

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

**Meeting Minutes: Wednesday, September 19, 2018**

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

<b>MEMBERS</b>	<b>O</b>	<b>N</b>	<b>D</b>	<b>J</b>	<b>F</b>	<b>M</b>	<b>A</b>	<b>M</b>	<b>J</b>	<b>J</b>	<b>A</b>	<b>S</b>	<b>APPOINTED BY:</b>
	17	17	17	18	18	18	18	18	18	18	18	18	
Tony A. Rivas	-	-	A	-	A	A	-	A	A	-	-	-	Mayor Valdes-Fauli
Erin Knight	-	-	A	-	A	A	-	A	A	-	-	-	Commissioner Jeanette Slesnick
Alex Menendez	-	-	P	-	A	A	-	P	P	-	P	P	Commissioner Vince Lago
John Holian	-	-	P	-	P	A	-	P	P	-	P	P	Commissioner Frank C. Quesada
Cheryl Goldstein	-	-	P	-	P	P	-	P	P	-	-	-	Commissioner Pat Keon
Francisco Paredes	-	-	P	-	P	P	-	A	P	-	P	P	Commissioner Mena
Rosa Bravo			P	-	P	P	-	P	P	-	A	E	Mayor Valdes-Fauli
Carmen Sabater^												P	Commissioner Pat Keon

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

^~ New Member

#~ Special meeting

\*\*~ Resigned Member

**Staff:**

Diana Gomez, Finance Director

Keith Kleiman, Budget Director

Sally Ola Ola, Assistant Director

Minutes Preparation and Recording Secretary: Nieves Sanchez, Bailey & Sanchez Court Reporting, Inc.

1                                   CITY OF CORAL GABLES  
2                                   BUDGET/AUDIT ADVISORY BOARD  
3                                   TRANSCRIPT  
4                                   CORAL GABLES CITY HALL  
5                                   405 BILTMORE WAY, FIRST FLOOR CONFERENCE ROOM  
6                                   CORAL GABLES, FLORIDA  
7                                   WEDNESDAY, SEPTEMBER 19, 2018, COMMENCING AT 8:05 A.M.

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11       Board Members Present:

12       Alex Menendez, Chairman

13       Francisco Paredes

14       John Holian

15       Carmen Sabater

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18       City Staff and Consultants:

19       Diana Gomez, Finance Director

20       Keith Kleiman, Assistant Finance Director for Management  
21       and Budget.

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1 THEREUPON:

2 (The following proceedings were held.)

3 CHAIRMAN MENENDEZ: All right. We'll start  
4 the meeting. It's 8:05.

5 Right now, we'll do the roll call.

6 Carmen?

7 MS. SABATER: Here.

8 CHAIRMAN MENENDEZ: John Holian?

9 MR. HOLIAN: Here.

10 CHAIRMAN MENENDEZ: Frank Paredes?

11 MR. PAREDES: Yes.

12 CHAIRMAN MENENDEZ: And Rosa Bravo is  
13 excused?

14 MS. GOMEZ: Yes.

15 CHAIRMAN MENENDEZ: Great.

16 And we have two sets of meeting minutes to  
17 approve this time around. So the first set  
18 would be the June 28th, 2018 meeting minutes.  
19 Has everyone had a chance to review them, and  
20 would anyone like to make a motion to approve  
21 them?

22 MR. PAREDES: So moved.

23 CHAIRMAN MENENDEZ: Second, anyone?

24 MR. HOLIAN: Second.

25 CHAIRMAN MENENDEZ: All right. All in

1 favor?

2 Aye.

3 MR. HOLIAN: Aye.

4 MR. PAREDES: Aye.

5 CHAIRMAN MENENDEZ: Okay. The approval of  
6 the minutes of the last meeting, August 18th,  
7 2018. Has everyone had a chance to review  
8 them? Does anyone want to make a motion and a  
9 second?

10 John and --

11 MS. GOMEZ: Who made the motion?

12 CHAIRMAN MENENDEZ: Frank made the first.  
13 John second it. And then we're all in favor.

14 MS. GOMEZ: It was vice-versa on the second  
15 one. John made it and Frank second on the  
16 second one. It was Frank and John in the first  
17 one.

18 CHAIRMAN MENENDEZ: Okay. So we're good  
19 with that.

20 So the first thing on the agenda is an  
21 update from Keith on the budget.

22 MR. KLEIMAN: So we sent out the supporting  
23 schedules. And most of the documents are  
24 unchanged, so they're similar, but if you take  
25 a look at the first page, that's where all of

1 the changes are. There's changes to revenue  
2 and changes to expenditures.

3 You're not going to find them in the budget  
4 book.

5 MS. GOMEZ: It was part of your packet.

6 MR. PAREDES: Okay.

7 MR. KLEIMAN: Yes. It was in your packet  
8 there.

9 MS. SABATER: The salary increases and --

10 MS. GOMEZ: It looks like this.

11 MR. KLEIMAN: Yes. It looks like this.

12 MS. GOMEZ: And these are the changes from  
13 the budget estimate book that you have to the  
14 presentation that we gave last week on the  
15 13th, and nothing has changed from the 13th to  
16 what we're going to present on the 25th. So  
17 we're just kind of giving you an update as to  
18 the budget process and the hearings that were  
19 had and the hearing that is coming.

20 MR. KLEIMAN: Right. The situation with  
21 this City is that we are obligated by Charter  
22 to submit a budget on July 1st. Most other  
23 cities submit their budgets to their  
24 Commissions usually around Labor Day. So  
25 things change. So we have to adjust the FY19

1 budget for things that we know are changing in  
2 the '18 budget that would be permanent or just  
3 new information for the FY19 budget.

4 Like, for instance, there's a grant that is  
5 coming in to help us purchase Fire Station 4,  
6 the property. So it was supposed to be  
7 accepted in 2020. They're trying to move  
8 forward now in FY19, which means we have to  
9 accept the grant now. The grantor is fine with  
10 that. So usually we don't put grants in the  
11 budget, we appropriate them during the year,  
12 we're appropriating this one. So that's like  
13 1.5 million to begin with. That's one of the  
14 big changes on the revenue side. And, then,  
15 also, we're going to recognize another \$300,000  
16 of fire impact fees to also help toward that  
17 purchase.

18 So, on the revenue side, you'll see 1.5  
19 million in there. There will be an additional  
20 300,000 for fire impact fees coming in from  
21 fund balance, and these are all, again, planned  
22 uses, and, then, on the expense side, you'll  
23 see 1.8 million going to the capital project.

24 I'm just going to go over some of the  
25 highlights, not the little things.

1           Property taxes, we got the July values, as  
2           opposed to just the June values, which is what  
3           the July book was based on. So we're getting  
4           another \$509,000 in property taxes. And, also,  
5           this version of the budget is going to  
6           recognize the Property Owner Debt Service  
7           Assessment for Miracle Mile.

8           MS. GOMEZ: And Giralda.

9           MR. KLEIMAN: I was late in putting that  
10          in. It should have been put in the July book.  
11          In the July book, we took money out of fund  
12          balance, as a temporary item, to balance in the  
13          adopted budget. We put that money back into  
14          fund balance and we're recognizing \$550,000 of  
15          assessment.

16          MR. PAREDES: That's being charged to  
17          property owners of Miracle Mile, not the rest  
18          of the City?

