

City of Coral Gables, Florida

2020-2021 BUDGET ESTIMATE



BUDGET WORKSHOP

JULY 15, 2020

*A World-Class City
With A Home-Town Feel*

**CORAL
GABLES.**
THE CITY BEAUTIFUL

2020 – 2021 BUDGET SIGNIFICANT CALENDAR DATES

JUNE 1, 2020 – Property Appraiser sends estimated property values

JULY 1, 2020 – Budget Estimate submitted to City Commission

JULY 1, 2020 – Property Appraiser certifies preliminary taxable values

JULY 1 to JULY 14, 2020 – State revenue estimates available online

JULY 8 – Review Budget Estimate with Budget Advisory Board

JULY 15, 2020 – Budget Workshop – Presentation of Budget Estimate

JULY 16 to SEPTEMBER 9, 2020 – Individual Commission Briefings (As requested)

AUGUST 4, 2020 – Certify tax rate to the Property Appraiser

SEPTEMBER 10, 2020 – 1st Budget Hearing

SEPTEMBER 22, 2020 – 2nd Budget Hearing

BUDGET REDUCTION METHODOLOGY

Three year event:
FY20, FY21 & FY22

The goal is to keep each fiscal year's potential shortfall contained to that fiscal year without the use of fund balance.

BUDGET REDUCTION METHODOLOGY

FY20

Potential Shortfall

\$9.5M

Budget Reductions Applied to Budget

- Full & Part Time Positions Frozen: \$(3.3M)
- Oper. Accts Frozen + Normal Surplus: \$(3.8M)
- Capital Project Deferments: \$(2.4M)

BUDGET REDUCTION METHODOLOGY

FY21

Potential Shortfall

\$11.2M

Apply Hard & Soft Reductions to Budget

- **Hard Reductions** – Items eliminated from the budget to balance expenses to projected revenues.
- **Soft Reductions** – Additional items identified, but remain funded in a holding code until sufficient revenue activity is confirmed.

BUDGET REDUCTION METHODOLOGY

FY21 Hard Reductions

- Vacancies frozen except for Public Safety \$(1.9M)
- Reduce Operating Expense \$(1.8M)
- Reduce Capital Transfer from Gen Fd. \$(3.6M)
- Reduce Capital Contingency in Gen Fd. \$(1.0M)
- Reduce Reserve for Future Debt \$(1.2M)
- Adjustment for Compensated Absences \$(950K)
- Reduce Fleet Replacement \$(495K)
- Health Insurance Adjustment \$(280K)

BUDGET REDUCTION METHODOLOGY

FY21 Soft Reductions

- Contingency for Budget Reductions \$(4.1M)
- Reduce Reserve for Future Debt \$(600K)
- Pension Stabilization \$(1.0M)

BUDGET REDUCTION METHODOLOGY

FY22 Soft Reductions

- Contingency for Budget Reductions \$(4.1M)
- Reduce Reserve for Future Debt \$(600K)
- Pension Stabilization \$(1.0M)

2020-2021 BUDGET ESTIMATE SUMMARY

Annual Revenues		\$ 188,226,765
Transfers From Reserves		
General Capital Improvement Fund	\$ 15,538,000	
General Fund	2,106,000	
Sanitary Sewer Fund	714,996	
Trolley / Transportation Fund	600,000	
Stormwater Utility Fund	430,095	
General Fund - City Clerks Special Revenue	245,085	
Retirement System Fund	175,024	
Neighborhood Renaissance Program Fund	40,000	
All Other Funds	16,000	19,865,200
Total Revenues		<u>\$ 208,091,965</u>
Expenditures		
Operating	171,322,168	
Capital	25,243,632	
Debt Service	9,957,874	\$ 206,523,674
Transfers to Reserves		
General Fund – Building Division Reserve	968,291	
Sunshine State Debt Service Fund	600,000	1,568,291
Total Expenditures		<u>\$ 208,091,965</u>

REVENUE INCREASES AFFECTING THE BUDGET

<u>Revenues</u>	<u>Increases</u>	<u>Total Revenue</u>
Property Tax *	\$ 2,436,504	\$ 91,978,303
Public Safety Fees	130,000	3,826,500
Stormwater Utility Fee	100,000	5,685,000
Refuse Collection Fees – Early Payment	97,000	6,212,000
Parking Rental – Retail Space	21,715	536,448
Fines & Forfeitures	18,000	2,470,833
Other Revenue Increases	3,000	35,000
Total Revenue Increases	<u>\$ 2,806,219</u>	<u>\$ 110,744,084</u>

* Property Tax estimate based on June 1st property valuations. The City's millage rate has been maintained at 5.559 for 6 consecutive years.

REVENUE DECREASES AFFECTING THE BUDGET

<u>Revenues</u>	<u>Decreases</u>	<u>Total Revenue</u>
Intergovernmental Revenues	\$ (4,180,388)	\$ 5,160,483
Developers' Fee	(2,700,000)	-
Automobile Parking Fees	(2,405,506)	13,631,194
General Fund Investment Earnings	(1,760,000)	550,000
Miami-Dade County Roadway Impact Fees	(1,638,447)	-
Commercial Waste Fees	(1,063,594)	-
Permit Fees	(794,000)	7,019,000
Capital Projects Fund Investment Earnings	(468,000)	-
All Other Revenue Decreases	<u>(3,723,134)</u>	<u>51,122,004</u>
Total Revenue Decreases	<u>(18,733,069)</u>	<u>77,482,681</u>
Net Change/Total Revenues	<u>\$ (15,926,850)</u>	<u>\$ 188,226,765</u>

EXPENDITURE CHANGES AFFECTING THE BUDGET

	INCREASE <u>(DECREASE)</u>	TOTAL <u>BUDGET</u>
<u>Personal Services (PS)</u>		
Salaries (<i>Frozen Positions</i>)	\$ (1,684,399)	\$ 70,040,409
Overtime	(179,924)	2,257,412
Employee Benefits		
Retirement (<i>Index & Assumption Change</i>)	674,626	29,424,465
FICA (<i>Frozen Positions</i>)	(128,678)	4,534,612
Workers Compensation	(2,763)	2,000,000
Health & OPEB (<i>One-time Cigna Credit</i>)	638,188	9,966,680
Other Misc. Benefits	<u>(1,500)</u>	<u>224,325</u>
Total Change in Personal Services	\$ (684,450)	
Total Personal Services Budget		\$ 118,447,903

