

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

Meeting Minutes: Thursday, December 3, 2015

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

MEMBERS	D	J	F	M	A	M	J	J	A	S	O	N	APPOINTED BY:
	15	15	15	15	15	15	15	15	15	15	15	15	
Jose E. Smith	P	-	P	P	P	P	P	-	P	P	E	-	Mayor Jim Cason
Erin Knight	P	-	-	-	-	-	-	-	P	P	P	-	Commissioner Jeanette Slesnick
Alex Menendez	E	-	P	P	P	P	P	-	P	P	P	-	Commissioner Vince Lago
John Holian	E	-	P	P	A	P	P	-	P	P	P	-	Commissioner Frank C. Quesada
Cheryl Goldstein	P	-	P	E	P	P	P	-	P	P	P	-	Commissioner Pat Keon

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

^ - New Member

- Special meeting

** - Resigned Member

Staff:

Diana Gomez, Finance Director

Lori St. John, Chief Compliance Officer

Keith Kleiman, Budget Director

Noemi Darias-Santiel, Human Resources

Minutes preparation and Recording Secretary: Estela Valle, Bailey and Sanchez Court Reporting, Inc.

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CITY OF CORAL GABLES

BUDGET/AUDIT ADVISORY BOARD

MEETING: THURSDAY, DECEMBER 3, 2015, 8:07 A.M.

FIRST FLOOR, CITY HALL

405 BILTMORE WAY, CORAL GABLES, FLORIDA

MEMBERS PRESENT:

- CHERYL GOLDSTEIN, VICE CHAIR
- JOSE SMITH
- ERIN KNIGHT

CITY STAFF PRESENT:

- DIANA GOMEZ, FINANCE DIRECTOR
- LORI ST. JOHN, CHIEF COMPLIANCE OFFICER
- KEITH KLEIMAN, BUDGET DIRECTOR
- NOEMI DARIAS-SANTIEL, HUMAN RESOURCES

COPY

1 THEREUPON:

2 (The following proceedings were held.)

3 MS. GOLDSTEIN: Do we have a quorum?

4 MS. GOMEZ: Yes, we have a quorum.

5 MS. GOLDSTEIN: I'll call the meeting to order at-- I

6 can't see-- 8:04. It's only 8:04. My watch says 8:15.

7 That's why I was early.

8 MS. GOMEZ: Did you want to wait like three or four

9 more minutes?

10 MS. GOLDSTEIN: Yes, I do.

11 (Thereupon a discussion-off-the record was had, after

12 which the following proceedings were had:)

13 MS. GOLDSTEIN: When it's ten after, we'll start.

14 Three more minutes.

15 MS. KNIGHT: We haven't heard from Alex?

16 MS. GOMEZ: I haven't heard either way.

17 MS. GOLDSTEIN: Okay. So we'll start. It's 8:07.

18 John's supposed to come?

19 MS. GOMEZ: John said that he-- yes.

20 MS. GOLDSTEIN: Okay. So has everyone read the

21 minutes from October 29th?

22 MS. ST. JOHN: Yes.

23 MS. GOLDSTEIN: Can I have a motion to accept--

24 MS. ST. JOHN: Actually, I would like to make some

25 comments on the minutes. I had an opportunity to review

1 them, since I was not present at that last meeting, and I
2 wanted to make some comments to clarify and correct the
3 record.

4 I'll be as brief as possible, but it's really
5 important. Obviously, you're aware of the fact that the
6 majority of the record had to do with the potential for
7 outsourcing the internal audit function.

8 In that regard, I went through some of the comments,
9 and for the benefit of the Board, I really think it's
10 important to clarify some of the statements.

11 I know you don't have the minutes in front of you,
12 but, for the record, on Page 31 and 32, and I'll quote,
13 there were comments made regarding the Biltmore Hotel
14 audit, specifically as it pertains to the National Park
15 Service.

16 On Page 31 and 32, both, there was a comment by
17 Ms. Gomez, speaking about the external auditors doing the
18 audit, and I quote: "Right, but that's-- the external
19 auditors do that audit. Lori assists them, but the
20 external auditor is the one that issues a report on that
21 Biltmore audit." And, again, on 32, "Well, there's two
22 separate things. There's an every two-year National Park
23 Service audit that has to be done, and our external
24 auditors do it, and Lori assists in getting some of that
25 information for the auditors," et cetera.