19          MR. KLEIMAN: Right.

20          MS. GOMEZ: Right. It's the property  
21          owners for Giralda and Miracle Mile, all of the  
22          properties that decided to have a special  
23          benefit from it.

24          MR. PAREDES: Just clarifying.

25          MS. GOMEZ: Yes.

1           CHAIRMAN MENENDEZ: That's for maintenance  
2 of the walkway?

3           MS. GOMEZ: No. No. It's a debt. They're  
4 paying on the debt.

5           MR. KLEIMAN: And that 550 is actually only  
6 80 percent of what they owes us. To be on the  
7 conservative side, I only recognized 80  
8 percent. If more comes in, then less comes out  
9 of fund balance from other debt fund, but we  
10 always keep a balance in there just in case we  
11 don't have enough money, the revenues don't  
12 come in. So we fully expect the hundred  
13 percent to come in, but just in case. So we  
14 try to be conservative. Okay?

15           One of the other larger items, similar to  
16 last year when we created a sea level rise  
17 program for the stormwater utility, we're now  
18 looking at sanitary sewer. So we're changing  
19 the sanitary sewer capital program to include a  
20 capital component now to start replacing the  
21 system on time, meaning within recycle times,  
22 and not only that, but making it storm ready  
23 and sea level ready.

24           Okay. So getting there, within about five  
25 years, we'll need about three million a year to



1 do that, to stay on top of that. So what we  
2 did was, we did a very small increase for  
3 capital to each of the homeowners that are on  
4 the sanitary sewer system. That increase goes  
5 up mildly over five years. Most of the money,  
6 though, however, is coming from the return on  
7 investment that was implemented back in 2009  
8 and 2010.

9 Now, what that did is, it took a percentage  
10 of revenue, from both, stormwater and sanitary  
11 sewer, and moved it into the general fund.  
12 Okay. They call it a return on investment.  
13 It's an acceptable way of doing things.  
14 Everything was done above board. We decided  
15 that we don't need it that much in the general  
16 fund; however, we're not going to take it out  
17 right away. We're going to wean the general  
18 fund off of that money over a five-year period  
19 and put it back into the utilities.

20 So sanitary sewer, now, in the end, after a  
21 five-year period, is going to end up with, in  
22 today's dollars, an additional 1.2 million  
23 dollars, and that's going to take us to where  
24 we need to be for that three million dollar  
25 amount to replace capital. And it will be

1 easier for the general fund to absorb just  
2 one-fifth of that each year and then we'll just  
3 wean it off.

4 MS. SABATER: Where do you have that here?

5 MR. KLEIMAN: You won't really see it here.  
6 If you look on the --

7 MS. SABATER: Because you only have  
8 \$60,000.

9 MR. KLEIMAN: Yes. No, but if you look on  
10 the expense side --

11 MS. GOMEZ: On the revenue side, there's  
12 the sanitary sewer fees. That's the slight  
13 increase.

14 MR. KLEIMAN: Take a look at the bottom.  
15 Just so you know, the reason why you're not  
16 going to be able to see it here, but I can show  
17 you where the first one-fifth is, right now, to  
18 be conservative, just like I did with the  
19 assessment for the return on investment, even  
20 though we could budget a hundred percent of  
21 that return on investment and bring it into the  
22 general fund, over the last three years we've  
23 only budgeted, on the general fund side, 80  
24 percent, and we left it, in the budget, 20  
25 percent in the sanitary sewer fund. If, at the

1 end of the year, all of the revenues come in,  
2 then the full hundred percent would have been  
3 brought over.

4 So now, there was a line item in the  
5 sanitary sewer budget of 240,000, which  
6 represented the 20 percent. That was going  
7 into fund balance as a reserve for return of  
8 investment, instead it's being transferred into  
9 capital.

10 So you can see it on the bottom here. Item  
11 20 on the expenditure estimate, all of the way  
12 at the bottom, you see \$240,000 coming out  
13 of -- it's reducing the transfer to fund  
14 balance, and, then, if you look at Line 12, you  
15 see 297,951. That's 240,000, plus that small  
16 amount of capital that was the fee increase.  
17 That was the difference. And that's going to  
18 get us to where we need to go, okay.

19 So, right now, there was actually no hit on  
20 the general fund for FY19, because we didn't  
21 budget it there anyway, not yet, okay.

22 Any questions on this? Any other numbers  
23 you'd like for me to talk about?

24 MR. PAREDES: Well, not on the numbers.  
25 You have here a chart that has -- the color

1 chart, that's pretty.

2 MR. KLEIMAN: Yes.

3 MR. PAREDES: The CIP Priorities. You've  
4 got the list, and then it's followed up with  
5 one with checkmarks.

6 MR. KLEIMAN: Yes.

7 MR. PAREDES: Is that a re-confirmation of  
8 the Commissioners saying, "This is my wish  
9 list"?

10 MR. KLEIMAN: The wish list is on the first  
11 one.

12 MR. PAREDES: On the first one, and then  
13 these are checking --

14 MR. KLEIMAN: What we funded.

15 MR. PAREDES: Okay. So, therefore, I'm  
16 just curious, how does that happen? We have  
17 two Commissioners that want Citywide traffic  
18 calming --

19 MR. KLEIMAN: Actually, three -- four.  
20 It's four. You have Mayor Fauli, Quesada, Lago  
21 and Mena.

22 MR. PAREDES: Mena has it as the second  
23 priority.

24 MR. KLEIMAN: Yes.

25 MR. PAREDES: So how does this get

1 prioritized? Is it the Commissioners have to  
2 convince each other that Citywide traffic  
3 calming will be the first item --

4 MR. KLEIMAN: No. We have a first budget  
5 workshop in May, where they give us their top  
6 ten or so priorities.

7 MR. PAREDES: Yeah.

8 MR. KLEIMAN: And some of them, I had them  
9 in order.

10 These, to tell you the truth, this year  
11 they did not put them in priority order. They  
12 just put their ten top items on there.

13 MR. PAREDES: Oh, okay. So these are not  
14 meant to be priority. These are just --

15 MS. GOMEZ: They're just items.

16 MR. PAREDES: Well, it does say,  
17 "Priorities."

18 MR. KLEIMAN: Well, no, their priorities as  
19 to other things that maybe the City Department  
20 is going to be wanting to fund. So we look at  
21 this here. Because other things were funded.  
22 This is not just the only things that were  
23 funded.

24 MR. PAREDES: Okay.

25 CHAIRMAN MENENDEZ: But this is requested

1 from the Commissioners every year.

2 MR. KLEIMAN: Yes.

3 CHAIRMAN MENENDEZ: And in past years, they  
4 do it top to bottom. My number one project is  
5 calming device, and then my last one is this.

6 MR. KLEIMAN: Right.

7 CHAIRMAN MENENDEZ: This year, it's just  
8 their top ten.

9 MS. GOMEZ: And they were supposed to get  
10 back to us, and then they just never got around  
11 to it.

12 MR. PAREDES: Let me clarify, Fire Station  
13 4, that was that famous one by the circle over  
14 there by Cocoplum --

15 MR. KLEIMAN: Yes.

16 MS. GOMEZ: No.

17 MR. KLEIMAN: Well, the land.

18 MS. GOMEZ: Yes. I'm sorry, you're right.

19 MR. PAREDES: So that's a done deal?

20 MR. KLEIMAN: No.

21 MR. PAREDES: It got approved by the Board,  
22 but the Commissioners --

23 MR. KLEIMAN: It's been approved by the  
24 Board, yes, but the Commissioners have not  
25 approved that purchase yet. It's being

1 negotiated.