EXPENDITURE CHANGES

AFFECTING THE BUDGET

	INCREASE (DECREASE)	TOTAL BUDGET
<u>Other Than Personal Services (OTPS)</u>		
Professional Services	\$ (1,539,067)	\$ 15,131,308
Repairs, Maintenance, Utilities & Misc. Services	38,335	18,979,169
Parts, Supplies & IT Maintenance Subscriptions	(393,192)	8,275,439
Equipment Replacements	(1,112,423)	481,532
Equipment Additions	(866,334)	210,705
Debt, Employee Payouts & Contingencies	3,549,889	5,180,900
Grants	(472,077)	812,389
Fleet Equip Replacement	(3,302,791)	2,936,413
Non-Operating	<u>(375,117)</u>	<u>866,410</u>
Total Change in Other Than Personal Services	(4,472,777)	
Total Other Than Personal Services Budget	<u></u>	<u>52,874,265</u>
Net Change in Operating Budget	<u>\$ (5,157,227)</u>	
Total Operating Budget		<u>\$ 171,322,168</u>

PERSONNEL/BENEFITS ANALYSIS

	Total Salaries	Total Benefits	Total Salaries/Benefits	% of Total Expenses
City Commission	\$ 252,545	\$ 200,844	\$ 453,389	72.5%
City Attorney	839,596	378,967	1,218,563	44.7%
City Clerk	835,584	432,387	1,267,971	59.9%
City Manager	1,423,345	614,611	2,037,956	75.2%
Human Resources	883,567	667,197	1,550,764	75.8%
Labor Relations & Risk Mgmt	418,977	201,205	620,182	84.3%
Development Services	4,328,063	2,531,777	6,859,840	77.7%
Historic Resources & Cultural Arts	405,697	262,376	668,073	38.2%
Public Works	12,947,832	8,827,856	21,775,688	59.4%
Finance	2,382,133	1,266,048	3,648,181	87.4%
Information Technology	1,672,888	882,201	2,555,089	43.1%
Police	23,952,186	16,420,660	40,372,846	86.0%
Fire	15,937,344	10,457,530	26,394,874	87.5%
Community Recreation	3,513,740	1,461,316	4,975,056	50.6%
Economic Development	562,164	300,752	862,916	62.3%
Non-Departmental	101,013	147,020	248,033	5.0%
Parking	1,841,147	1,097,335	2,938,482	30.1%
Total Personnel/Benefits	\$ 72,297,821	\$ 46,150,082	\$ 118,447,903	69.1%

EMPLOYEE CLASSIFICATION TEN-YEAR COMPARISON

FISCAL	POLICE	FIRE-	GENERAL	
<u>YEAR</u>	<u>OFFICERS</u>	<u>FIGHTERS</u>	<u>EMPLOYEES</u>	<u>TOTAL</u>
2012	183	139	469	791
2013	184	139	469	792
2014	191	139	470	800
2015	191	139	485	815
2016	192	139	498	829
2017	192	139	500	831
2018	192	139	506	837
2019	192	139	509	840
2020	193	139	514	846
2021	*	139	514	846

*** Proposed**

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2020-2021 BUDGET ESTIMATE

PROJECTS

2020-2021
BUDGET ESTIMATE

Capital Equipment

IT Data Systems Equipment Replacement/Upgrade
Total Capital Equipment

\$ 1,106,137
1,106,137

Facility Repairs/Improvements

Roof Replacements Program - Citywide
HVAC Replacements Program - Citywide
ADA Remediation
Capital Project Contingency
Total Facility Projects

278,385
100,000
100,000
962,064
1,440,449

Historic Facility Repairs/Restorations

City Hall Complex Repairs/Improvements
Fink Building Renovations
Biltmore Hotel Renovations
Merrick House Restoration of Exterior Rock Wall
Total Historic Facility Projects

576,166
1,077,000
600,000
84,000
2,337,166

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2020-2021 BUDGET ESTIMATE

Motor Pool Equipment Replacements/Additions

Motor Vehicle Replacements/Additions	2,936,413
Total Motor Pool Projects	2,936,413

Parking Repairs/Improvements

North Ponce Garage Construction (Garage 7)	7,005,442
Garage 1 Construction	550,000
Total Parking Projects	7,555,442

Parks & Recreation Repairs/Improvements

Parks & Recreation Major Repairs	1,000,000
Fred B. Hartnett/Ponce Circle Park Improvements	1,800,000
Phillips Park Renovation & Enhancement	575,000
Total Parks & Recreation Projects	3,375,000

Public Safety Improvements

Fire Equipment Replacement Program	286,602
Moble Radio Replacement Program	491,516
Development of Fire House 4	400,000
Police Sniper Rifle Replacement Program	12,688
Total Public Safety Projects	1,190,806

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2020-2021 BUDGET ESTIMATE

Transportation & Right of Way Improvements

Citywide Pedestrian Infrastructure Program	300,000
Citywide Street Resurfacing Program	290,000
Citywide Traffic Calming Program	518,000
Improvements North of SW 8th Street - Planning/Design	200,000
Street Tree Succession Plan	200,000
Miracle Mile Streetscape Improvements - Electrical & Irrigation	33,000
Monegro Crafts Section Street Ends	100,000
Total Transportation & Right of Way Improvement Projects	1,641,000

Utility Repairs/Improvements Projects

Sanitary Sewer Major Repair	2,487,446
Sanitary Sewer Volume Ordinance	124,936
Pump Station 1 Cocoplum Upgrade	(590,060)
Pump Station 1 Cocoplum Upgrade -Use of Sewer Capacity Fee	590,060
Storm Drainage Master Plan	250,000
Sea Level Rise Mitigation Program (Infrastructure Reserve)	2,335,000
Stormwater System Improvement Program	400,000

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2020-2021 BUDGET ESTIMATE

Utility Repairs/Improvements Projects – (Continued)

Cocoplum Drainage Improvements	300,000
Water Quality Studies/Evaluation	264,000
Cross-Connection Removal	200,000
Coral Gables Waterways Maintenance	236,250
Total Utility Repairs/Improvements Projects	6,597,632

Total Projects	\$ 28,180,045
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TEN-YEAR PROPERTY TAX MILLAGE RATE SCHEDULE

