of March 20, 2024.

Attachments: [Budget Audit Board Minutes - 3.20.24 Pending Board Approval-Legistar Generate](#)

A motion was made that this matter be approved. The motion was passed by the following votes:

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

Absent: 1 - Board Member Sabater

[24-7533](#)

Budget Audit Advisory Board Meeting of May 1, 2024.

Attachments: [MeetingMinutes10-May-2024-11-52-21 \(Legistar\)](#)

A motion was made that this matter be approved. The motion was passed by the following votes:

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

Absent: 1 - Board Member Sabater

[24-7599](#)

Budget Audit Advisory Board Meeting of May 22, 2024.

Attachments: [MeetingMinutes28-May-2024-01-20-13 \(Legistar\)](#)

A motion was made that this matter be approved. The motion was passed by the following votes:

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

Absent: 1 - Board Member Sabater

NEW BUSINESS

Presentation Re: FY2025 Budget Estimate

Mrs. Rodriguez presented a quick overview of the draft Budget Estimate that will be completed and presented on July 1st. She also went over where we are in the Budget Process. In the next few weeks, state revenue estimates will become available, the tax rate will be certified to the property appraiser, and lastly, our 1st and 2nd Budget Hearings will take place in the month of September. This year the City received an 8.2% increase in property values, providing the ability to fund more than originally anticipated. However, the City Commission also chose to reduce the Solid Waste fee which resulted in almost a \$3.6 million reduction in revenue to the general fund. Mrs. Rodriguez briefly went over the budget and the types of expenditures that are mandatory, regular, requests, etc. After the Budget Division meets with all departments and discuss any "new needs" they may have, those new needs are discussed with the City Manager to determine the funding that is available for these new needs. Anything that is remaining, would go to Capital Projects. Mr. Joseph Palmar inquired if the reserves are comprised of the revenue or the expenditures, and Mrs. Rodriguez explained that it was based off fiscal year 24 operating and debt budget; it does not include the capital budget. Mrs. Rodriguez went over all the lines of the budget estimate summary notating any new (onetime items) when transferring from reserves. Mr. Holian asked what the debt service was. There is some debt that relates to specific departments and that would be funded by the revenues of that department. As the meeting ran later than usual, Mr. Palmar had to leave. Mrs. Rodriguez explained that the Building division's reserves are restricted by the state, and the City does make sure that they fund their items using their funds. Mr. Holian inquired about the mobility hub. In her presentation, Mrs. Rodriguez explained that the Finance department has been training the Parking division to fund future debt for the construction of the mobility hub.

Mrs. Register inquired about the detrimental impact that reducing the millage rate would have on the budget estimate, in addition to already lowering the annual Solid Waste fee. Mrs. Rodriguez explained that depending on the amount of the reduction of the millage rate, this would determine the reduction in available budget. Mrs. Rodriguez mentioned to the board that she would send this draft spreadsheet to the board but would change as the budget estimate is finalized. Mr. Holian asked about water abatement for waterfront properties and Finance Director Mrs. Diana Gomez explained that funds were being set aside in planning for that. Mr.

Paredes inquired about the pension plan and Mrs. Gomez explained that we currently expect to be fully funded by 2032. Mrs. Rodriguez also went over increases and decreases in revenue and operating expenditures, Mr. Paredes asked about what the debt & contingencies were. Mrs. Rodriguez explained that it consisted of funds set aside for items, contract negotiations, position changes, etc, that may or may not be solidified prior to September 30. A graph was also presented, with a comparison of salaries and benefits per department. For most departments, the largest portion of their operating budget is made up of their salary. This can be seen in a positive light because it means that their operating budget is very efficient. Mr. Paredes inquired about the increases to the Commission's salary and a petition to highlight these increases in the budget; other than the required CPI increase, there is no increase to the Commission's salaries for FY2025. Mrs. Rodriguez informed the board that 23 full-time positions and 2 part-time positions have been added to the budget.