2 CHAIRMAN MENENDEZ: It goes to the  
3 Commission next week, right?

4 MR. KLEIMAN: Right. And I think there  
5 have to be community meetings, also. The  
6 community has to say yes or no as to whether  
7 they want that fire station there. So it's not  
8 a done deal yet, no.

9 MS. GOMEZ: At the last meeting, they were  
10 given -- or a couple of meetings ago, they were  
11 given permission to move forward with the  
12 Letter of Intent, and they came to this Board,  
13 as well, to discuss that they were going to  
14 move forward in that direction, but the vote to  
15 actually do the purchase has not happened, just  
16 the permission to move forward has been  
17 granted.

18 MR. KLEIMAN: Right. So they would work  
19 for community involvement first before they  
20 would vote, right, I would assume?

21 MS. GOMEZ: Yes.

22 MR. KLEIMAN: Any questions?

23 CHAIRMAN MENENDEZ: I have a question.  
24 Seats at West Lab, that one seems to be across  
25 all of them.

1 MR. KLEIMAN: Yes.

2 CHAIRMAN MENENDEZ: That is, what,  
3 purchasing --

4 MR. KLEIMAN: That is purchasing seats.  
5 It's a Miami-Dade school. They want to  
6 actually build an extra component of it, that  
7 the City would pay for, so they would have --  
8 how many seats --

9 MS. GOMEZ: So it would be one classroom  
10 for each grade, I think it is.

11 MR. PAREDES: Yeah. That's been on the --

12 CHAIRMAN MENENDEZ: It will be City  
13 specific, okay.

14 MR. PAREDES: So the City students can go  
15 to that school.

16 MR. KLEIMAN: Right. Now, that's such a  
17 large sum, it's three to four million dollars  
18 for us, that we just don't have that. If you  
19 see, that's the one item that was not done, but  
20 we're working with the City Commission to  
21 possibly sell a strip of land by Doctors  
22 Hospital that would bring in 3.2 million or  
23 something like that.

24 CHAIRMAN MENENDEZ: Yeah, I think we did  
25 this once, this exercise. It might have been



1 the same property.

2 MR. PAREDES: Yeah, the parking lot.

3 MR. KLEIMAN: Yes, they talked about it  
4 about a year ago.

5 CHAIRMAN MENENDEZ: It never happened.

6 MR. KLEIMAN: Right. It didn't happen. I  
7 think there was some swing votes that pushed  
8 back on it, and so we've now requested that  
9 it'd be talked about.

10 CHAIRMAN MENENDEZ: These aren't additional  
11 seats, this is still the same seats that were  
12 tied to that property that they wanted to buy?

13 MR. KLEIMAN: Right. Right.

14 MS. SABATER: For my benefit, is there a  
15 list of like inventory that the City has, that  
16 they're thinking about selling to do capital  
17 raise, like the lot on Coral Way that we talked  
18 about at that last meeting that I was at? Is  
19 there like an identifying --

20 MR. KLEIMAN: The City doesn't typically  
21 just sell, you know, honestly. They look at  
22 the best and highest use of property. We had  
23 absolutely no use for the property out on Coral  
24 Way. What it's going to do, let's say, ten and  
25 a half million dollars, is help prevent us from

1           having to get debt out for building Garage 7.

2           MS. SABATER:   Right.

3           MR. KLEIMAN:   So we're going to create an  
4           asset with the dollars from an asset that to us  
5           is pretty useless, and Garage 7 is going to  
6           help develop northern Gables.  There's really  
7           no parking there.  We lost the parking that was  
8           on that land where the new Public Safety  
9           Building is going.  It was a small lot.  But  
10          now we're going to do a large -- it's 450 cars,  
11          I think.

12          And supposedly the whole idea is that when  
13          you build the parking, then development  
14          follows.  So that's what they're looking to do  
15          with it.  And the northern Gables needs that  
16          influx of some commercial businesses and  
17          retail.

18          MS. GOMEZ:   And any time there's a property  
19          that we're going to lease or sell, it comes to  
20          this Board.  One of the steps along the process  
21          is to come to this Board to answer those  
22          questions that we were trying to answer with  
23          the last one.

24          MR. KLEIMAN:   So the answer to your  
25          question is, no, there's no list of properties

1 to sell. The two that they're considering,  
2 aggressively now is Coral Way. The other one,  
3 the Commission still has not decided which way  
4 they're going.

5 MS. SABATER: Okay. And has the City given  
6 any thought -- I mean, the biggest revenue base  
7 is parking. With, you know, the onset of Uber,  
8 and, you know, shared rides, have we given  
9 thought that parking may actually -- parking  
10 revenues in the future may decline, because  
11 people may just not be parking, because they're  
12 not owning cars?

13 MR. KLEIMAN: Yeah. That's the reason why  
14 we don't want to go into too much debt. Like  
15 the debt of the Public Safety Building is  
16 coming from parking. So they did a fee  
17 increase that's dedicated to pay for that.  
18 However, to start building other structures and  
19 start using parking alone as the revenue source  
20 for long-term is not necessarily a good idea,  
21 because for parking -- I mean, I got this  
22 straight from the Parking Director's mouth, he  
23 feels ten to fifteen years, guaranteed, but  
24 after that, who knows what it's going to be  
25 like. Is everybody going to be driving? A lot

1 of people are not, the younger kids.

2 MR. HOLIAN: I used to drive and park. I  
3 Uber from my house all of the time.

4 MR. KLEIMAN: Right. Yeah, I went to some  
5 place in Coral Gables two weeks ago, and I took  
6 an Uber there and an Uber back and left my car  
7 in the garage.

8 MS. SABATER: Well, and the Gables also has  
9 the freebies and all that.

10 MS. GOMEZ: The free trolley.

11 MR. KLEIMAN: Right. Right. So we don't  
12 want to make a commitment to use those types of  
13 funds, because they may go away in fifteen  
14 years. May. No one a hundred percent knows.  
15 You know, that's a bit of a guessing game.

16 MR. HOLIAN: It's kind of spooky, actually.  
17 It's a lot of revenue.

18 MR. KLEIMAN: Yeah, absolutely.

19 CHAIRMAN MENENDEZ: Okay. Any other  
20 questions on CIP Priorities? No?

21 Keep going.

22 MR. KLEIMAN: So, now, you can see the next  
23 few pages are the capital, the actual capital  
24 projects that have been funded. The first  
25 grouping starts with Capital Equipment, IT Data

1       Systems, Emergency Generator Installation,  
2       we're going to start -- that's a new one for  
3       the City. We had one that we're building a  
4       very large generator over at the 72nd Street  
5       facility, but now we want to start putting  
6       generators in the City facilities so that it  
7       hardens them. Like City Hall should have a  
8       generator. There actually is the semblance of  
9       a generator somewhere right around here that  
10      just doesn't work, but we're getting a  
11      generator for the adult activities center.

12               So all of the high priority buildings  
13      should have a generator that will switch right  
14      over during a storm and we'll have it.

