City of Coral Gables City Commission Meeting
Agenda Item E-8
June 2, 2026
Public Safety Building, CMR
2151 Salzedo Street, Coral Gables, FL

City Commission
Mayor Vince Lago
Vice Mayor Rhonda Anderson
Commissioner Melissa Castro
Commissioner Ariel Fernandez
Commissioner Richard D. Lara

City Staff
City Attorney, Cristina Suárez
City Manager, Peter Iglesias
City Clerk, Billy Urquia
Deputy City Attorney, Stephanie Throckmorton

Public Speaker(s)

Agenda Item E-8 [Start: 12:37 p.m.]

> An Ordinance of the City Commission amending Chapter 2 "Administration", Article VII "Finance", Division 1 "Generally" to amend Section 2-352 "Fund Balance and Reserve Policy" to require a vote of the electors, prior to certain changes to the Fund Balance Reserve Policy consistent with the recently approved Charter amendment; providing for severability clause, repealer provision, codification, and providing for an effective date. (Sponsored by Mayor Lago)

Mayor Lago: Item E-8.

City Attorney Suarez: E-8 is an ordinance to the City Commission amending Chapter 2 “Administration,” Article VII “Finance,” Division 1 “Generally” to amend Section 2-352 “Fund Balance and Reserve Policy” to require vote of the electors prior to certain changes to the Fund Balance Reserve Policy consistent with the recently approved charter amendment providing for severability, repealer, codification and an effective date.

Mayor Lago: Are there any changes?

Deputy City Attorney Stephanie Throckmorton**:** No changes. I know you're sick of me, Mayor. This is 63% of the voters. And as I mentioned, it just adds the same language as was added to the Charter requiring that any amendment to the 25% reserve requirement requires approval of the electors.

Mayor Lago: Yes. So as the sponsor of this item, I want to commend my colleagues for making the right decision and supporting this item. The residents spoke. They want to keep their reserves. The reserves belong to them. When I started here, we were not even one fourth of the reserves that we have now through the leadership of the Manager and his incredible work along with his team, the Finance Director, we have been very fiscally sound and very tight. Let me, my colleagues could give me just one moment of latitude here. As you can see what happened yesterday from the state, it is rather significant. And we can go over the numbers later and the Manager will be mentioning it. The impact for the tax reduction, which again, I'm fully in favor of before somebody says I'm not. The tax reforms that are forthcoming from Tallahassee, which I think are very beneficial, especially for those who are retired and those who have served in the military are going to take a big chunk out of our ability to potentially fund certain capital projects, address issues like we're doing right now, where last year we spent nine and a half million dollars of additional monies to pay down our debts, which was for pension debts, which I started doing in 2015 along with my colleagues. So, we're going to have to weigh all those options, but thank God, thank God we did not under any circumstance entertain at one point this Commission did taking money from the reserves, which is something that Commissioner Fernandez mentioned for additional projects. Thank God, we never did that because right now we're looking at some significant numbers of reductions in our ability to have funds here in the city when this, if the voters vote in favor of this tax reform. The numbers are pretty stratospheric. I've worked with the Manager, and the Manager did an amazing job really, really getting all the information. And it was the numbers are, he'll go over it later, but we're talking about, I think it was around $12 million potentially, if it's a $250,000 reduction in the Homestead exemption, and then it's almost double that when you go to $500,000 subsequent year. So, the residents here made a very, very, very decisive statement. They want to protect our reserves, and it can only be used for emergencies and for a rainy day. Case in point, when we had a hurricane, we were the first ones cleaned up, we were able to go to market and we did not have to get any debt, which would have taken, by the way, Mr. Manager, it took how many years for the State of Florida to pay us back?

City Manager Iglesias: We still have a few bills.

Mayor Lago: We're talking about over eight years.

City Manager Iglesias: It took us, yes. We were at 90% in about three or four years. And then the final 5 to 6, 8% took another three or four years.

Mayor Lago: So imagine that if we would have taken out that debt and we would have used a portion of that fund of our reserves, it's so easy to use, but it's so difficult as our Finance Director, who's in the back along with our System Director, will tell you to tighten your belt every single year and just save like we're doing with a sea level rise fund, which has almost $30 million in it that we started doing, I think it was about seven, eight, six or seven years ago. So, these are decisions that were made. The Finance Director, she looked at me and maybe I said something wrong. Did I say something wrong? Okay, good. I want to make sure I'm correct. So, these are decisions, tough decisions that we made years ago. And what were those decisions we made? 2015, to over fund the pension by I think it was about $4 million. And last year was nine and a half. No, last year was seven and a half. The previous year was nine and a half. It was a $2 million reduction because of the COLA that was approved, which should have not been approved. We talk about sea level rise and really taking sustainability seriously. We've been putting away something around three and a half million to $4 million a year into an account so that in the future, if sea level rise truly affects us, the Commission that will be in place, the goal is to have $100 million in place. We have to now look to see how that's going to be affected as a result of the potential tax cuts. And also, the amount of money that we've been able to sock away in a rainy-day fund, 25% of our budget. When I started, we were about $15 million. Now we're talking about, we're in the high $60 million. That is the reason why we're the city that has a triple, triple bond rating. And I want to commend my colleagues in the Commission for those who supported making sure that this got to the voters. And the voters overwhelmingly with over 63% said that they want to be fiscally sound and they want to protect our financial ability and not just spend items on items that we should budget for over three, four, five years. That's what fiscal responsibility is. So, I want to thank the residents and it's an honor to be the sponsor of this item. These are tough pieces of legislation that again may handcuff the city, but they're the right thing to do. Mr. Clerk, do we have a motion and a second?

City Clerk Urquia: No, Mr. Mayor.

Vice Mayor Anderson: I'll move it.

Commissioner Lara: Second.

Vice Mayor Anderson: Yes.

Commissioner Castro: Yes.

Commissioner Fernandez. Yes.

Commissioner Lara: Yes.

Mayor Lago: Mayor Lago. Yes. It's great to put a bow on it.