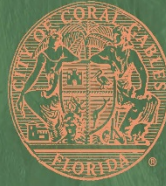


City of Coral Gables, Florida
2020-2021 BUDGET



SECOND
BUDGET
HEARING



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

**CORAL
GABLES**
THE CITY BEAUTIFUL

SEPT. 22, 2020

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

\$8.2M

Budget Reductions Applied to Budget

- Full & Part Time Positions Frozen: \$(3.3M)
- Oper. Accts Frozen + Normal Surplus: \$(4.9M)
- Capital Project Deferments: \$(1.0M)

BUDGET REDUCTION METHODOLOGY

FY21

Potential Shortfall

\$12.6M

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 \$(2.2M)
- Reduce Capital Transfer from Gen Fd. \$(4.6M)
- 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 \$(5.4M)
- Reduce Reserve for Future Debt \$(600K)
- Pension Stabilization \$(1.0M)

BUDGET REDUCTION METHODOLOGY

FY22 Soft Reductions

- Contingency for Budget Reductions \$(5.4M)
- Reduce Reserve for Future Debt \$(600K)
- Pension Stabilization \$(1.0M)

2020-2021 BUDGET SUMMARY

Annual Revenues			\$	188,601,041
Transfers From Reserves				
General Capital Improvement Fund	\$	11,939,000		
General Fund		2,106,000		
Sanitary Sewer Fund		1,862,193		
Pension Stabilization Fund		1,000,000		
Stormwater Utility Fund		626,799		
Trolley / Transportation Fund		600,000		
General Fund - City Clerks Special Revenue		245,683		
Retirement System Fund		175,322		
Neighborhood Renaissance Program Fund		40,000		
All Other Funds		16,000		18,610,997
Total Revenues			\$	<u>207,212,038</u>
Expenditures				
Operating		172,791,224		
Capital		22,511,828		
Debt Service		10,344,809	\$	205,647,861
Transfers to Reserves				
General Fund – Building Division Reserve		964,177		
Sunshine State Debt Service Fund		600,000		1,564,177
Total Expenditures			\$	<u>207,212,038</u>

REVENUE INCREASES AFFECTING THE BUDGET

<u>Revenues</u>	<u>Increases</u>	<u>Total Revenue</u>
Property Tax *	\$ 2,736,633	\$ 92,278,432
Sanitary Sewer Fees	763,131	11,400,131
Stormwater Utility Fee	545,000	6,130,000
Public Safety Fees	130,000	3,826,500
Refuse Collection Fees – Early Payment	97,000	6,212,000
Parking Rental – Retail Space	78,564	593,297
Fines & Forfeitures	18,000	2,470,833
Other Revenue Increases	3,000	35,000
Total Revenue Increases	\$ 4,371,328	\$ 122,946,193

* Property Tax estimate based on July 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	\$ (4,096,138)	\$ 5,244,733
Automobile Parking Fees	(3,608,262)	12,428,438
Developers' Fee	(2,700,000)	-
General Fund Investment Earnings	(1,790,000)	520,000
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>(3,811,979)</u>	<u>40,442,677</u>
Total Revenue Decreases	<u>(19,970,420)</u>	<u>65,654,848</u>
Net Change/Total Revenues	<u>\$ (15,599,092)</u>	<u>\$ 188,601,041</u>

EXPENDITURE CHANGES AFFECTING THE BUDGET

	INCREASE (DECREASE)	TOTAL BUDGET
<u>Personal Services (PS)</u>		
Salaries (<i>Frozen Positions</i>)	\$ (1,601,521)	\$ 70,123,287
Overtime	(179,924)	2,257,412
Employee Benefits		
Retirement (<i>Index & Assumption Change</i>)	674,625	29,424,464
FICA (<i>Frozen Positions</i>)	(119,190)	4,544,100
Workers Compensation	(2,763)	2,000,000
Health & OPEB (<i>One-time Cigna Credit</i>)	747,292	10,075,784
Other Misc. Benefits	(1,500)	224,325
Total Change in Personal Services	\$ (482,981)	
Total Personal Services Budget		\$ 118,649,372

EXPENDITURE CHANGES

AFFECTING THE BUDGET

	INCREASE (DECREASE)	TOTAL BUDGET
<u>Other Than Personal Services (OTPS)</u>		
Professional Services	\$ (1,588,005)	\$ 15,082,370
Repairs, Maintenance, Utilities & Misc. Services	464,335	19,405,169
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	4,409,896	6,040,907
Grants	(488,077)	796,389
Fleet Equip Replacement	(3,302,791)	2,936,413
Non-Operating	<u>(328,599)</u>	<u>912,928</u>
Total Change in Other Than Personal Services	(3,205,190)	
Total Other Than Personal Services Budget	<u></u>	<u>54,141,852</u>
Net Change in Operating Budget	<u>\$ (3,688,171)</u>	
Total Operating Budget		<u>\$ 172,791,224</u>