15               MR. PAREDES: So all of these have funding?  
16      You're proposing for funding or --

17               MR. KLEIMAN: In the CIP, it's a five-year  
18      plan, we very clearly stated in there, the  
19      first year, which is the first year of the  
20      budget, FY19, is funded.

21               MR. PAREDES: Okay.

22               MR. KLEIMAN: It's a planning document for  
23      every year after that.

24               MS. GOMEZ: And all of those projects that  
25      you see here are included in the book that we

1 handed out today. So we can combine the two  
2 presentations.

3 MR. PAREDES: My question is funding.

4 MS. GOMEZ: This is the amount of funding  
5 that we're adding to it with this year's  
6 budget.

7 MR. KLEIMAN: For new and/or existing  
8 projects.

9 MS. GOMEZ: So don't assume that if it's,  
10 for instance -- let's just argue, the CGTV  
11 Equipment Upgrade, that may be, but it may need  
12 more than the 115, but we're giving them 115  
13 this year.

14 MR. PAREDES: Yeah, but the total is 24  
15 million dollars that you're adding?

16 MS. GOMEZ: In the total budget, yes.

17 MR. KLEIMAN: Yes. For FY19, correct.

18 MR. PAREDES: And then these can change,  
19 depending on life as it happens? It will get  
20 funded, but they may not get paid all at once,  
21 because of the progress of --

22 MR. KLEIMAN: That may be, again, because  
23 these are estimates. You know, most things are  
24 estimates. Some things, like that CGTV, is  
25 actually a quote, so we know. Because the

1 first piece happened in FY18. This is the  
2 final piece. The recycling bins probably won't  
3 change. There may be some surpluses, but it  
4 goes back in fund balance and we reuse it then.

5 MS. GOMEZ: But, again, just to be clear,  
6 this is just what we're adding to it. If you  
7 want the total project cost, you would go to  
8 that book, and that book, you find the project  
9 in there, and it will tell you how much  
10 previous years' funding has been provided and  
11 how much is needed going forward, because there  
12 may be every year for the next three years,  
13 because it's a five-year project, or it could  
14 just need one more year.

15 MR. KLEIMAN: Right. A lot of the  
16 projects, that we consider one time projects,  
17 they're funded from surpluses from prior years.

18 MS. GOMEZ: Right. Exactly.

19 MR. KLEIMAN: And then anything that is an  
20 ongoing capital, like if you look at the  
21 facility repairs on Slide 10, you'll see roof  
22 replacements, HVAC replacements, those are  
23 ongoing projects that we have now fully funded  
24 them and they come out of recurring revenues  
25 from the general fund and we move the money

1           into there. So those are recurring.

2           CHAIRMAN MENENDEZ: You're saying the  
3           emergency generator. The police station, the  
4           Fire Department, they already have emergency  
5           generators?

6           MR. KLEIMAN: The police station has one.  
7           The Fire, the main one on Salcedo, yes, they  
8           have a generator.

9           CHAIRMAN MENENDEZ: All of them.

10          MR. KLEIMAN: Oh, yes, they do.

11          CHAIRMAN MENENDEZ: You prioritize all of  
12          that before the adult center?

13          MR. KLEIMAN: Well, again, we don't set the  
14          priority. The City will.

15          MS. GOMEZ: Right. We just fund it.

16          MR. KLEIMAN: Yeah, we just fund it.

17          CHAIRMAN MENENDEZ: Okay.

18          MR. KLEIMAN: Okay. So the next grouping,  
19          Historic Facility Repairs, you'll see the  
20          library renovation, white way lights, Fink  
21          Building. They want to do an assessment of  
22          that. There's an assessment of the First  
23          Church of Christian Science, which is right  
24          across the street from City Hall.

25          MR. HOLIAN: What is that?



1           MR. KLEIMAN: That's that building with the  
2           big columns.

3           MR. HOLIAN: I know the building, but what  
4           does that mean?

5           MR. KLEIMAN: The City has no gathering  
6           space that we call our own. So they want to  
7           look at it. Because right now, the church will  
8           actually let us use it, but the City wants to  
9           look at it and see --

10          MR. HOLIAN: And that adjacent open space  
11          in the building or the actual building and the  
12          open space?

13          MR. KLEIMAN: I don't know. I can't tell  
14          you a hundred percent.

15          MR. HOLIAN: Okay.

16          MR. KLEIMAN: All they know is, they're  
17          looking at that, and, if possible, to buy it  
18          down the line.

19          MR. HOLIAN: Okay.

20          MR. KLEIMAN: Not right now, but buy it  
21          down the line as an asset to the City.

22          MR. HOLIAN: Okay.

23          MR. KLEIMAN: Motor pool equipment, three  
24          and a half million dollars. Parking lot  
25          repairs -- a lot of these are ongoing items.

1 In the end, the installation of multi-space pay  
2 stations will go away. There's only another  
3 couple of years of that. And as we get more  
4 and more and more people just using their  
5 phones to pay, the pay stations will go away.  
6 So we're not going to replace them.

7 CHAIRMAN MENENDEZ: What's the \$50,000 for?  
8 Is it to actually do the study to see whether  
9 it is worth buying the First Christian  
10 Scientist --

11 MR. KLEIMAN: To take a look at the  
12 building itself. Not to just to see if it's  
13 worth buying --

14 MS. GOMEZ: The structure.

15 CHAIRMAN MENENDEZ: The structure?

16 MR. KLEIMAN: I think it just passed its  
17 forty-year certification, so they want to look  
18 at it.

19 CHAIRMAN MENENDEZ: Okay.

20 MR. KLEIMAN: This was something, I think,  
21 that the Mayor was for this and the previous  
22 City Manager.

23 MR. KLEIMAN: Okay. Okay. Parks &  
24 Recreations -- should I move on or are you  
25 still --

1           CHAIRMAN MENENDEZ: No, I'm just wondering,  
2           the Biltmore Hotel renovations, we're  
3           responsible for a portion of the renovations at  
4           the Biltmore?

5           MS. GOMEZ: They agreed to provide -- the  
6           City and the Biltmore had -- there was a  
7           Resolution that came in front of the Commission  
8           that the Biltmore is going to do capital  
9           improvements and they asked us to provide them  
10          up to fifty percent of the annual revenues that  
11          they give us back as a rebate, so that they can  
12          use that money --

13          MR. KLEIMAN: For five years.

14          MS. GOMEZ: Right -- so that they can use  
15          that money to help renovate or do the capital.  
16          So we get about 1.6 million dollars in revenue.  
17          So we're just putting 800,000. That's how much  
18          we anticipate. But if the revenues come in at  
19          1.2, it's --

20          CHAIRMAN MENENDEZ: So we're subsidizing  
21          the renovations through our --

22          MS. GOMEZ: Through rebating -- right,  
23          rebating back --

24          MR. KLEIMAN: Right, but I believe they're  
25          putting in like 25 million. It's a much larger

1 amount. You know, ours is less. It's going  
2 to --

3 MS. GOMEZ: I think 5.2 is the max that  
4 we'll do, and it's over a five-year period, and  
5 it's just up to fifty percent of the revenues  
6 that they pay us.

7 MR. KLEIMAN: Right.

8 MS. GOMEZ: So, at the end of the year,  
9 once we see how much revenue they gave us, then  
10 we'll rebate them back, but we're estimating  
11 it's going to be \$800,000 this year.