<u>FISCAL YEAR</u>	<u>OPERATING</u>	<u>VOTED DEBT SERVICE</u>	<u>TOTAL</u>
2012	5.869	-	5.869
2013	5.669	-	5.669
2014	5.629	-	5.629
2015	5.589	-	5.589
2016	5.559	-	5.559
2017	5.559	-	5.559
2018	5.559	-	5.559
2019	5.559	-	5.559
2020	5.559	-	5.559
2021	* 5.559	-	5.559

* Proposed

ESTIMATED AVERAGE TAXABLE VALUE OF A HOMESTEADED PROPERTY

Tax Year	2016	2017	2018	2019	2020 *
Taxable Value	\$ 591,542	\$ 621,277	\$ 651,651	\$ 654,191	\$ 704,611
Percentage	3.09%	5.12%	4.89%	0.39%	3.00%
Millage Rate	5.559	5.559	5.559	5.559	5.559
Estimated Coral Gables Portion of Property Tax	3,288	3,454	3,623	3,637	3,917
Increase	95	166	169	14	294

* Average taxable value based on July 1, 2020 property valuations.

ESTIMATED AVERAGE TAXABLE VALUE OF A HOMESTEADED PROPERTY

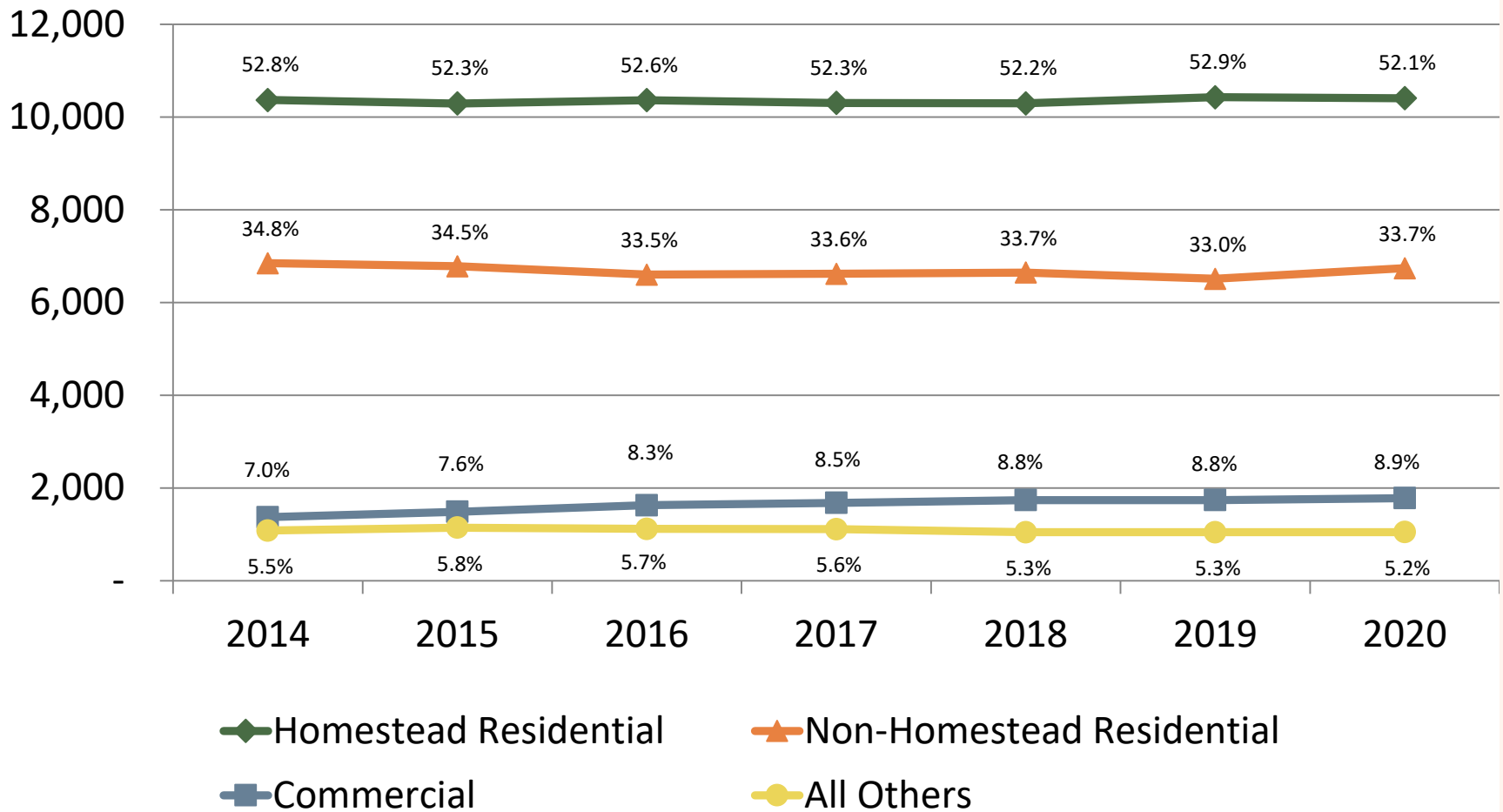
(Comparison of Full-Service Cities in Miami-Dade County based on average homesteaded value of \$704,611)

City	Coral Gables	Miami	Miami Beach	Hialeah	Key Biscayne
Millage Rate	5.559	7.990	6.0221	6.3018	3.1950
Estimated City Portion of Property Tax	3,917	5,630	4,243	4,440	2,251
Difference from Coral Gables	-	1,713	326	523	(1,666)