1 I just want to clarify the record that I actually am
2 the one that does this report. I issue this binder, this
3 report, to the National Park Service. It's quite an
4 extensive project. I sign the report, and I actually give
5 all of the information to the external auditors, and gather
6 all of the information from the Biltmore Hotel.

7 As Finance is aware, we actually never, in the past,
8 issued this report to the National Park Service, because we
9 didn't know that we had to, but part of our obligation, and
10 the contract between the Federal Government and the City of
11 Coral Gables, is that we do report on what's called,
12 revenue producing property, which is the Biltmore, and in
13 that regard, we are responsible-- this is a schedule that I
14 prepare-- for issuing and noting all of the external
15 expenditures in the City of Coral Gables, which is quite
16 voluminous.

17 To that, we also have a debt schedule, which is really
18 quite comprehensive, that we work on together, in order to
19 get those numbers to substantiate how we spend the money.

20 It was quite a very controversial thing in the
21 beginning, because the Biltmore Hotel and the legal counsel
22 disputed how we were spending that revenue. They wanted to
23 use the money to be spent at the Biltmore. We, of course,
24 interpreted the Statute and the regulation and the contract
25 language, so that we spent the money at the City of Coral

1 Gables, for historic expenditures, which is what we do.

2 So I just wanted to make sure that that was clear,
3 because I spend a lot of time every two years doing that
4 report, and it's really important to follow through with
5 that.

6 MS. GOMEZ: Just for clarification, I was talking
7 about the actual audit report. The audited opinion is from
8 the auditor. So that's really all that I was referencing.

9 MS. ST. JOHN: Yeah. No, I know it was absolutely
10 unintentional, but for the benefit of them, they wouldn't
11 really know.

12 MS. GOMEZ: Sure, absolutely.

13 MS. ST. JOHN: I just thought it was really to do
14 that. And then, secondarily, there was a comment made on
15 Page 27, and then, again, referencing on Page 31, and for
16 your benefit, I'll talk to you-- the reference is made from
17 the City Manager, and on the top of Page 27, it says, "And
18 so, looking back, when the internal auditor first arrived,
19 it was a contract position. There was a contract between
20 them and the City." And, again, on 31, it makes reference
21 to a contract.

22 I just want it to be known that I have been a regular
23 employee of the City since April of 2008. I have-- for a
24 very short period of time, I was a contract employee, where
25 the City Manager had recognized that I wanted to achieve a

1 life goal of writing a book, and I did, and I was fortunate
2 enough to sell the film option to it, but the book was
3 about wrongful convictions, and the reason why that's
4 important, as I move into another thing that I will
5 clarify, is that the knowledge that I have in that regard
6 is very useful, with regard to one of the comments made
7 about the police department and further audit.

8 So I want to clarify that I have been an employee of
9 the City for quite some period of time, and I enjoy the
10 work that I do, both as audits and nonaudits. What the
11 Board doesn't know, and I think it would be important to
12 know, is that, similar to what I do for the National Park
13 Service, I do a lot of nonaudit reports, and what we call,
14 special projects, for the City Manager's Office.

15 In fact, I summarize them, and I have done 34 special
16 projects since I've been here. Just recently I had seven
17 special projects appointed to me by the City Manager, two
18 significant ones. One was on contract management, which I
19 made a report, which was quite voluminous. I utilized best
20 practices to look at the top vendors, which would be most
21 particular and useful for the City of Coral Gables, with
22 regard to contract management.

23 MS. GOLDSTEIN: Can I interrupt you for a second? And
24 it was my understanding that you were going to give that
25 list of projects and all of the audits to that independent

1 group that was looking into it.

2 MS. ST. JOHN: Yes.

3 MS. GOLDSTEIN: And the last time I talked to them,
4 they were waiting for it. I'm assuming that they have it?

5 MS. ST. JOHN: Yes. They have the list of both
6 nonaudit reports and the audited reports. So that
7 clarification, I think, would be really important.

8 And then, again, with reference to-- there was an
9 outstanding issue, and a comment made to the property in
10 the evidence room audit, and I will refer you to Pages 17
11 and 18, just for reference in the record. Page 17 and 18
12 refers to quite a long discussion with regard to the police
13 department audit, and the potential for having an external
14 group for the audit, and I'll quote, "As a part of the
15 inventory of what we have in-- and we have a great police
16 department, COLEA Accredited. Meet gold standard, in fact.
17 We meet all of the minimum requirements for audit, but when
18 you have 20 rape kits in a police refrigerator, and that's
19 where they're stored, you have to ask yourself, not only
20 confirm that there were 20 rape kits, but ask the question,
21 why? Because they really should be with the medical
22 examiner, and getting under review. We have an obligation
23 to move those investigations forward.