12 MR. KLEIMAN: Right.

13 CHAIRMAN MENENDEZ: And there will be an  
14 expected increase in revenues to the City once  
15 the renovations are done, because there will be  
16 improvements to the property?

17 MR. KLEIMAN: We're hoping.

18 MS. GOMEZ: You would think, right.

19 CHAIRMAN MENENDEZ: But it wasn't  
20 negotiated before this --

21 MR. KLEIMAN: Well, there's no way to know.  
22 I wasn't part of the full negotiations, so I  
23 can't speak to the details of it, but one would  
24 assume that, you know, it's redone, they'll  
25 have more revenues.

1           Our agreement with them is revenue based.  
2           So it's based on revenues, so it would  
3           increase, yes.

4           MR. KLEIMAN: Actually, Finance tried to  
5           negotiate this with us. So to make it easier,  
6           they went -- they wanted 800,000 upfront, paid  
7           in the beginning of the year. We said, no, and  
8           the City Manager and the Commission agreed that  
9           we would wait.

10          MS. GOMEZ: At the end of the year.

11          MR. KLEIMAN: Let's see the revenue come  
12          in, see what comes in, and then pay them, as  
13          opposed to doing it upfront.

14          CHAIRMAN MENENDEZ: Okay.

15          MR. PAREDES: Politics plays a lot in that  
16          whole deal.

17          MR. HOLIAN: No comment.

18          MR. PAREDES: Keith, on the purchase of  
19          Fire Station 4, you have 2.3 million. I  
20          thought it is four million. I thought that's  
21          what he had discussed.

22          MR. KLEIMAN: This is just additional  
23          money. There's already money there.

24          CHAIRMAN MENENDEZ: There's a grant, as  
25          well, though, right?

1 MS. GOMEZ: There's a grant. That's the  
2 1.5.

3 MR. KLEIMAN: That's the 1.5. That's in  
4 there, yeah.

5 MR. PAREDES: Okay. Got it.

6 MR. HOLIAN: Will we be hiring more firemen  
7 or will they just be moving from one station to  
8 another?

9 MR. PAREDES: On the next slide it shows,  
10 or a couple of slides further, that there's no  
11 firefighters that have been added.

12 MR. HOLIAN: Okay.

13 MR. KLEIMAN: No. They're moving some.  
14 Fire Station 4 is going to be a very small  
15 facility, for a small area. So they're just  
16 moving them out. I think it's one truck or  
17 it's one major truck. I forget what it is.  
18 It's not a large thing. There's no additional  
19 staffing required.

20 The only time we'll start requiring more  
21 staff is after annexation, and that's going to  
22 be a build up.

23 CHAIRMAN MENENDEZ: And that grant was tied  
24 to that property somehow, right? So if that  
25 property is not --

1 MS. GOMEZ: It's tied to that area.

2 MR. KLEIMAN: Area.

3 CHAIRMAN MENENDEZ: Okay.

4 MR. KLEIMAN: It's got be a park.

5 CHAIRMAN MENENDEZ: And we're going to lose  
6 it at a certain point, so we have to move  
7 quickly on it?

8 MR. KLEIMAN: No.

9 MS. GOMEZ: We have three years.

10 MR. KLEIMAN: Yeah. Again, if this  
11 property goes forward, then it would be going  
12 now. The grant was totally okay with us doing  
13 it a year from now.

14 CHAIRMAN MENENDEZ: Perfect.

15 Any other questions on this?

16 MR. KLEIMAN: Just skim through and let me  
17 know what questions you have; otherwise I can  
18 just keep going through each page and give you  
19 highlights.

20 CHAIRMAN MENENDEZ: That's good. Yes, just  
21 go through it.

22 MR. KLEIMAN: All right. So with Capital,  
23 a lot of the items in the Transportation and  
24 Right of Way, on Slide 13, are recurring  
25 capital items that we do on a regular basis.

1           And what we're extremely proud of, on Slide  
2       14 you'll see the Sea Level Rise Mitigation  
3       Program. That whole 1.9 million dollars goes  
4       into a reserve, and as we've said several times  
5       in the past now, we're looking to create a  
6       reserve of 100 million dollars by the year  
7       2040, and that's just key money, it's seed  
8       money, because no one knows what's going to be  
9       needed at that time, but the logic behind what  
10      we're doing is that almost every city is going  
11      to need to do major sea level rise mitigation,  
12      and we're going to have money for it, and most  
13      of the cities are going to have to get credit.

14           Even if we have to go for credit, if we  
15      need more than what we have, at least the  
16      creditors will see we started. We have 100  
17      million dollars to put toward this. We'll be a  
18      much better bet than some cities that have  
19      absolutely nothing towards it.

20           MR. PAREDES: And that reserves is funded?

21           MS. GOMEZ: It's a program.

22           MR. PAREDES: You're asking for the money  
23      and it's part of that 24 million, so you're  
24      actually funding --

25           MS. GOMEZ: Right. We're funding this year



1 1.9 million.

2 MR. PAREDES: Right. How much do we have  
3 already in that reserve?

4 MR. KLEIMAN: Well, the first year started  
5 at a million. In '18, it was one million four  
6 forty-five, and now we're adding another four  
7 forty-five to that, which brings it to 1.9. So  
8 with this, we're going to be up to about three  
9 or four million, almost five million, I guess.

10 Now, the difference here is, in the Storm  
11 Water Sea Level Rise Mitigation, it's saving  
12 money for the future. In the Sanitary Sewer,  
13 it's replacing it now.

14 On Slide 15, the classifications, the only  
15 change is happening on the general employees  
16 side. There are three new employees. Two of  
17 them are for IT. One is administrative help,  
18 because they're a growing department.  
19 Everything is now IT related. So they had no  
20 administrative help. So we're giving them a  
21 full-time administrative assistant.

22 The second position they're getting is,  
23 we're going to be reviewing the CCTV cameras 24  
24 hours, seven days a week. So we need more help  
25 to actually do that and watch the monitors.

1 And then the last position, which is funded by  
2 the Clerk's Special Revenue accounts, is for  
3 him for more administrative help.

4 MR. PAREDES: And the department heads are  
5 fine with these changes and these proposals?  
6 Police, no change; Fire, no change, they're  
7 happy with it?

8 MR. KLEIMAN: Yes. The police, you know,  
9 we're up to almost a full complement of staff.  
10 Right now, they just had five positions -- some  
11 of them didn't make their first year of  
12 training, and two others just left. So we have  
13 five vacancies now, and they are, again, going  
14 to be recruiting to fill those.

15 Again, the only increase that we should see  
16 in the future is, if annexation does happen,  
17 then we're going to increase police and fire,  
18 and that will be funded with the revenues  
19 coming from those two areas.

20 MS. SABATER: What are the areas that are  
21 going to be annexed?

22 MS. GOMEZ: We don't know yet if they're  
23 going to be annexed, but Little Gables is going  
24 through the application, as well as High  
25 Pines/Ponce Davis, or trying, but we don't know

1 yet if it's going to happen, but that's what  
2 we're going towards.

3 MR. KLEIMAN: Right. And both groups voted  
4 on a survey that they want to come in, but now  
5 it's sitting in the County.

6 MS. GOMEZ: It's a very lengthy process  
7 with applications and all that.

8 MR. KLEIMAN: Right. FY20 might be the  
9 first year that the revenues come in, because I  
10 think it's supposed to be settled some time  
11 during FY19, it's supposed to be, and then we  
12 would get the property taxes, I believe, in  
13 FY20, but nothing is set in stone.