PERSONNEL/BENEFITS ANALYSIS

	Total Salaries	Total Benefits	Total Salaries/Benefits	% of Total Expenses
City Commission	\$ 252,545	\$ 201,012	\$ 453,557	73.1%
City Attorney	839,595	379,892	1,219,487	44.7%
City Clerk	835,584	434,096	1,269,680	59.9%
City Manager	1,428,375	619,316	2,047,691	75.3%
Human Resources	883,567	669,370	1,552,937	77.4%
Labor Relations & Risk Mgmt	418,977	201,871	620,848	84.3%
Development Services	4,328,063	2,541,337	6,869,400	77.7%
Historic Resources & Cultural Arts	504,258	327,770	832,028	43.4%
Public Works	12,951,945	8,908,113	21,860,058	59.1%
Finance	2,388,155	1,271,060	3,659,215	87.5%
Information Technology	1,672,888	885,490	2,558,378	43.1%
Police	23,921,339	16,363,103	40,284,442	86.0%
Fire	15,937,344	10,401,105	26,338,449	87.5%
Community Recreation	3,513,740	1,474,323	4,988,063	50.6%
Economic Development	562,164	309,548	871,712	62.6%
Non-Departmental	101,013	147,323	248,336	4.2%
Parking	1,841,147	1,133,944	2,975,091	30.3%
Total Personnel/Benefits	\$ 72,380,699	\$ 46,268,673	\$ 118,649,372	68.7%

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

PROJECTS	2020-2021 BUDGET
Capital Equipment	
IT Data Systems Equipment Replacement/Upgrade	\$ 1,106,137
Total Capital Equipment	1,106,137
Facility Repairs/Improvements	
Roof Replacements Program - Citywide	278,385
HVAC Replacements Program - Citywide	100,000
Right of Way (ROW) & Utility Divisions' Employee Locker Room	135,000
ADA Remediation	100,000
Capital Project Contingency	962,064
Total Facility Projects	1,575,449
Historic Facility Repairs/Restorations	
427 Biltmore Way Repairs/Improvements	576,166
Fink Building Renovations	1,477,000
Biltmore Hotel Renovations	600,000
Merrick House Restoration of Exterior Rock Wall	84,000
Total Historic Facility Projects	2,737,166

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2020-2021 BUDGET

Motor Pool Equipment Replacements/Additions

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

Parking Repairs/Improvements

North Ponce Garage Construction (Garage 7)	4,305,442
Garage 1 Construction	<u>550,000</u>
Total Parking Projects	<u>4,855,442</u>

Parks & Recreation Repairs/Improvements

Parks & Recreation Major Repairs	856,000
Phillips Park Renovation & Enhancement	<u>575,000</u>
Total Parks & Recreation Projects	<u>1,431,000</u>

Public Safety Improvements

Fire Equipment Replacement Program	286,602
Mobile Radio Replacement Program	491,516
Police Sniper Rifle Replacement Program	<u>12,688</u>
Total Public Safety Projects	<u>790,806</u>

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2020-2021 BUDGET

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	2,819,642
Sanitary Sewer Volume Ordinance	124,936
Station D Rehabilitation	1,000,000
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)	2,780,000
Stormwater System Improvement Program	400,000

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2020-2021 BUDGET

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	8,374,828

Total Projects	\$ 25,448,241
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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	280