24 And then there was a discussion thereafter, with
25 regard to it being a national problem, a local problem. I

1 want to make sure it's very clear, and that some of you may
2 or may not know, as part of my background, I'm the former
3 founder and director of the Innocent Project at the Rutgers
4 School of Law, where I graduated, and part of the knowledge
5 that I bring to that audit is having some information with
6 regard to wrongful convictions, which is what they're
7 speaking about, and DNA testing.

8 The State Attorney actually issues a directive, with
9 regard to those rape kits. So it's not that any of those
10 rape kits were ever forgotten or misplaced or anything like
11 that. 20 rape kits, which is what we're talking about,
12 from 1975, which we actually have some evidence, all of the
13 way up to 2015, is absolutely fabulous, actually.

14 The police department of Coral Gables does a
15 phenomenal job in following through with processing things,
16 as they are actually told. When they get a directive from
17 the State Attorney's Office, it's usually because a victim
18 doesn't want to proceed. You know, there's a specific
19 reason why that's not being done.

20 I also want to make reference to the fact that the
21 Manager mentioned the Institute-- pardon me, the
22 International Association of the Chiefs of Police, and in
23 one of the talks that I gave recently, which the Manager
24 approved, I spoke to the Florida Division of the
25 International Association of Identification on the National

1 Summit of wrongful convictions referencing the Chiefs of
2 Police, and they reference the best practices. It's a
3 cumulation of all of the best experts in our country from
4 the Innocent Project, for Chiefs of Police, professors at
5 universities, you name it, they're there.

6 In conjunction with that, there's something called
7 Biological Evidence Preservation Handbook, which talks
8 about best practices for handling evidence-- biological
9 evidence and regular evidence in the police department.

10 So, as you know, and as a CPA, you know that when you
11 have a scope to an audit, you meet certain objectives and
12 results. So in this particular regard, our audit is to
13 ascertain that the chain of custody is intact, and that we
14 have safekeeping of our assets, and that's exactly what we
15 do every single year. So I thought that was very important
16 for you to get kind of that, you know, background
17 information, with regard to the importance of that.

18 The other thing I wanted to mention is that in the
19 minutes on Page 29-- I had an extensive conversation with
20 the external auditor, and a brief conversation with the
21 City Manager, with regard to the pros and cons of
22 outsourcing internal audit. I actually presented a report
23 of the pros and cons of outsourcing to the City Manager.

24 In conjunction with that-- when we initially started
25 doing that, the City Manager had appointed the Finance

1 Director to bring together an outside firm to do the
2 review. In doing that, you know, I had an objection to
3 that, not on a personal level, but on an independent and
4 objective level, and in that regard, I'm going to point out
5 why I'm bringing this up.

6 On Page 29, for the record, there was a reference by
7 the auditor, quote, "I think one of the things that we're
8 going to need from Diana and from all of you is
9 expectations."

10 In that regard, I was kind of a little bit surprised
11 about that, because initially when the City Manager asked
12 the Finance Director to bring about an external auditor, I
13 brought out my objection for the sole reason of a lack of
14 independence and objectivity, and I issued a Memo to the
15 City Manager in that regard. That Memo is a public record.
16 In that Memo, I outlined all of the reasons why that should
17 not be. It's kind of like taking the Public Works Director
18 or someone-- any auditee, and asking them to opine or
19 gather, and that's really a conflict of interest. But it
20 went beyond that.

21 As a result of that, the City Manager removed that
22 aspect of the review, and she decided, on her own, that,
23 yes, you are correct in that regard, that I will hire
24 someone and do it on my own independently. So I had that
25 discussion with the external auditors, and I was kind of

1 surprised that we were still, you know, having that
2 discussion, because, I think, with all due respect, there
3 is a lack of independence there. You never go to an
4 auditee and ask them to review, you know, the auditor. I
5 mean, that's just typically not done. So I just wanted,
6 for the record, to put that out there.

7 And then, finally, to move on to the audit and all of
8 the other agenda, there's one final thing I thought that
9 would put things into proper perspective, for the record,
10 and for the benefit of the Board. The issue of costs and
11 what have you was brought up on Page 24 and 36.

