

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

Meeting Minutes: Thursday, March 26, 2015, 8:00 a.m.

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

MEMBERS:	A	M	J	J	A	S	O	N	D	J	F	M		APPOINTED BY:
	14	14	14	14	14	14	14	14	14	15	15	15		
Jose E. Smith	P	-	P	-	P	P	P	-	-	-	P	P		Mayor Jim Cason
Roland Sanchez	P	-	P	-	P	P	P	-	-	-	P	E		Vice Mayor William H. Kerdyk, Jr.
Alex Menendez	P	-	P	-	A	P	E	-	-	-	P	P		Commissioner Vince Lago
John Holian^		-		-		A	P	-	-	-	P	P		Commissioner Frank C. Quesada
Cheryl Goldstein	P	-	P	-	P	E	P	-	-	-	P	E		Commissioner Pat Keon

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

^ = New Member
= Special Meeting
** = Resigned Member

Staff:

Diana M. Gomez, Finance Director

Jane Tompkins, Development Services Director

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

PROCEEDINGS:

The meeting was called to order by Ms. Gomez at 8:04 a.m.

Noting the absence of Chair Sanchez, Ms. Gomez advised that a Board member should be nominated to serve in the capacity of Vice Chair for this meeting. She added that a formal election could be held at the next meeting.

Mr. Holian nominated Mr. Menendez to serve as meeting chair. The nomination was seconded by Mr. Smith and approved.

MINUTES – FEBRUARY 25, 2015 MEETING:

Mr. Smith made a motion to approve the minutes of the February 25, 2015 meeting as presented. Mr. Holian seconded the motion, which passed unanimously.

MEETING ATTENDANCE:

Mr. Smith made a motion to excuse the meeting absences of Mr. Sanchez and Ms. Goldstein. Mr. Menendez seconded the motion, which passed unanimously.

UPDATE ON ELECTRONIC PLANS SUBMISSION:

Referencing the Board's request to learn about efforts to establish a new electronic plans review system, Ms. Gomez introduced Development Services Department Director Tompkins.

After describing previous and current systems for reviewing residential and commercial plans, Ms. Tompkins described collaborative efforts undertaken by her department, IT and other City departments to identify and coordinate a smooth transition to a new plans review system with an anticipated City launch by the end of summer 2015. She said the new system should reduce plans review by 30 to 40%, in addition to providing other benefits. System costs are currently being refined and funding sources are being researched. Ms. Tompkins said an estimate of the cost (system purchase, training and migration of existing data) is \$400,000. Once the system is fully implemented and running, City staffing needs will change.

Ms. Tompkins responded to Board questions about research conducted with other municipalities; the system's capability of tying together plans and fees; and the phasing out of the Eden system.

Board members were very positive about the system's capabilities, and the numerous service and efficiency advantages it would provide for Coral Gables citizens and businesses.

DISCUSSION OF UNFUNDED LIABILITY PENSION WORKSHOP:

Ms. Gomez distributed the outline of the Pension Overview / Unfunded Liability Workshop held February 13, 2015. The presentation was prepared and delivered to the City Commission by outside consultants.

Ms. Gomez relayed that the City Commission asked staff to provide them with information about the unfunded pension liability, its current status, background issues affecting the status and future possibilities. As a result, she continued, Jim Linn (the City's outside pension counsel) worked with the City to review the City's pension plan and discuss its status, options for reform and laws about funding responsibilities. Subsequently, the City's pension actuary (Mike Tierney, Actuarial Concepts) discussed the unfunded pension liability, why it exists and how the City can best manage the unfunded liability.

Ms. Gomez said the pension is approximately 54% funded at this time; the City is making required contributions to it each year as it has in the past. She said numerous steps were taken to work towards correcting the pension issues, and explained factors that affected it.

Regarding the annual contribution budget, staff suggested to the Commission that the City step up the pension payment by a reasonable amount annually and send additional funds each year in order to reduce the overall pay-down time. She advised that the February workshop was only the first of several scheduled to occur over the next few months.

A discussion/Q&A period followed, covering issues including credit ratings; pension obligation bonds; the approach of other municipalities to pension funding; the effects of a variety of situations on pension funding, payouts, retirements, market effects, actuarial value of the investment and a newer employee option of electing a 401K plan.

FINANCIAL STATEMENTS – 2014 CAFR:

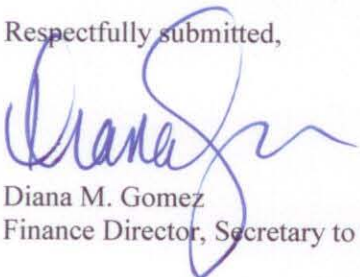
Stating that presentation of the just-issued 2014 Financial Statements was made to the City Commission on March 25th, Ms. Gomez reviewed presentation highlights. She concluded by relaying that the auditors gave the highest level assurance that the audit was clean. Ms. Gomez said the Commission was pleased, advising that the goal to have three months of operating expenditures in reserves was realized, grown to this level over the last four years. She and Board members engaged in discussion and Ms. Gomez responded to all questions.

SCHEDULING:

Wednesday, April 29, 2015, 8:15 a.m. City Hall First Floor Conference Room.

There being no further business, the meeting adjourned at 9:05 a.m.

Respectfully submitted,



Diana M. Gomez
Finance Director, Secretary to the Board