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

ESTIMATED AVERAGE TAXABLE VALUE OF A HOMESTEADED PROPERTY

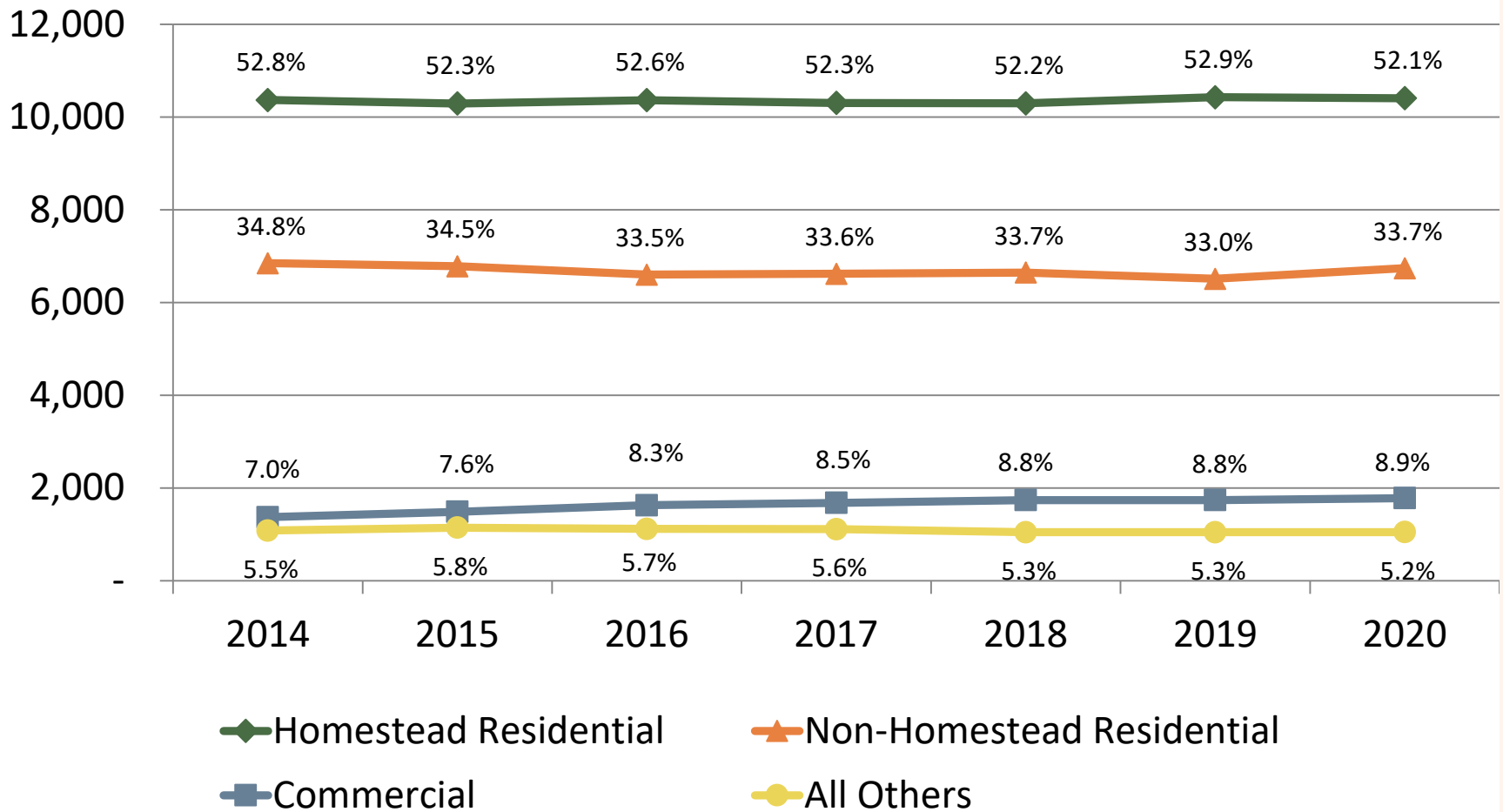
(Comparison of Full-Service Cities in Miami-Dade County based on average homesteaded value of \$704,611)

City	Coral Gables	Miami	Miami Beach	Hialeah	Key Biscayne
Millage Rate	5.559	7.990	6.0515	6.3018	3.2187
Estimated City Portion of Property Tax	3,917	5,630	4,264	4,440	2,268
Difference from Coral Gables	-	1,713	347	523	(1,649)