12 The external auditor mentioned the problem with
13 maybe-- and I quote, "If that person is out or is on
14 vacation or is not-- maybe doesn't have enough training for
15 a certain area, then you limit that person. If you go
16 external, then you may have the firm to do it, and that
17 firm may have different individuals within the firm that
18 are more experts in one area than another, and that you can
19 draw in other resources."

20 I'm going to comment on three things. A, with any
21 position throughout the City, whether it's the Manager, the
22 Director, any staff member who is a key member of the City
23 of Coral Gables, everyone takes vacation. Everyone
24 potentially has an accident or injury or something. I
25 think that's, you know, neither here nor there. When it

1 comes to being an expert, it is very common, and you
2 probably would know this, you had some great questions, and
3 I really appreciate it, Cheryl, with regard to being an
4 expert, an internal audits function, as you know, is
5 reviewing the efficiency and affectiveness of operations in
6 the City, but there are some limitations, with regard to
7 that knowledge. And to give you some perspective on that,
8 if they ask you to do an audit of IT, well, I don't have
9 knowledge of the specifics of IT, neither do all of the
10 auditors that I know have specific knowledge, and so what
11 an internal auditor does in all cities that I have spoken
12 to, and I'm very close with many of the auditors in the
13 cities in the State of Florida, and have actually been a
14 speaker at some of these events, they bring an outside
15 consultant to do that, okay. We need someone to do IT,
16 we're going to bring in that.

17 I just spoke to Roger Straut (phonetic), a friend of
18 mine in West Palm Beach, he brought in someone to review
19 procurement, with specific knowledge. So that doesn't mean
20 that just because you don't have that one knowledge, then
21 all of a sudden, you know, you don't have knowledge with
22 regard to the rest of the City. So I wanted to bring that
23 up.

24 And then, lastly-- I'm trying to be very quick for you
25 guys-- the matter of cost was brought up. The auditor

1 charged \$5,000 for 35 hours, which ends up to be \$142.65 an
2 hour. My hourly rate is \$64.36. That's what I get paid an
3 hour. I get paid a salary. I don't get overtime. So if I
4 work 60 hours, 100 hours, that's all I get. I don't get
5 paid overtime, as opposed to external auditors, who get
6 paid by the hour. In fact, if you take my \$64 rate, and
7 very roughly speaking, you add 40 percent for pension, 7
8 percent for Social Security, which is actually 6.2, up to
9 118,501.45 for Medicare, and 7 percent for health
10 insurance, which is actually less, it came out, for me,
11 that's roughly about 55 percent to the base salary. If you
12 take 1.55 times 64; 36, it's \$99.76 per hour, which is
13 still substantially less than 142.65.

14 I just kind of wanted to put that in perspective, with
15 regard to salaries and benefits, because you're going to
16 hear that.

17 And then, finally, I am also here to answer questions.
18 You may have questions, and in all fairness-- I mean, it's
19 really important. Many of you Board members are here new.
20 John, and I'm sorry he's not here, he's been here for many,
21 many years, and as you heard him say in one of the recent
22 Board meetings, there's even a big difference from auditor
23 to auditor, as opposed to external auditor and internal
24 auditor. And I am proud and very happy that he
25 acknowledged the fact that since I've been here, there's

1 been substantial changes, and a lot of information that's
2 flowed to the Board that's been extremely useful for
3 Management and the City Manager's Office.

4 So that being said, I just wanted to correct the
5 minutes for the benefit of the Board and the general public
6 and Commissioners, and I thank you for your time.

7 MS. GOLDSTEIN: Thank you, Lori. I'll make sure the
8 others know to read the minutes from this meeting to hear
9 your comments.

10 MS. ST. JOHN: Thank you.

11 MS. GOMEZ: For the record, the minutes, as they stand
12 from the last meeting, are staying the way they are.

13 MS. ST. JOHN: Correct.

14 MS. GOMEZ: These are just clarifications that will be
15 in the new minutes, right, because since you weren't here,
16 they can't be new corrections.

17 MS. ST. JOHN: Of course.

18 MS. GOMEZ: Just clarifications, okay.

19 MS. KNIGHT: So, motion--

20 MS. GOLDSTEIN: Yes, please.

21 MS. KNIGHT: --To approve the minutes?

22 MR. SMITH: I second.

23 MS. GOLDSTEIN: All in favor? Aye. So the motions
24 are approved.

25 We have a couple of items on the agenda today. First

1 we have the discussion regarding headcount, and vacancies
2 in the police and fire.