* Based on average homestead value of \$704,611

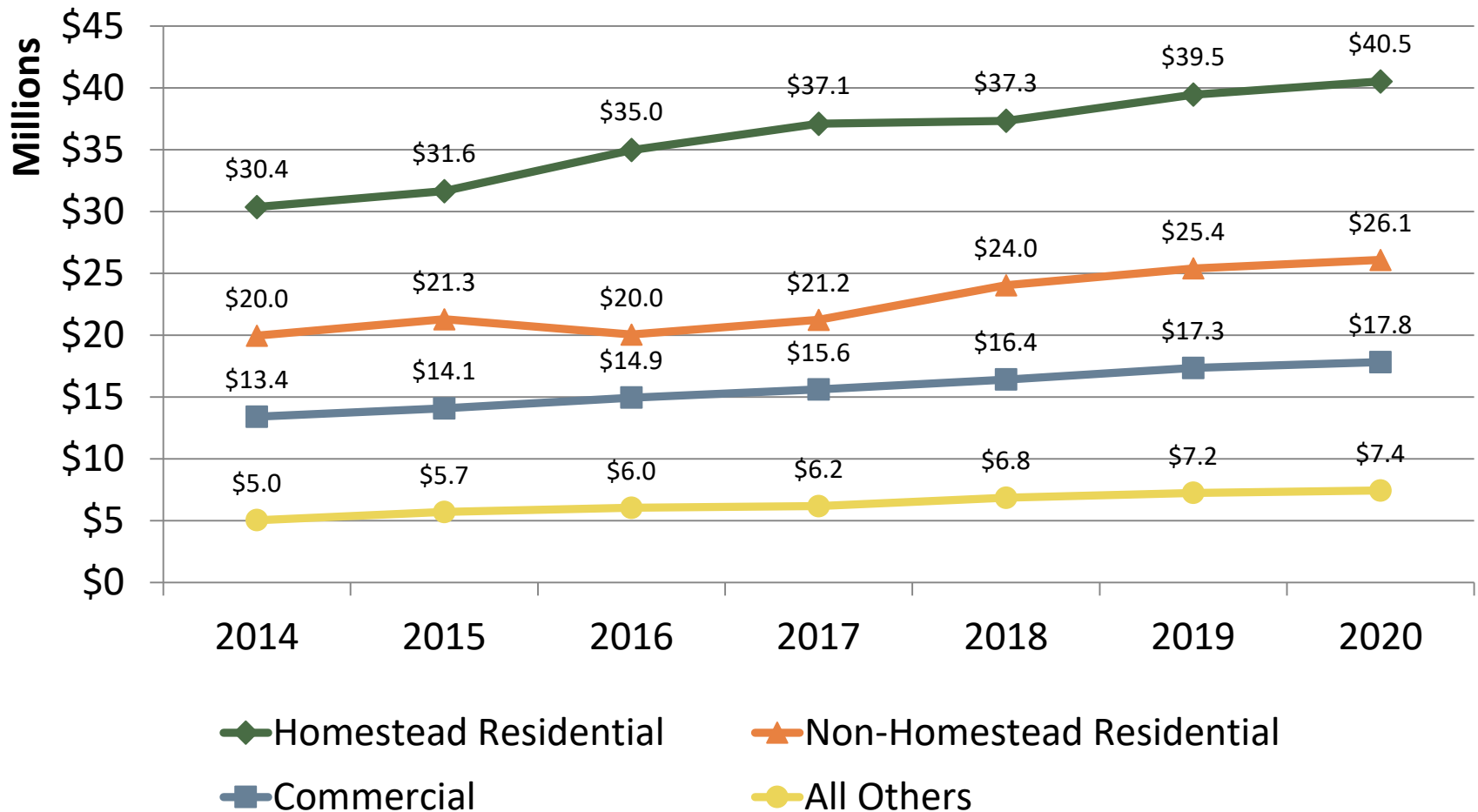
CORAL GABLES PROPERTIES BY TYPE

(PROPERTY COUNT 19,974)



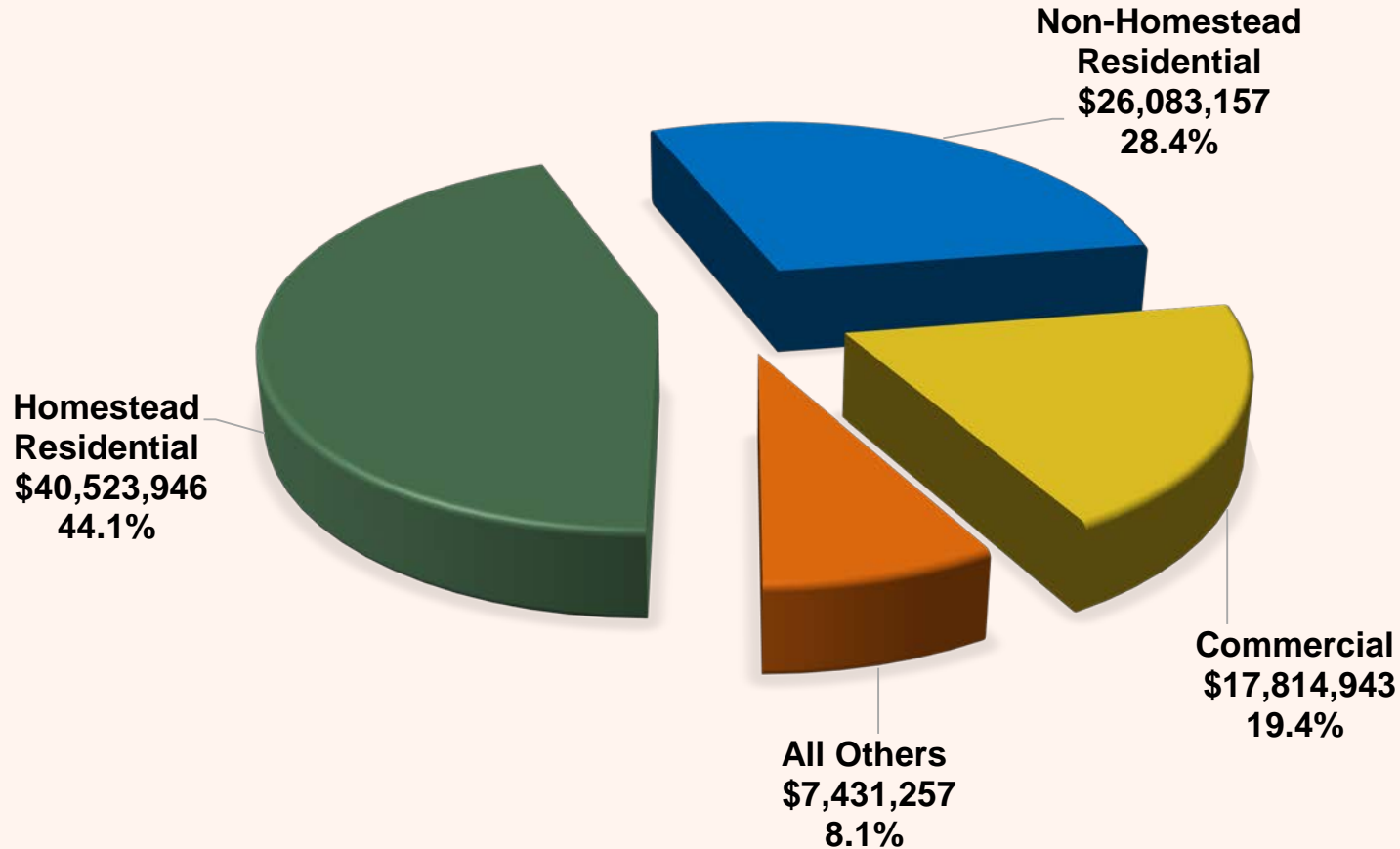
PROPERTY TAX REVENUE BY PROPERTY TYPE

(TOTAL FY21 PROJECTED PROPERTY TAX REVENUE \$91.9M)