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

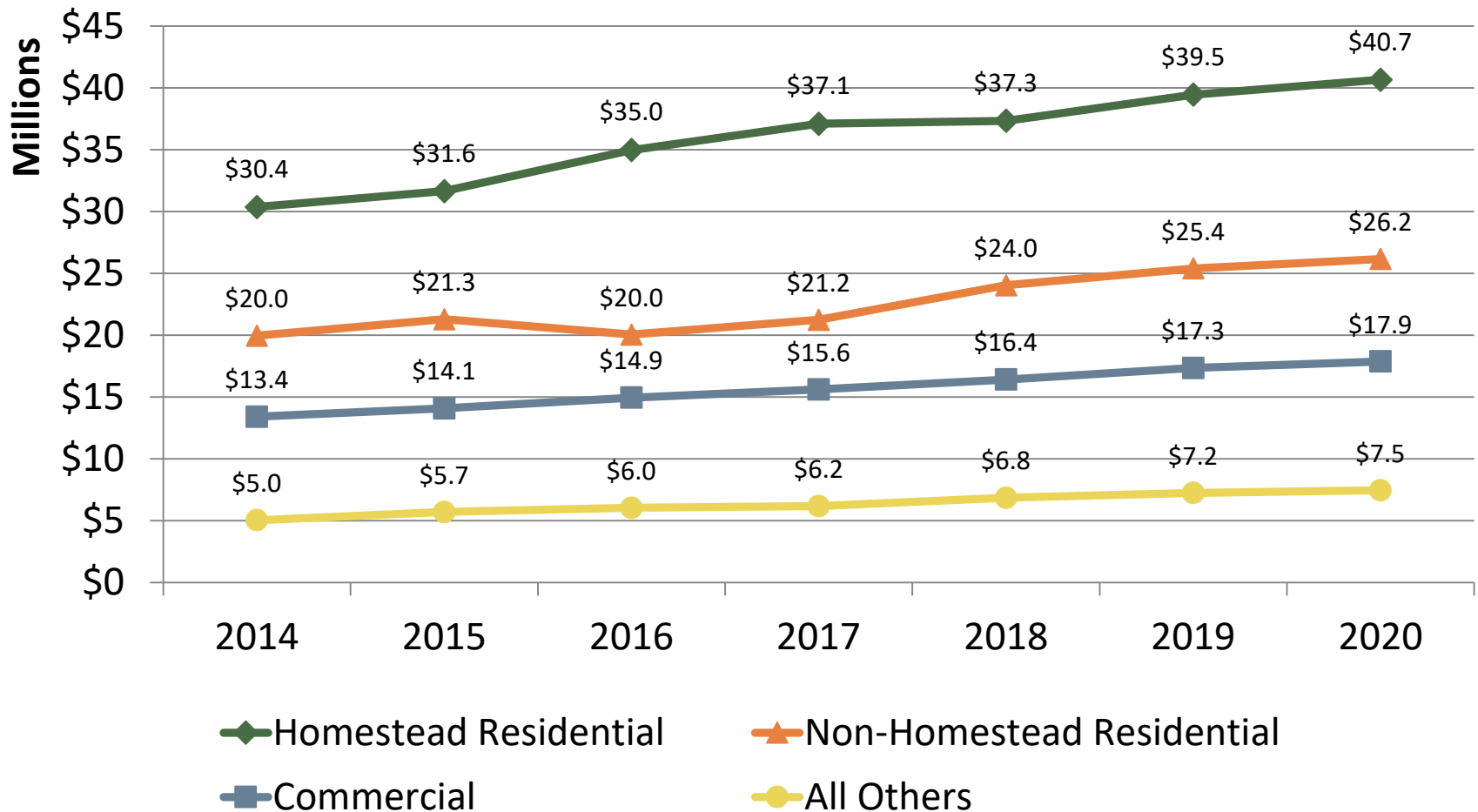
CORAL GABLES PROPERTIES BY TYPE

(PROPERTY COUNT 19,974)