14 MS. GOMEZ: Well, it would have to be voted  
15 on before December 31st in order for us to get  
16 the taxes for next November.

17 MR. KLEIMAN: Right. Right.

18 MS. GOMEZ: So I don't know if there's  
19 going to be a vote before December 31st.

20 MR. KLEIMAN: Right.

21 CHAIRMAN MENENDEZ: Would we lower their  
22 speed limits, as well?

23 MS. GOMEZ: If it's part of the City, I'm  
24 sure we would.

25 MR. KLEIMAN: You know what's interesting?

1       When I drive back to Fort Lauderdale, on Le  
2       Jeune, north of here, there are some  
3       multi-family dwellings that they're pretty run  
4       down. The lower part of them has a brick  
5       facade. They took the first building, they  
6       emptied it out, completely renovated the whole  
7       building. They took out all of the wall units,  
8       the air conditioners. It look like a brand new  
9       high end building. It's in Little Gables. So  
10      you can see they're anticipating being part of  
11      the Gables.

12             It's nice to see, because the buildings are  
13      actually much more attractive now that they've  
14      re-stuccoed the whole building. It looks very  
15      nice.

16             Okay. Property taxes, Slide 16.

17             MR. PAREDES: That's a very nice slide. I  
18      like those last four.

19             MR. KLEIMAN: Yeah. We're keeping the rate  
20      the same.

21             MR. PAREDES: Keep it low.

22             MR. KLEIMAN: Just so you know, you have to  
23      understand, the values are going up, so  
24      technically it's still an increase, but at  
25      least we're keeping the rate the same.

1           And by the way, for everyone here, the  
2           advertisement for the Second Hearing will be in  
3           the Miami Herald, in the main section, this  
4           coming Sunday.

5           MS. GOMEZ: No, not this Sunday. The 23rd.

6           MR. KLEIMAN: This coming Sunday.

7           MS. GOMEZ: Oh, that's right.

8           MR. KLEIMAN: I know. It's hard to  
9           believe.

10          Okay. Slide 17, for the average --

11          MR. PAREDES: The end of the year is coming  
12          around soon.

13          MR. KLEIMAN: That's what she's saying, in  
14          the annexation, if it doesn't happen by  
15          December -- it's only a few months away, I  
16          mean, when you think about it. My hope is not  
17          great. I would love to get that money into the  
18          City --

19          MS. GOMEZ: The County could give us an  
20          extension until March, but --

21          MR. KLEIMAN: Yeah, we'll see.

22          Okay. Slide 17, Estimated Average Taxable  
23          Value of a Homesteaded Property, now just the  
24          Coral Gables portion of the property tax, based  
25          on keeping the rate the same, but with the

1 increased values, it's estimated the average  
2 Homestead would go up 169, homesteaded  
3 property.

4 On Slide 18, you can see the Coral Gables  
5 Properties by Type, 42.3 percent are  
6 homesteaded, 30.5 are residential  
7 non-homesteaded, you have commercial at 20  
8 percent and then all others, which are  
9 institutional, that type of thing, would be 6.9  
10 percent.

11 MR. PAREDES: That's a very good mix. By  
12 the way, Keith, this is a very good  
13 presentation.

14 MR. KLEIMAN: Oh, thank you.

15 MR. PAREDES: Congratulations to you guys.

16 MR. HOLIAN: As usual.

17 MR. KLEIMAN: Thank you. Yeah, we've been  
18 trying to improve it, adding slides to it each  
19 year to try and be better, and, actually, the  
20 slides we're going with are more with are what  
21 the Baldrige award prefers. So we're going to  
22 head the City in that direction.

23 Okay. The next slide, Ten-Year Municipal  
24 Millage Rates, you can see where we are. We  
25 are the goldish color.

1 MS. GOMEZ: Orange.

2 MR. KLEIMAN: The burnt orange. We are  
3 next to lowest. Now, the things here, these  
4 are the five full service cities in Miami, Dade  
5 County. So you see, we're next to lowest. The  
6 only one that's lower than us is Key Biscayne  
7 and they have very few homesteaded properties.  
8 So they have the ability to have -- their taxes  
9 go up a lot, because there's no cap -- or a  
10 much higher cap, I should say. Okay. And they  
11 also don't have the legacy issues of the  
12 pension system.

13 Okay. Now, a similar slide, but now you  
14 see all of the cities and you see where we are.  
15 We're the burnt orange. And the blue are the  
16 full service cities, Key Biscayne being to the  
17 left. As you can see, there are so many cities  
18 after us that aren't full service and our  
19 millage is still lower.

20 And, of course, our favorite slide, the pie  
21 chart, that shows where every tax dollar goes.

22 MR. PAREDES: It's amazing that we pay for  
23 the School Board more than we pay for Coral  
24 Gables.

25 MR. KLEIMAN: Right. And most of the City

1 services, 90 percent of them, come from the  
2 City, and that's coming from that 30 cents.

3 Slide 22, Annual Pension Contributions, so  
4 you can see the arch went up for FY19, the  
5 required payment, and that's due to the retiree  
6 COLA.

7 MS. GOMEZ: The settlement of the  
8 retirement COLA.

9 MR. KLEIMAN: The settlement, right. And,  
10 again, the City still has this goal of paying  
11 extra on top of that. That's the 2.4 million  
12 dollars that's in green.

13 MR. PAREDES: Yeah, but this doesn't show  
14 the unfunded liability yet.

15 MR. KLEIMAN: We'll get there. Next slide.

16 MR. PAREDES: I apologize.

17 MR. KLEIMAN: It's a good question, because  
18 everyone wants to know, where are we. You  
19 know, we've been making so much progress, you  
20 know, what's going to happen now. So the arch  
21 increased, you can see, from 23 million to 25  
22 million. And so you can see, the extra payment  
23 went down from 3.3 million dollars to 2.4.

24 MS. GOMEZ: We had expected it to be closer  
25 to four million, but because of the settlement,



1       it was about 1.9 million dollar increase to the  
2       required contribution. Otherwise, that 1.9  
3       would have been added to the 2.4 and it would  
4       have been an extra payment of.

5               MR. KLEIMAN: Right. So normally we  
6       increase the additional payment by just about  
7       1.25 percent each year just as an indexing, but  
8       this year we increased that to actually 1.2  
9       million dollars, we paid extra into it, and  
10      there are three components of it.

11             In the past, the entire retirement dollar  
12      amount, there was a piece of it that was the  
13      401 program. So what we did is, we broke that  
14      out. We took that entire amount, put it toward  
15      the pension, and now funded that separately.  
16      So, in essence, that was an addition of about  
17      \$400,000 to the extra payment. And on top of  
18      that, we have --

19             MS. GOMEZ: We did an assumption change.

20             MR. KLEIMAN: Right. Return on investment,  
21      right.

22             MS. GOMEZ: Right. Yeah, return on  
23      investments was 7.75, and the Board had reduced  
24      it to 7.65, just to be a little bit more  
25      conservative and more in line with what the

1       actuary believes where it should be.

2               MR. PAREDES:   We're actually getting 7.75?

3               MS. GOMEZ:    I mean, right now, this last  
4       month, we got ten point something, but the  
5       marker is on 9/30.   On 9/30, what it makes is  
6       determinate whether or not the plan has made  
7       its assumption for the year.