3 MS. GOMEZ: Elsa Jaramillo Velez is the Human
4 Resources Director. She has a conflict with her Insurance
5 Advisory Board, which is happening as we speak. She
6 couldn't be here. Her meeting is going on. So Noemi-- I'm
7 sorry, I don't know your last name.

8 MS. DARIAS-SANTIEL: Darias.

9 MS. GOMEZ: Darias from HR is going to go over-- at
10 the last meeting, the Board had requested that we be given
11 an update of the hiring and vacancies and recruitment
12 having to do with Police and Fire.

13 MS. GOLDSTEIN: Thank you. And just for the other
14 members, I did note that in Commissioner Slesnick's survey
15 that this did come-- it was listed as one of the issues to
16 select in the ranking of what is important to you as a
17 citizen, so--

18 MS. DARIAS-SANTIEL: What is important to me as a
19 citizen?

20 MS. GOLDSTEIN: No, no, no. She has a survey out, and
21 she listed a whole bunch of things for the citizens to, in
22 the survey, mark off if it was an issue to them. So
23 obviously it's known as an issue, and our Committee reviews
24 the reports, and so we just wanted some more information.

25 MS. DARIAS-SANTIEL: Okay, sure.

1 Let me give this to you. I'll share it with you, as
2 well. On Page 1, we have the police. Total funded
3 positions are 143. Our current vacancies are 17. There's
4 an attrition forecast through May 2016 of 6. Currently--
5 if you move down, and you see, Status, you have the same
6 category, it says preliminary background, conditional
7 offers issued, and so forth, we have six that have
8 conditional offers issued, and they're in extended
9 background investigation.

10 Extended background means they are ready, at the state
11 that they're going to be interviewed, and they're going to
12 be meeting with the Chief, and they're very close to
13 finally being hired. That's with Police.

14 Do you have any questions?

15 MS. GOLDSTEIN: So this is what's in the pipeline?

16 MS. DARIAS-SANTIEL: Exactly. Six are in the
17 pipeline. That's for police officers. And you also wanted
18 fire, correct, or do you want every position in the police
19 department--

20 MS. GOLDSTEIN: No, no, no.

21 MS. DARIAS-SANTIEL: --Or are you only interested in
22 police officers?

23 MS. GOLDSTEIN: Do you guys have any-- I think we can
24 look at the report, which is in more detail, but I think at
25 a higher level is fine.

1 MS. DARIAS-SANTIEL: All right.

2 MS. GOLDSTEIN: And I guess we should-- I guess I
3 could ask, on the police officers, besides the six that
4 will be then coming in, if you can maybe-- if you have any
5 background, explain what all is happening to fill the other
6 positions.

7 MS. DARIAS-SANTIEL: I'll give you a better scope of
8 the recruitment efforts. We go to job fairs, but we're
9 taking another avenue. We're exploring coming out to the
10 community, to the local businesses. That's a new thing-- a
11 new initiative we have, because we realize that sometimes
12 you go to the job fairs, and you're not capturing everybody
13 that could possibly be interested. Not everybody goes to
14 your table. As much as you want to attract them, not all
15 of them come and engage in conversation with you.

16 We're also considering whenever you have community
17 events, let's say, like the tree lighting ceremony that
18 you're going to be having this Friday, something like that,
19 to have our table out there, because people from the
20 community come out, but not only them, you get people from
21 other communities to come to see your events, as well, and
22 start recruitment efforts there, as well. That's something
23 that we just thought of, because we attended a webinar, and
24 that was a good point in that webinar. And we think it's a
25 good idea, and we're going to try exploring that. We do

1 get applicants. It's not that we're not getting them. The
2 whole issue is how do you get them to continue the process
3 after they apply. It's one thing to go on-line and fill
4 out the application, and another one is to download a
5 packet, and come in with all of the information. That's
6 where we're losing them. So my goal is to reach out, once
7 I receive somebody who has applied on-line, and I know
8 there's a period of seven days, approximately, if I haven't
9 heard from them, I want to start reaching out to them, to
10 see, you know, how we can help them through the process.
11 Maybe they're confused, puzzled, whatever it is. Maybe
12 it's something that they're not used to. It's a department
13 that requires a lot of, you know, back-up in order to even
14 be considered.

15 With the six that we have in the pipeline, I have two
16 other ones that I have moved on to background, that they
17 have not started anything on them, but those are two
18 possible candidates, and that was this week we moved them
19 on. So in reality, it might be coming soon, so--

20 MS. GOLDSTEIN: And Fire?

21 MS. DARIAS-SANTIEL: Let me move on to Fire. Fire is
22 on Page 10. We have a total number of 139 funded
23 positions, and current vacancies are 7. There's an
24 attrition forecast through May 2016 of two.