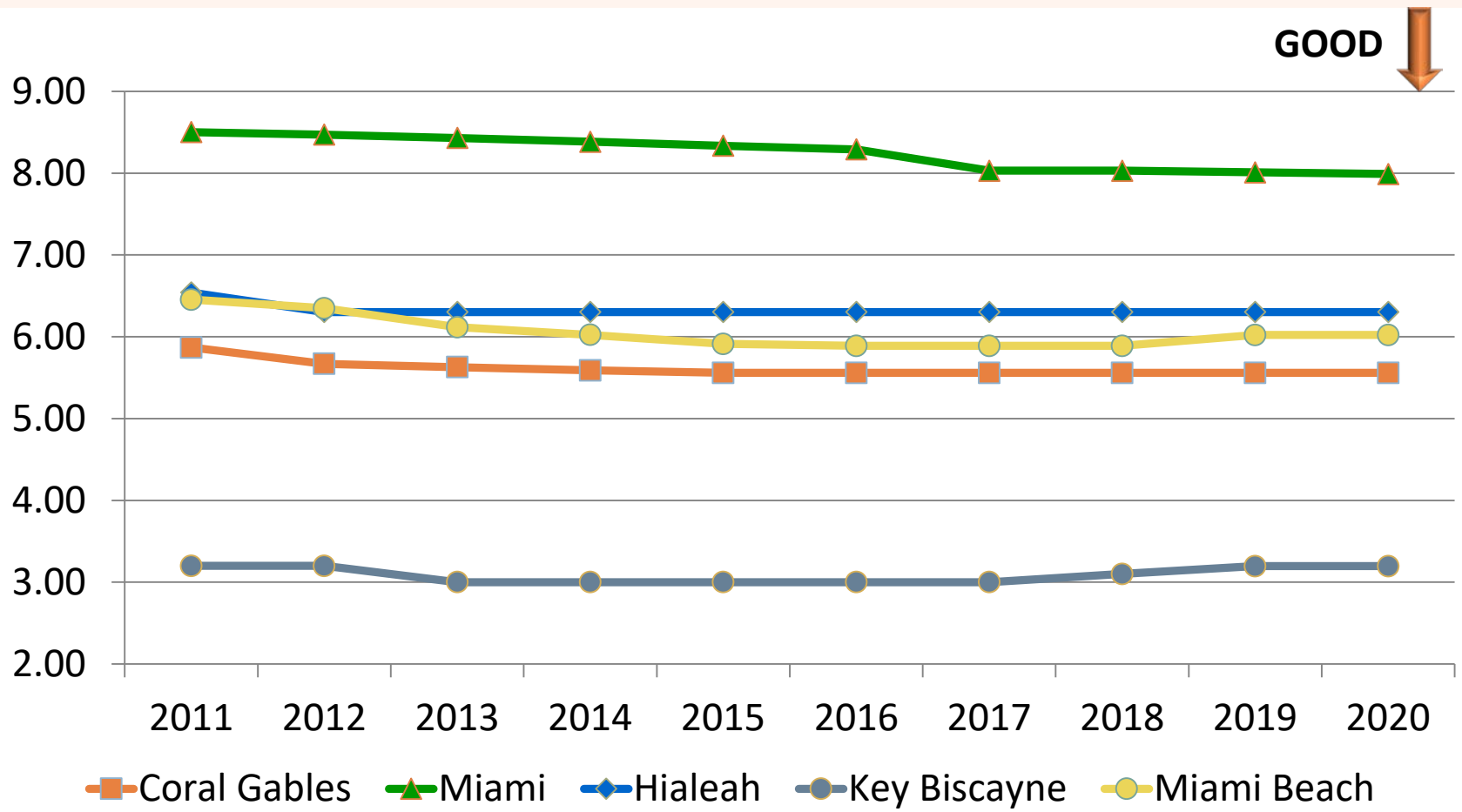


PROPERTY TAX REVENUE BY PROPERTY TYPE

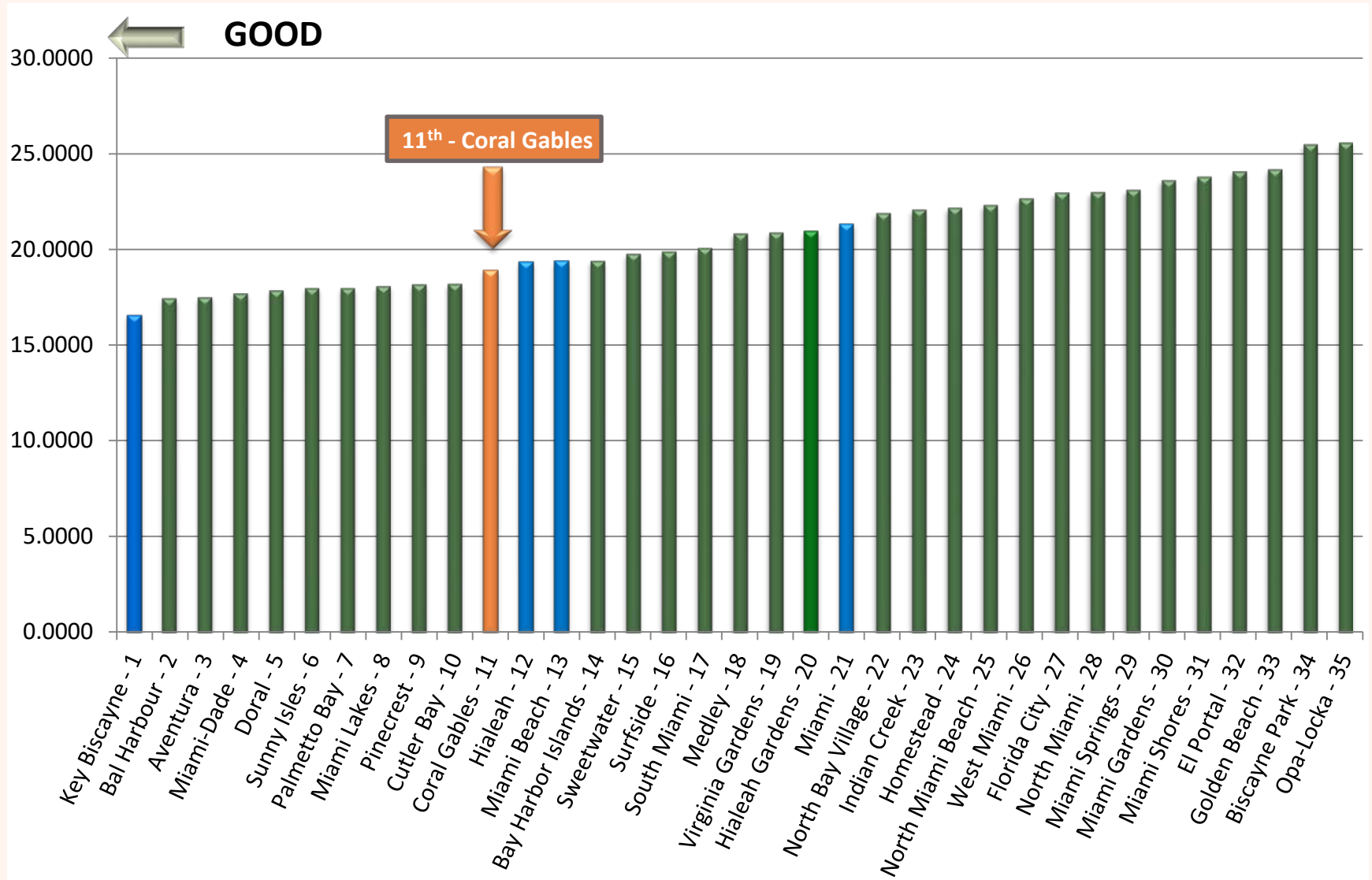
(TOTAL FY21 PROJECTED PROPERTY TAX REVENUE \$91.9M)