8               MR. PAREDES:   Give me a rough number on  
9       that 38.3 percent in dollar amounts, just a  
10      rough --

11              MS. GOMEZ:    The next slide.

12              MS. SABATER:   It's here.

13              MS. GOMEZ:    So it's about 240 million  
14      dollars roughly.

15              MR. PAREDES:    I got it.

16              MR. KLEIMAN:   Now, on the next year slide,  
17      you're going to see a difference here, because  
18      that's when the COLA will be in here and is  
19      measured out.

20              MS. GOMEZ:    Right.   Right, the COLA is not  
21      in here, because it's always a year behind.

22              MR. KLEIMAN:   Right.

23              Then, the final slide, on Page 24, that's  
24      the General Fund Reserve Analysis.   Now, we  
25      always brag about our 25 percent.   We're at a

1        little bit less than that right now, at 21  
2        percent or so, and that's because we have an  
3        outstanding receivable from FEMA. And that's  
4        just a portion of the storm that hit in FY17,  
5        because, remember, a lot of that crossed over  
6        into '18. So we don't know where we're going  
7        to be when we close out FY18 and what the  
8        reserves will be.

9                We expect to get the vast majority of the  
10       money back next year.

11               MS. GOMEZ: So this year there's going to  
12       be a real hit on the reserves. It's going to  
13       look like maybe we'll only be -- I have no  
14       idea. I haven't even done the math yet.

15               MR. KLEIMAN: Yeah, it's hard to throw a  
16       number out there, because we don't know.

17               MS. GOMEZ: But it's going to be much lower  
18       than 25 and even the 21. We are funding at  
19       year end the portion that we believe will be  
20       our responsibility, with whatever year end  
21       surpluses or whatever funding that we have left  
22       over at the end of the year, but the amount  
23       that we're expecting from FEMA is about 14  
24       million. The amount that we're expecting from  
25       the State is about two million.

1           MR. PAREDES: Have they approved that  
2           already, that 14 million, or is that still in  
3           negotiations?

4           MS. GOMEZ: So it works by project. We  
5           have about 56 projects. Of which, about 52 of  
6           them or so have been sent over to FEMA, of  
7           which 20 some odd have gone to the State, which  
8           I would assume that means that they've approved  
9           them, but they don't tell us it's approved.

10          MR. KLEIMAN: Yeah, we're not part of the  
11          negotiation process.

12          MS. GOMEZ: Right.

13          MR. PAREDES: You just submit them --

14          MR. KLEIMAN: We just upload documents.

15          MS. GOMEZ: Correct.

16          CHAIRMAN MENENDEZ: Don't we outsource that  
17          to somebody, though?

18          MS. GOMEZ: We have a consultant that helps  
19          us. We're doing it internally. No, they don't  
20          do it all. We are doing it in-house. We have  
21          a consultant that is assisting us, and it's  
22          been a very difficult process and a very  
23          lengthy process, but FEMA rules have changed so  
24          much in the amount of documentation that they  
25          want having to do with procurement, it's been a

1 very, very daunting task.

2 MR. PAREDES: And it's probably going to  
3 get even more complicated now with North  
4 Carolina and --

5 MS. GOMEZ: Yeah.

6 MS. SABATER: And it's the State of Florida  
7 or --

8 MS. GOMEZ: So we submit to FEMA. The  
9 State of Florida is the one that makes the  
10 payment to us. So FEMA sends it over to the  
11 State, and then eventually appropriates it, to  
12 say, okay, State, when you're done, go ahead  
13 and pay. So payment actually comes from the  
14 State.

15 We are going through the process with FEMA  
16 and we believe that it's everything through  
17 FEMA, because FEMA has been sending a  
18 representative to us twice a week, working with  
19 us here, making sure that we're submitting  
20 everything properly and that it's getting  
21 through the process as quickly as possible.

22 And that number, the 20 some odd number, is  
23 probably higher. The last time I updated it,  
24 which was two or three weeks ago, that's the  
25 number it was at, but once we push those into

1 the State, FEMA has no more involvement, so to  
2 speak, unless it has to be kicked back from the  
3 State back to us for us to redo something.  
4 Like if they need something, then it has to go  
5 back through FEMA, then the State.

6 MR. PAREDES: The best thing for us is to  
7 not be hit with a hurricane for five years so  
8 all that clears out.

9 MS. GOMEZ: Yes. And we're in the process  
10 of doing the repairs and all of that, but  
11 there's no reason for us to believe that we're  
12 not going to receive the reimbursement. We  
13 have gotten no indication to date that that  
14 would be the case. So we are fully assuming  
15 that we are going to get --

16 MR. PAREDES: But our contractors and  
17 everybody has gotten paid or --

18 MS. GOMEZ: Yeah, we have paid, because we  
19 have the 25 percent reserve. We have the cash  
20 to pay.

21 MR. KLEIMAN: Other cities had to go for a  
22 line of credit. They don't have the cash to do  
23 it.

24 MS. GOMEZ: Right.

25 MR. PAREDES: Whatever happened with the

1 FP&L? Didn't the City sue FP&L or FP&L sued  
2 the City, because of the hurricane? Whatever  
3 happened on that?

4 MS. GOMEZ: I would have to have Legal --  
5 I'm not sure.

6 MR. PAREDES: That's gone kind of quiet  
7 now.

8 MS. GOMEZ: I think I heard Miriam mention  
9 that there's going to be another Executive  
10 Session with the Commission about it. So  
11 they're still talking about it.

12 MR. KLEIMAN: But that wasn't a financial  
13 lawsuit.

14 MS. GOMEZ: Right. It was partial  
15 financial, right, but it was more about action,  
16 right? They want them to redo the poles and  
17 get things done.

18 MR. KLEIMAN: Right.

19 MR. HOLIAN: They cut down two palm trees  
20 in our yard.

21 MS. GOMEZ: Because of the lines?

22 MR. HOLIAN: We planted them 20 years ago.  
23 They were 35 feet high, and FPL came in and --  
24 there's nothing you can do. We were there, you  
25 know, having a glass of wine during the storm

1           and all of a sudden the palm trees are hitting  
2           the wires, and the light -- it was not a good  
3           thing.

4           MR. PAREDES:   So you gave them  
5           permission --

6           MR. KLEIMAN:   I came home one day, and it  
7           was like this.   It was chopped.

8           MR. PAREDES:   Whenever they come in, they  
9           don't do a good job --

10          MR. KLEIMAN:   Because they hire tree  
11          companies to come in and just chop away.

12          MR. HOLIAN:    They were very polite, though.  
13          They were nice.

14          MR. PAREDES:   Yeah, they're polite and they  
15          ask for permission and all of that, but then  
16          when they go after the trees --

17          MR. KLEIMAN:   Do you guys want to go over  
18          the book at all?   It's up to you.

19          CHAIRMAN MENENDEZ:   I have a question about  
20          the book.   We used to have money that we were  
21          putting aside for purchase of land, it was Page  
22          87 --

23          MR. KLEIMAN:   Yes.   It's now 500,000.   It's  
24          still there.

25          CHAIRMAN MENENDEZ:   We had purchase of land



1 money. We were putting away, 300, I guess in  
2 the future.