25 We had a Fire Entrance Exam. That was actually my

1 first day on the job. That's the day they started that
2 exam, and we had 75 complete the exam, 70 passed, and we
3 scheduled all 70 applicants to be interviewed the week of
4 November 16, 17, 18, 19 and 20th. Give or take, not all 70
5 came, maybe 67 came to the interview, and we're in the
6 process of validating our scores for the interview, and
7 combining the Fire Entrance Exam score with the interview
8 score, and coming up with the top-- probably top 20, and
9 then move on from there. That was very successful. We had
10 a good outcome for Fire.

11 MS. GOLDSTEIN: On the Police side, I just have a
12 question, and then we can move on, if anyone else doesn't
13 have any questions.

14 Would we consider-- like, do you think it's a salary
15 issue or do you think it's just a timing issue? I know you
16 have only been here like a month or so.

17 What's that?

18 (Simultaneous speaking.)

19 MR. KLEIMAN: I apologize.

20 MS. GOLDSTEIN: Maybe you can come back, as you get to
21 know and see what the issues are. Just through my time
22 here, it's always seemed that it's always something that
23 we've worked on, and kind of we were hoping, as a
24 committee-- I can speak for everyone, now that a permanent
25 Chief was appointed, that there would be less questions of

1 people-- on people's minds of where the department was
2 going, and the culture, and the jobs situation. So
3 hopefully it will continue and these eight people will
4 join, but you don't have to comment. You have only been
5 here a month.

6 MS. DARIAS-SANTIEL: I can't comment, because I don't
7 know enough. I still have to get a feel.

8 MS. GOLDSTEIN: You can pass those questions along.

9 MS. DARIAS-SANTIEL: Okay.

10 MS. GOLDSTEIN: Anything else?

11 So we'll move on to Lori's reports, which I did read.
12 I think they were pretty clean.

13 MS. ST. JOHN: Yes.

14 MS. GOLDSTEIN: But if you can, quickly--

15 MS. ST. JOHN: Yes, and I know this is one of John's
16 favorites, so I'm real sorry he's not here. The Automotive
17 Oil, Grease and Fuel Physical Inventory. Basically, this
18 is done at the end of every fiscal year, in order to
19 provide Finance with the final numbers for adjustment for
20 the Financial Statements.

21 A couple of years ago we had a revision of standard
22 policies and procedures. Actually, at some point we didn't
23 have any. This year-- I just wanted to note, before I got
24 into this, that we have changed the polices and procedures
25 in the Automotive Department. Unfortunately it came after

1 we lost one of the key employees, and so one of those
2 procedures would have been to have what's called-- what the
3 Director calls it, a retention policy to have key employees
4 around the City outline specifically what they do, which is
5 very different than the job description. So that if we
6 lose them suddenly, like we did this specific employee,
7 and it has happened-- Ray Vorzick (phonetic) left. We were
8 trying to get him back. I don't know if he's back.

9 MS. GOMEZ: I think I heard he was.

10 MS. ST. JOHN: Yeah, part-time. We tried to get him
11 back part-time. There were some problems with that. But
12 key employees like that, it's so important to really be
13 able to have an exit conference in HR, that not just says
14 what did we do right, wrong, why are you leaving, but also
15 make sure we have a detailed description of what they do,
16 how they do it, interactions and what have you. So I just
17 wanted to report that that would be, you know, important to
18 follow through on.

19 But in that regard, it was a very clean audit. There
20 were only two recommendations. We obviously look at all--
21 for those that have not had the benefit of this audit in
22 the past-- all of the scope and methodology is outlined on
23 Page 2. We look at the fuel handling procedures, the
24 purchase invoices. We look at the invoices to get a
25 valuation of the fuel, with regard to purchases and

1 consumption.

2 If you look at Page 6, I just wanted one brief
3 comment. You will notice there's a substantial decrease--
4 what looks to be-- a decrease in the fuel and in the
5 consumption numbers and in the inventory numbers from one
6 year to another. And it's a little bit misleading, and
7 that's only because there was a substantial drop in the
8 cost per unit of gasoline. So it dropped like 57 percent,
9 the cost. So it's not so much that, oh, we're spending
10 less, it's just that it costs less to purchase and consume
11 our gasoline.