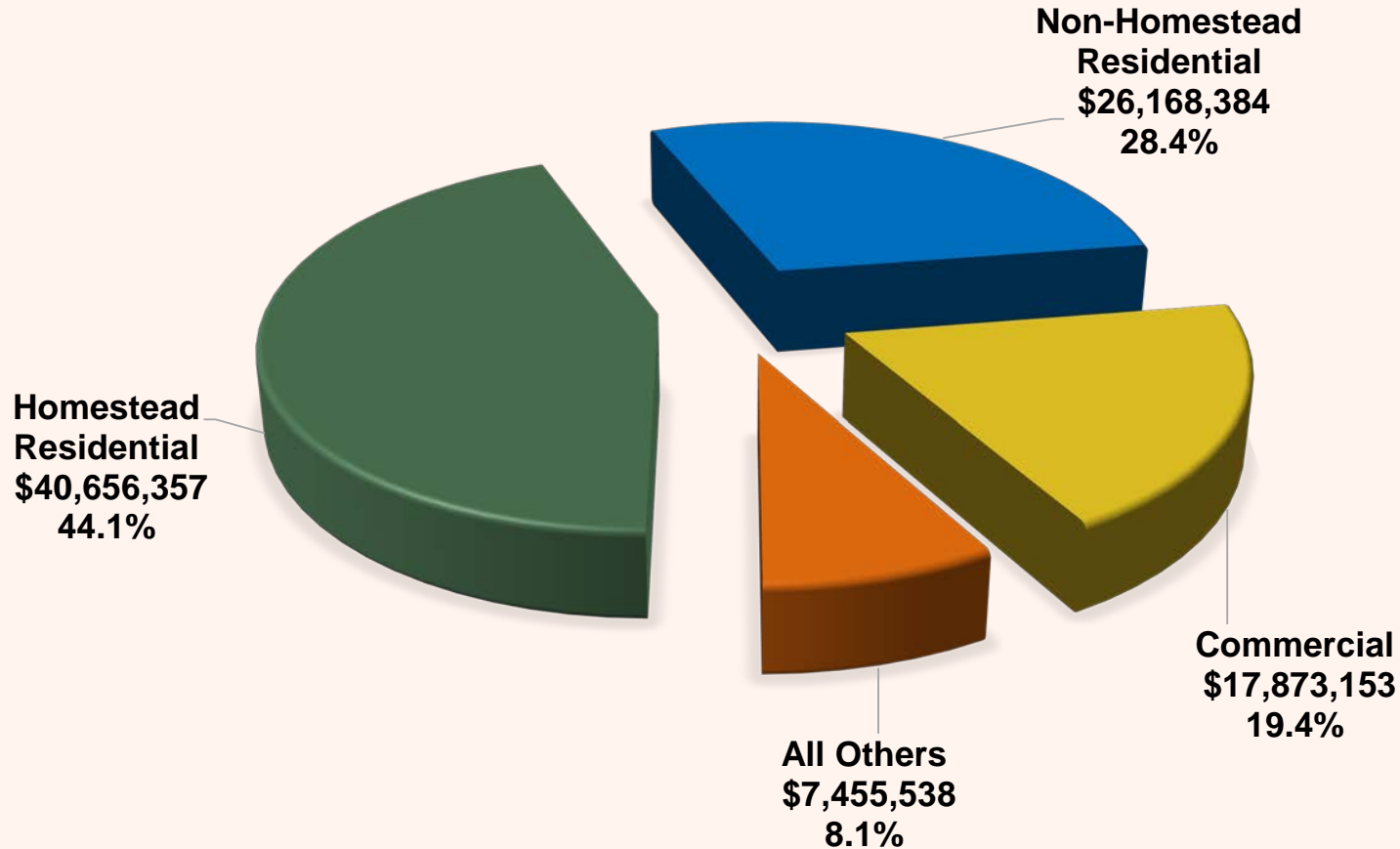
PROPERTY TAX REVENUE BY PROPERTY TYPE

(TOTAL FY21 PROJECTED PROPERTY TAX REVENUE \$92.2M)