Presentation Re: Internal Audit Police Overtime

Assistant Director over Management, Budget, & Compliance, Paula Rodriguez introduced Caitlin Poirier, Managing Director of Crowe, LLC, our Internal Auditors. Mrs. Rodriguez also explained that Crowe, LLC's forensic team was chosen because of their previous experience and analytical skill auditing the Country Club, which was a positive experience. Mrs. Rodriguez also introduced Police Chief Edward Hudak who has reviewed the findings and since the audit, implemented new changes. Ms. Poirier began by explaining that the scope of her audit was to audit the overtime being incurred by the technical division of the Police Department of the City. Data analysis included interviewing both current and former technical and lower-level staff to discover any issues or challenges that they had faced. Findings showed that the incurred overtime is due to staffing levels being too low. There are not enough employees to fill a specific role. It was Crowe's recommendation to analyze the City's minimum staffing level requirement. Another recommendation by Mrs. Poirier was to work with the Police Payroll Department and ensure that the overtime being incurred was coded to the correct type of overtime, because there are two types of overtime-true overtime of employees that are physically in office and overtime that is to be coded to a vacant position. It appears that the Police Payroll Department was coding the vacancy overtime inappropriately. Mrs. Poirier also recommended that the City should analyze its leave policy. Mrs. Poirier suggested the City should also evaluate the scheduling that occurs around planned leave as well the operator tier structure for staffing level. Since the City has Call Center employees of different tiers, not every employee can fill all necessary role

functions. The final recommendation was centered around the training program. Training new employees takes approximately nine months, which can prove difficult to be fully staffed when training is not only 9 months long, but also occurs at different start times for both current and incoming staff.

Mrs. Rodriguez presented a table that conveyed the actual hours incurred in overtime, the estimated amount of overtime those vacant positions would incur, as well as the projected amount of overtime related to vacancy had it been properly logged in Police Payroll. In addition, Mrs. Rodriguez explained that there is a national difficulty recruiting communications operators. Mr. John Holian asked for some clarity regarding the Estimated Annual Vacancy Overtime and Mrs. Rodriguez explained that the \$734,788 figure was related to overtime associated with an employee that had to work overtime in place of a vacant position. Overall, a vast majority of the overtime is related to the vacancies. Chief Edward Hudak briefly went over how the structure of communications operator has evolved over the years in terms of training, pay, the number of staff, etc.. He explained that the with the help of previous audits and meeting with other departments, there has been a reduction in overtime hours and the city is currently in the hiring process as well as obtaining an accreditation for Police & Fire communication operation center. Mr. Frank Paredes inquired if we expect to have approximately the same figures in overtime in the current year and Mrs. Rodriguez explained that those figures are expected to lower, as more vacancies are filled. Chief Hudak explained that the components of the position as well as the training have been restructured. Mrs. Debra Register inquired regarding the training time and Mrs. Rodriguez explained that the training time has been reduced to approximately 6-7 months. Mr. Paredes inquired about when the next audit would take place since this audit was through 2022. Mrs. Rodriguez explained that some time will be provided to implement the new changes addressing the findings, and then a follow-up audit would take place in no less than 2 years. Mr. Holian also inquired about the amount of work that police officers have as well as if there were any opportunities for Artificial Intelligence (AI). Chief Hudak stated that the possibility of the use of AI is being evaluated by IT as it would not be able to be used for all aspects of the emergency operations center.

BOARD MEMBER DISCUSSION

It was discussed by Mr. Holian and Mrs. Register that lowering the millage rate would not be beneficial to residents that have been living in the same property for many years, but rather benefit new residents to the City of Coral Gables or residents purchasing much larger homes or commercial properties. Mr. Holian made a motion to send a resolution to the City

Commission urging them to maintain the current millage rate of 5.559 as it would be appropriate and responsible for fiscal stability. The motion was seconded by Debra. It passed unanimously with the members present. This resolution was to be presented at the July 9th Commission meeting. Mr. Holian also made a motion that if chairperson Paredes cannot attend the meeting, Mrs. Gomez and Mrs. Rodriguez can speak on their behalf.

Mrs. Gomez presented the opportunity to have an additional meeting should the Board want to have a meeting. The Finance department will reach out to the board about their availability and if they feel a meeting in August would be beneficial, it will be set.

Review Triple A Rated Cities Spreadsheet Details

This item was deferred to the next meeting.

Review Amazon Transactions Report

This item was deferred to the next meeting.

PUBLIC COMMENT

No public comments were made.

SCHEDULING

The next meeting is scheduled for September 4th, 2024-8:00 A.M.

ADJOURNMENT

The meeting adjourned at 10:06 A.M.

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.