12 So with that said, with a cummulation of all of the
13 numbers, we proposed a journal entry of, Finance needed.
14 We had another journal entry that was proposed just for a
15 reclassification of an expenditure, and Finance is going to
16 have the motorpool make that-- you know, bring it to their
17 attention, as well, and we may-- I think that's already
18 been made, right, Diana? So it's already been made, and so
19 we believe that the internal controls are adequate, and we
20 are adjusting the journal entries. And if you have any
21 other questions, I'm here to answer them. If not, I'll
22 conclude the audit of Automotive Oil, Grease and Fuel.

23 MS. GOLDSTEIN: Thank you.

24 Any other comment?

25 MS. ST. JOHN: No, no. That was it.

1 MS. GOLDSTEIN: Okay. And so we can go on to the
2 quarterly report?

3 MS. GOMEZ: No. There's still the--

4 MS. GOLDSTEIN: Sorry, the bank reconciliation.

5 MS. ST. JOHN: Oh, the bank reconciliations-- I-- we
6 typically-- I'll share just-- typically we had two bank
7 reconciliations, that's why I say plural. We now have
8 three, only because we're adding one more, and deleting
9 another one. For security purposes, I just won't get
10 further than that. But typically I review all of the
11 activity and the undercover operations accounts, which
12 flows through those bank reconciliations, just to see if
13 there are any unusual activity, and if there is unusual
14 activity, I speak with those in charge, the Sergeant and
15 the Lieutenant, to gain knowledge, with regard to what is
16 an activity, and make sure that I'm comfortable with it,
17 and that it's an accurate, verifiable expenditure. So with
18 that being said, that has been accomplished, and there's
19 nothing to report, anything unusual with undercover
20 activities within the City of Coral Gables.

21 MS. KNIGHT: Who's the bank? What bank do we use?

22 MS. ST. JOHN: I'm really not privy to answer that
23 information.

24 MS. GOMEZ: Because they're undercover accounts, so we
25 can't disclose them.

1 MS. ST. JOHN: Yeah. So I can't really disclose that
2 or any of the information. As Diana just stated, I can't
3 do that.

4 MS. GOMEZ: And we know, but--

5 MS. ST. JOHN: Yes, we know.

6 MS. GOMEZ: And we take care of them.

7 MS. ST. JOHN: I mean, I just really need to look to
8 see whether there's anything unusual, you know, because--
9 you know, who's looking at, you know, undercover. Someone
10 needs to oversee them. Better it be someone in the City,
11 because we need to keep it contained, than to have anyone
12 on the outside look at that. So that's done every quarter.

13 MS. GOLDSTEIN: Okay. Thank you. Keith.

14 MR. KLEIMAN: Okay. The quarterly overtime report, if
15 you had a chance to review it, is very, very clean now.
16 There's not much to talk about, except maybe change. What
17 we're going to have to do is change.

18 Just a little history. When the City was facing all
19 of the budget cuts back in '09 and 10, two City Managers
20 ago, put into place-- he lowered overtime budgets
21 tremendously, and they cut back. There were abuses. We
22 all know that. And another way to lower it, was, they set
23 about a regular overtime amount, which was the total
24 overtime budget. That was the control. That was the 14-00
25 account. They've also created an overtime reimbursement

1 side, and that basically further reduced that overtime
2 amount, because it can only be used for reimbursement of
3 overtime. So the City would expend it, get it back, but
4 you couldn't use it for regular overtime. So the net
5 overtime was low. And, as you know, over the number of
6 years, with the number of vacancies, it just wasn't a
7 realistic amount of money.

8 The current Commission has authorized, and we've
9 already put this in place in operations in '15, but it was
10 apples and oranges to compare '15 to '14. So this is more
11 of a transition year.

12 In '16, it's already in the budget. We have already
13 segregated that. You're going to have two separate buckets
14 of overtime. The 14-00 account is regular overtime. It is
15 not going to be netted against the 14-01 account, which is
16 the reimbursable account. There is another account, which
17 is the Burglary Task Force. That's a separate account. So
18 they will all be free-standing, okay. So in actuality, by
19 doing that, we upped the regular overtime account, because
20 it wasn't being netted against the 14-01, okay. So the
21 contrary account number is not there anymore.

22 So what we're going to do for next year is, because
23 '15 is in transition, and '16 is fixed, you'll see it. So
24 we're going to change this a little bit, and I'll explain
25 it for the first quarter as we go into '16. But other than

1 that, there's really nothing to report. The numbers are
2 really right in line, and we hope that's going to remain
3 so, and actually go down because of the heavy recruitment
4 that's being done. So we're going to watch that closely.