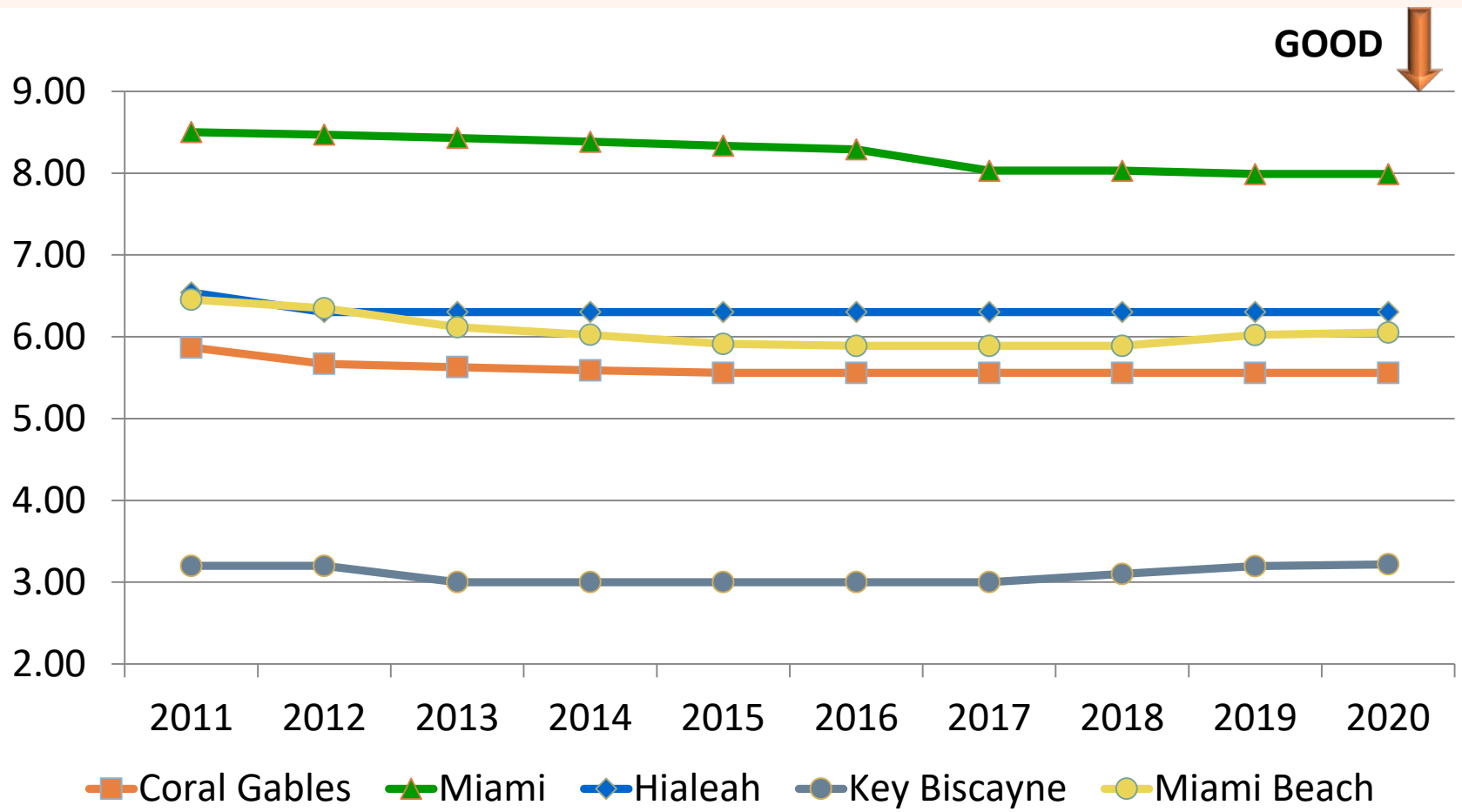


PROPERTY TAX REVENUE BY PROPERTY TYPE