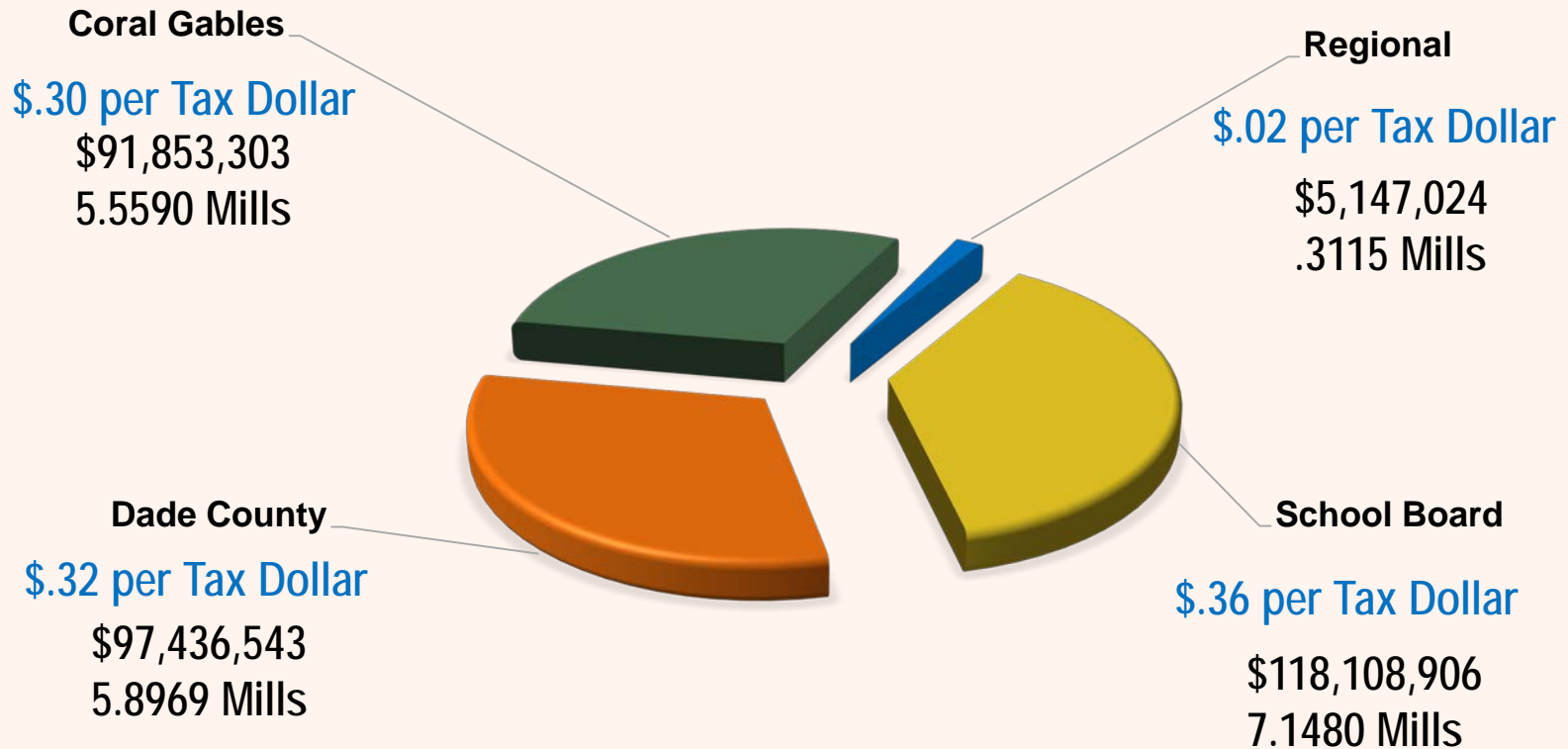
TEN-YEAR MUNICIPAL MILLAGE RATES FOR FULL-SERVICE CITIES BY TAX YEAR



RANKING OF MIAMI-DADE/MUNICIPALITY 2019 ADOPTED MILLAGE RATES COMPARED TO CORAL GABLES 2020 PROPOSED MILLAGE RATE

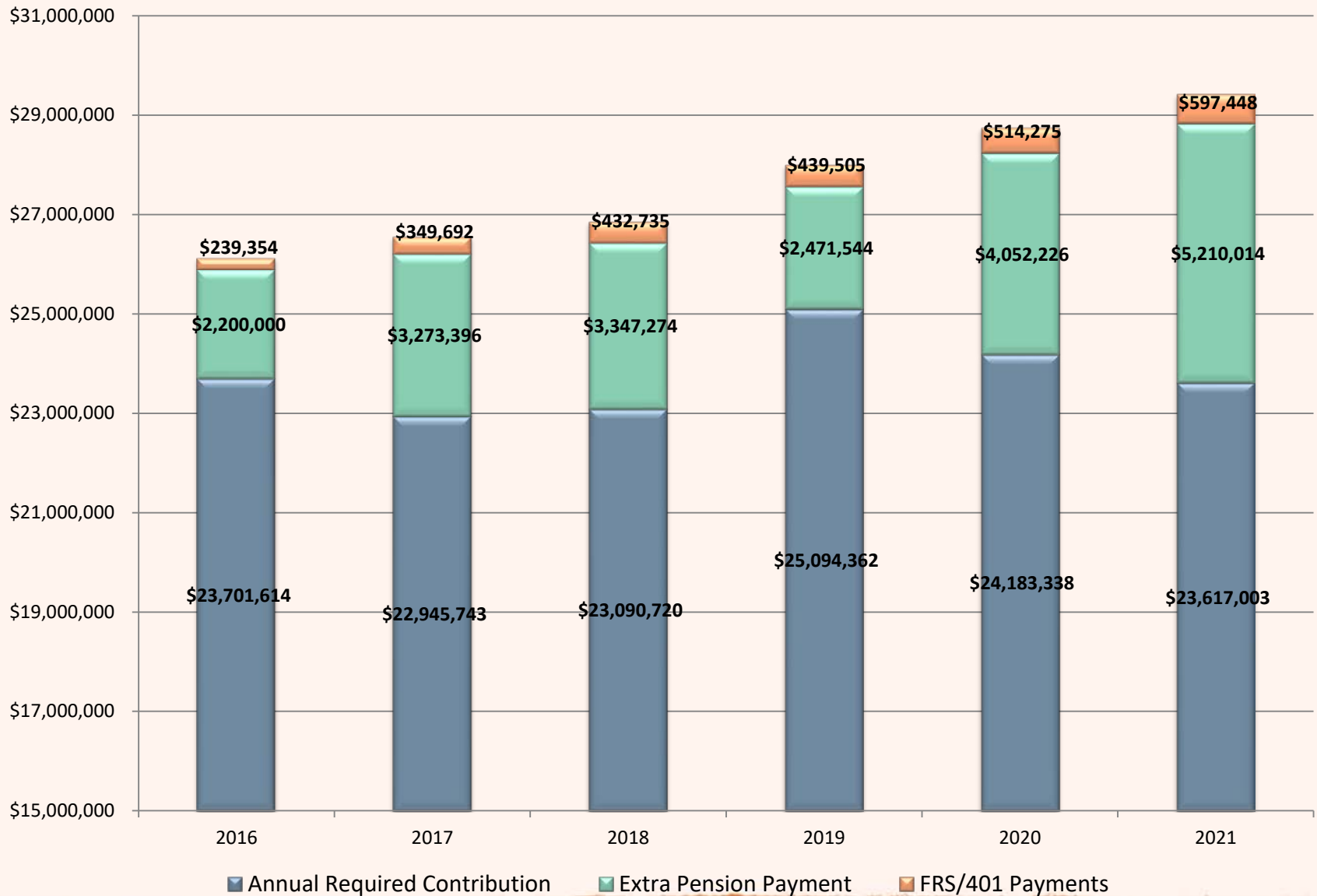


PROPERTY TAX DISTRIBUTION PER TAX DOLLAR

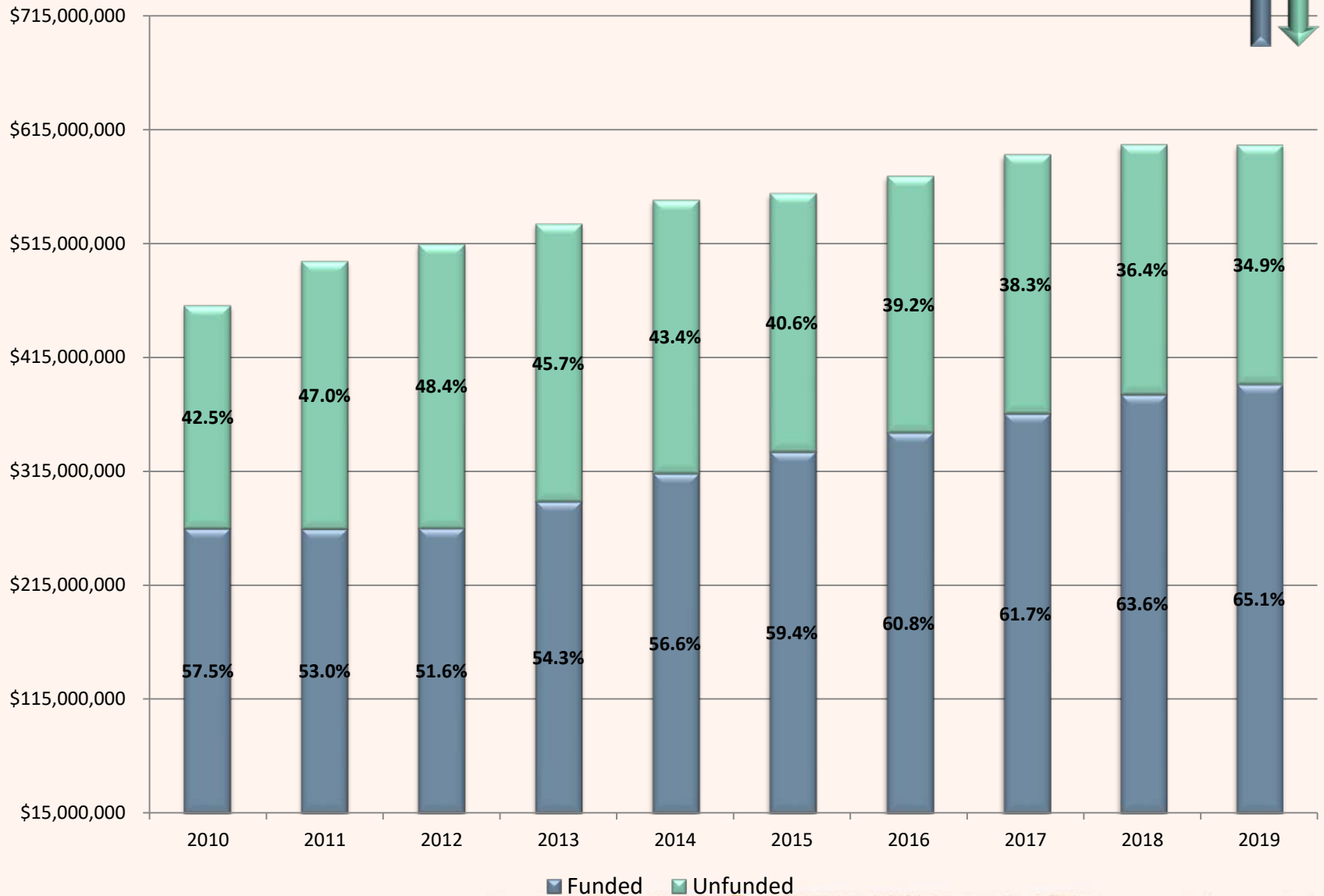