5 Okay. Any questions?

6 MS. GOLDSTEIN: Thank you. Any other items? And do
7 you want to make any comment on the construction meeting?

8 MS. KNIGHT: I don't think I can.

9 MS. GOLDSTEIN: Oh, you can't, but you went-- you
10 attended--

11 MS. KNIGHT: Yes, I did.

12 MS. GOLDSTEIN: --As our representative.

13 MS. KNIGHT: Yes. Per the cone--

14 MS. GOMEZ: Right. I think that you're under the cone
15 until a selection is made or recommendation made to the
16 Commission.

17 MS. GOLDSTEIN: Thank you for attending.

18 MS. KNIGHT: It's just odd, because it's a public
19 meeting.

20 MS. GOMEZ: It is a public meeting. Technically,
21 you're not supposed to be talking to the vendors.

22 MS. KNIGHT: But they said even not to come here and
23 discuss it.

24 MS. GOMEZ: Yeah, because I guess they just don't want
25 to make it public in many different areas.

1 MS. KNIGHT: Right. But anybody could have attended.

2 MS. GOMEZ: That's correct.

3 MS. KNIGHT: So that's interesting.

4 MS. GOLDSTEIN: Thank you for attending on our behalf.
5 We'll hear soon, I guess.

6 MS. KNIGHT: Yes.

7 MS. GOLDSTEIN: The last thing is to schedule our next
8 meeting, which we are on the third Thursday of the month,
9 which is--

10 MS. GOMEZ: I thought it was the last Thursday,
11 because the 28th is the last--

12 MS. GOLDSTEIN: Oh, yeah, yeah, yeah, the last
13 Thursday.

14 MR. KLEIMAN: Which would be--

15 MS. GOMEZ: The 28th.

16 MS. GOLDSTEIN: The 28th. I'm actually here.

17 MS. GOMEZ: Is there anything that you would like to
18 see on the agenda? I don't know, Lori, if you plan to have
19 any reports?

20 MS. ST. JOHN: Yeah, the Property in Evidence Report
21 is done, but I'm just waiting for one thing from the
22 Manager's Office, and I don't know. You know how that is.
23 If I get it tomorrow, and review it with the Manager, I'm
24 ready. I would hope that it would be ready by then, but I
25 can't answer that at this point.

1 MS. GOMEZ: Okay. I know that Verdeja will have their
2 preliminary report or report by that time. The Manager's
3 Office told me that they would have it for that next
4 meeting. Not for today's meeting, but for the next
5 meeting. I don't think anything has been issued yet,
6 though. And I don't believe that I'm going to have
7 anything at that point, from our standpoint, because the
8 audit would be underway-- the financial statement audit
9 would be underway, so we probably won't have a whole lot
10 with that. It's not the end of the quarter or--

11 MR. KLEIMAN: I might. The thing is the journal
12 entries are done slowly at that point because--

13 MS. GOMEZ: Because we're dealing with the year end
14 close, so everything's a little bit delayed.

15 MR. KLEIMAN: So I don't know right now officially if
16 the first quarter information will be done.

17 MS. GOMEZ: But maybe we'd have the December quarter.

18 MR. KLEIMAN: Right, if they can do it that fast. At
19 the end of January, I can have the first quarter.

20 MS. GOLDSTEIN: If you look at the date as we get
21 closer, like in two weeks, and another date looks like it
22 would be better for us, then you can just send out an email
23 and let us know.

24 MS. KNIGHT: I think the one thing I can say was that
25 it was a two-part process, so this was just a part for the

1 developers-- it was like Phase 1 to decide if they would
2 move forward to the second phase.

3 MS. GOMEZ: Right.

4 MS. GOLDSTEIN: Okay. I'll adjourn the meeting at--
5 let me look at my phone for the correct time.

6 MS. GOMEZ: 8:43.

7 MS. GOLDSTEIN: 8:43. Thank you.

8 (Thereupon, the meeting was adjourned.)

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STATE OF FLORIDA)
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COUNTY OF DADE)

I, ESTELA L. VALLE, Notary Public, certify that I was authorized to and did stenographically report the foregoing proceedings and that the transcript is a true and complete record of my stenographic notes.

Dated this 7th day of December, 2015.

Estela L. Valle

ESTELA L. VALLE