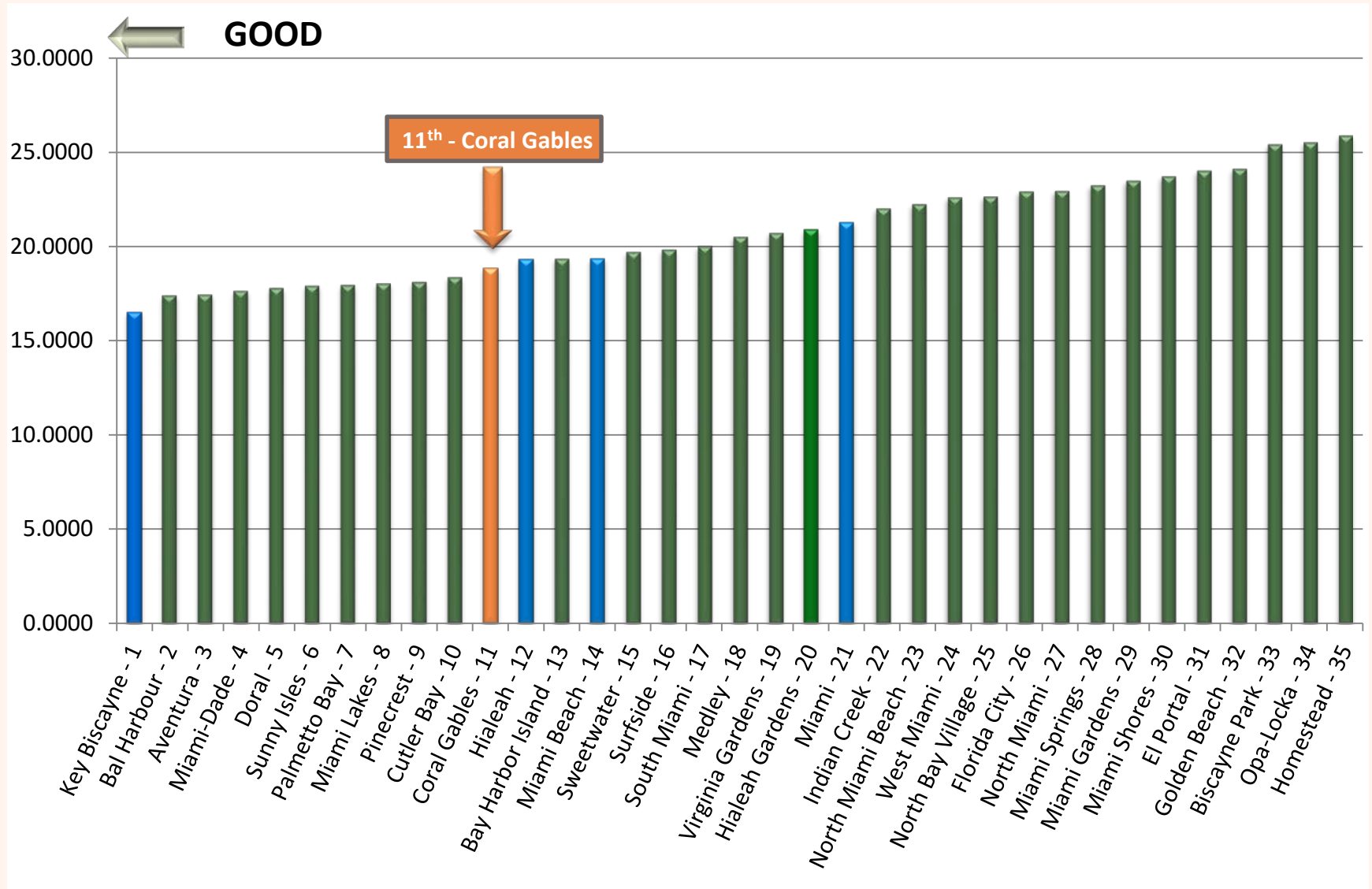
(TOTAL FY21 PROJECTED PROPERTY TAX REVENUE \$92.2M)