3 MR. KLEIMAN: Right. Now it's 500.

4 CHAIRMAN MENENDEZ: Now it's 500, but then  
5 you have land acquisition moving forward, as  
6 well. So you have Line 89.

7 MR. KLEIMAN: Line 89 is purchase of land.

8 CHAIRMAN MENENDEZ: How is that different  
9 from vacant land acquisition?

10 MR. KLEIMAN: No, that is different.  
11 Commissioner Lago was looking at certain lots  
12 in the City that he wanted the City to  
13 purchase, so the money that's set aside there,  
14 I believe it's a small amount, is more of an  
15 assessment to look at that.

16 CHAIRMAN MENENDEZ: What would be the use  
17 of those vacant lots?

18 MS. GOMEZ: Passive parks.

19 MR. KLEIMAN: Which line are you looking  
20 for now?

21 CHAIRMAN MENENDEZ: I'm looking at 89 and  
22 I'm looking at 100 -- I'm sorry, Page 87.

23 MR. KLEIMAN: Okay. So we didn't fund  
24 anything in '19 for what Commissioner Lago  
25 wanted. So what we did instead was add another

1           \$200,000 to the 300.

2           CHAIRMAN MENENDEZ:   Okay.   So we're talking  
3           about a normal passive park, 300,000, we pushed  
4           it up to 500,000?   But then next year we'll  
5           make those one line item?

6           MR. KLEIMAN:   And it may not be passive  
7           parks.   That money is just set aside to buy  
8           park land.   Okay.   So it's not necessarily for  
9           a passive park.   This item was what  
10          Commissioner Lago had -- there was some pieces  
11          of land around the Biltmore Hotel, across the  
12          street from it, that he was saying maybe we  
13          should purchase.

14          CHAIRMAN MENENDEZ:   That could go towards  
15          the Christian Building or something like that?

16          MR. KLEIMAN:   No.

17          CHAIRMAN MENENDEZ:   It has to be vacant?

18          MR. KLEIMAN:   No.

19          MS. GOMEZ:   It has to be for parks.

20          MR. KLEIMAN:   Yeah.

21          CHAIRMAN MENENDEZ:   Okay.

22          MR. KLEIMAN:   But that land purchase was  
23          strictly for parks.

24          CHAIRMAN MENENDEZ:   Okay.

25          MS. GOMEZ:   I mean, we could end up buying

1 a piece of land with a building or a structure  
2 and then we can knock it down and make it a  
3 park.

4 CHAIRMAN MENENDEZ: Okay.

5 MR. KLEIMAN: Well, that's the goal.

6 CHAIRMAN MENENDEZ: It's earmarked for  
7 parks.

8 MR. KLEIMAN: It's ultimately to accumulate  
9 lots of land then assemble it.

10 MR. HOLIAN: The one that we bought by my  
11 house, people are always in it. We haven't  
12 done anything with it, but dogs are there,  
13 people are there, kids are there, and it has a  
14 lot of activity. And there's nothing there,  
15 just grass.

16 MR. KLEIMAN: Right. That should be done  
17 in FY19. That's funded for renovations.

18 MR. HOLIAN: Uh-huh.

19 CHAIRMAN MENENDEZ: I don't have any more  
20 question. Does anyone else have any other  
21 questions?

22 Really great presentation. We appreciate it.

23 MR. PAREDES: Very good presentation.

24 MR. HOLIAN: Fantastic.

25 CHAIRMAN MENENDEZ: Any other items of

1 business? Any discussion items anyone wants to  
2 bring up?

3 So we're done with the meeting?  
4 Scheduling?

5 MS. GOMEZ: Scheduling, and if there's  
6 anything that the Board would like to see. I  
7 don't know if we'll have -- at the next  
8 meeting, we will have the Overtime Report. I  
9 don't know if we have any internal audit  
10 issue --

11 MR. KLEIMAN: At the next meeting, in  
12 theory, we can do the fourth quarter overtime.  
13 Instead of doing the third, we can do the  
14 fourth and just close it out.

15 MS. GOMEZ: What about internal audit? Is  
16 there anything for internal audit?

17 MR. KLEIMAN: We can do a status. We may  
18 have some things finished by that point. How  
19 long are we talking for the next meeting?

20 MS. GOMEZ: October 17th is the scheduled  
21 date.

22 MR. KLEIMAN: October 17th? You can  
23 tentatively put it on there.

24 MR. PAREDES: Did the external auditors do  
25 any preliminary work since the year end --

1 MS. GOMEZ: Yeah. The external, they will.  
2 I think they're coming in some time in  
3 November, because our year closes 9/30, and  
4 then we need time to actually get all of the  
5 invoices, put everything in, and they'll come  
6 in to do some interim work, I think, in  
7 November, I think it's scheduled for.

8 MR. PAREDES: I don't have anything.  
9 Whatever you guys --

10 CHAIRMAN MENENDEZ: Can everyone look in  
11 their calendars, October 17? Is everyone here?

12 MS. SABATER: I did have a question on the  
13 internal audit and I think it was mentioned in  
14 the last meeting. Who do they report to and do  
15 they give presentations to this group?

16 MS. GOMEZ: Yes. They report to the City  
17 Manager, but they work through Keith, who is  
18 dotted line reporting to the City Manager, for  
19 purposes -- he reports to me for all other  
20 purposes, but because Finance tends to be the  
21 main auditee a lot of times, I have nothing to  
22 do with internal audit.

23 CHAIRMAN MENENDEZ: They also report to the  
24 Commission.

25 MS. GOMEZ: They report to the Commission

1 on a regular basis.

2 MR. KLEIMAN: First here, and then to the  
3 Commission quarterly.

4 MS. SABATER: And do we have a schedule of  
5 their reports and stuff, because I had this --

6 MS. GOMEZ: That's the latest.

7 MR. KLEIMAN: If you go online to the  
8 City's website, under Management and Budget,  
9 you'll see the audit section. We're working on  
10 a lot of things actually right now. The one  
11 audit that you won't see on there is IT,  
12 because there are many sensitive things that we  
13 wouldn't want to publish. So we have  
14 permission from the City Attorney not to post  
15 it. So we're going to have several more audits  
16 coming in.

17 It's strange, though. You know, we're  
18 doing an audit of the towing company in the  
19 City, because it's part of the contract, and  
20 they won the RFP, but they're on an extension  
21 right now until the end of the audit, and  
22 they're being non-responsive with the  
23 information that we're requesting on the audit.  
24 So it's sort of interesting how it's going to  
25 play out.

1           So, again, we've been keeping the City  
2           Attorney involved and the Procurement Assistant  
3           Director, and we'll see what happens with that.  
4           So they may not get the RFP.

5           CHAIRMAN MENENDEZ: Meeting adjourned.

6           (Thereupon, the meeting was adjourned at 8:50  
7           a.m.)

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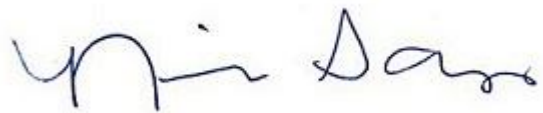
STATE OF FLORIDA:

SS.

COUNTY OF MIAMI-DADE:

I, NIEVES SANCHEZ, Court Reporter, and a Notary Public for the State of Florida at Large, do hereby 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 24th day of September, 2018.



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NIEVES SANCHEZ