Property Tax Based on Estimated Taxable Values on June 1, 2020 of \$17,393,000,000 at 95% collection. Millage rates for the County, School Board and Regional are prior year rates.

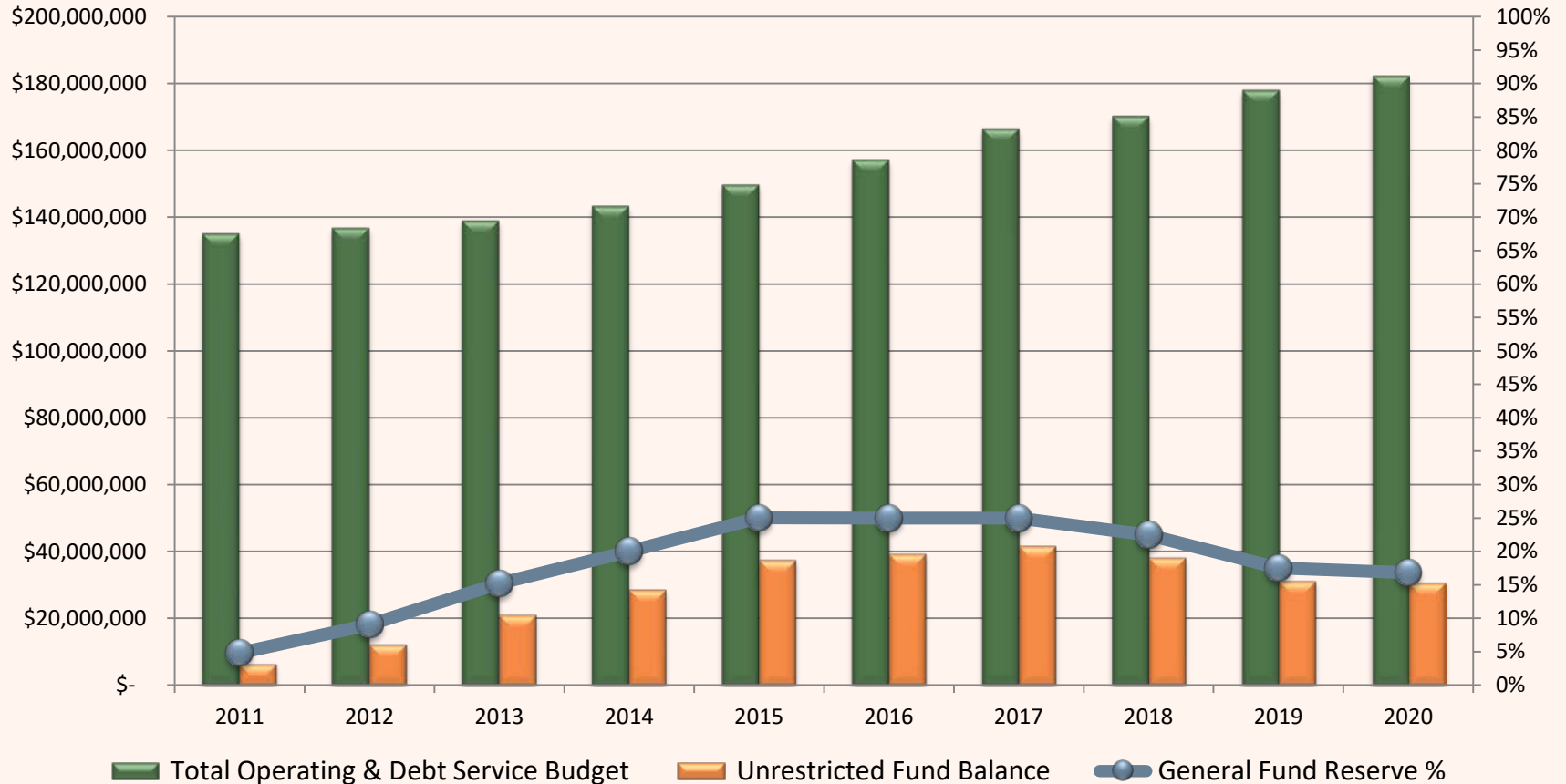
Annual Pension Contributions



Funding Ratio of Pension Plan



General Fund Reserve Analysis



The City's reserve policy calculates reserve requirements at 25% of the total operating budget, not just 25% of the General Fund. However, the 25% reserve is held in General Fund dollars, freeing up other fund balances for investment in capital infrastructure. FY18-FY20 reserves are less than 25% pending FEMA/State/Insurance reimbursements for Hurricane Irma.



A WORLD CLASS CITY WITH A HOMETOWN FEEL