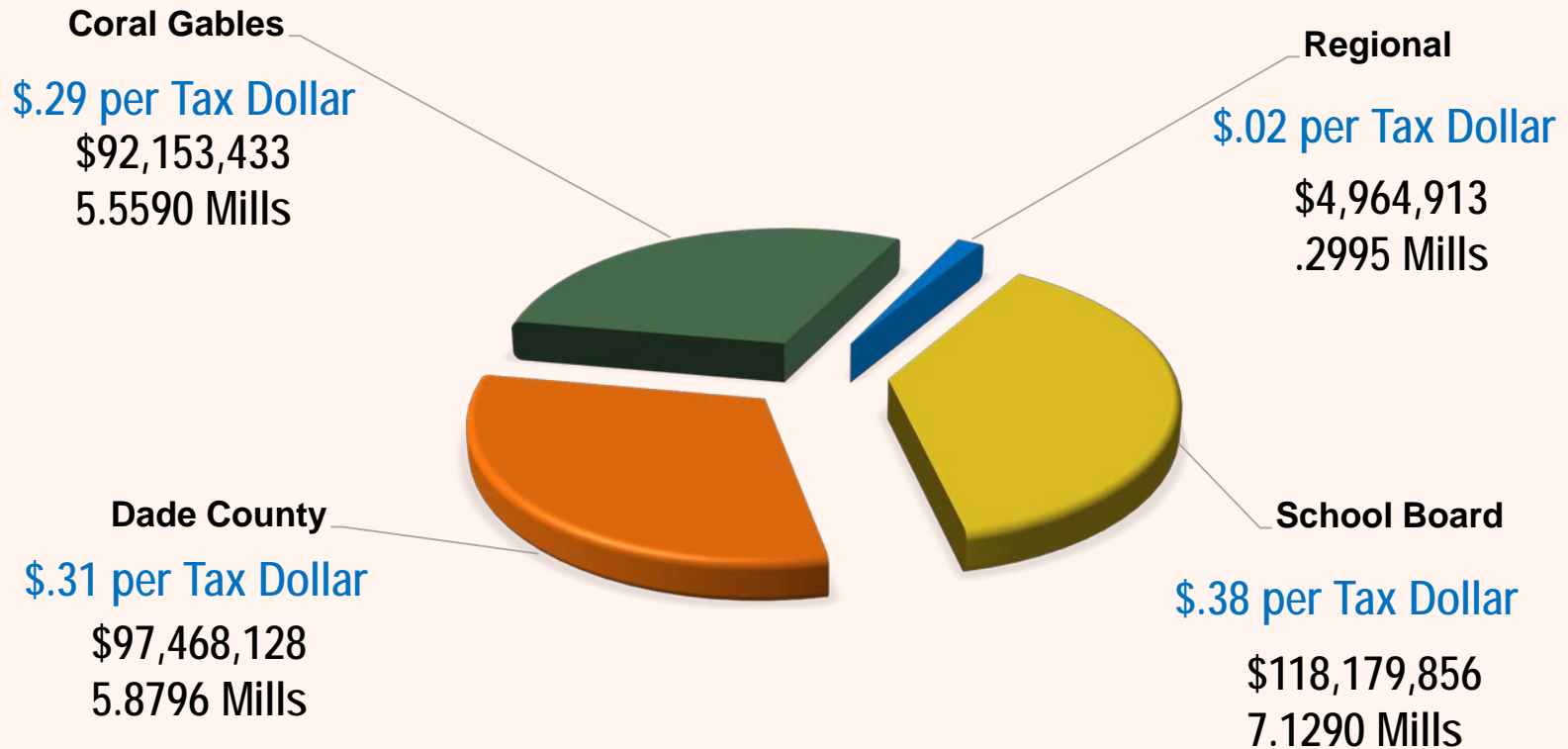
TEN-YEAR MUNICIPAL MILLAGE RATES FOR FULL-SERVICE CITIES BY TAX YEAR



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

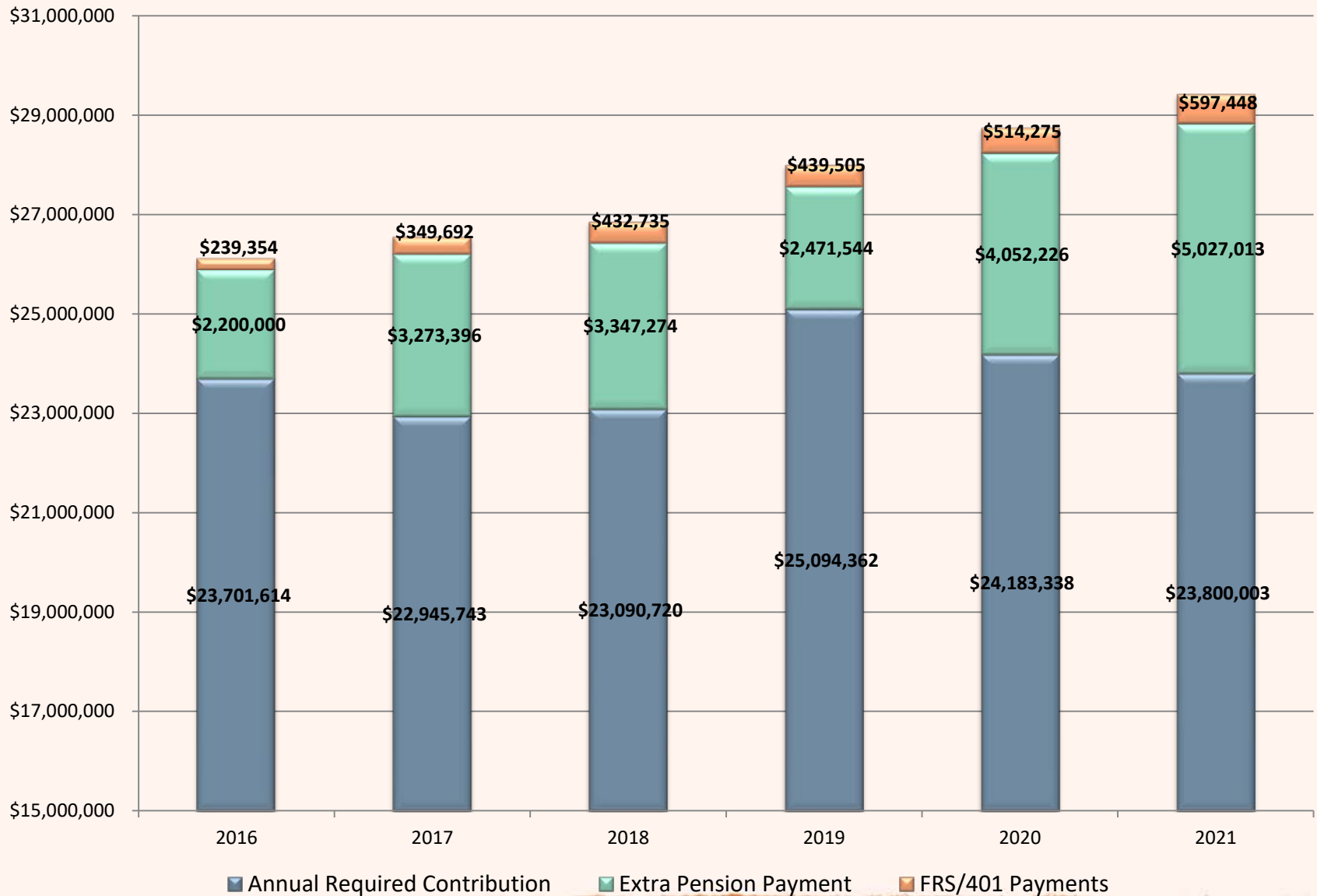


PROPERTY TAX DISTRIBUTION PER TAX DOLLAR

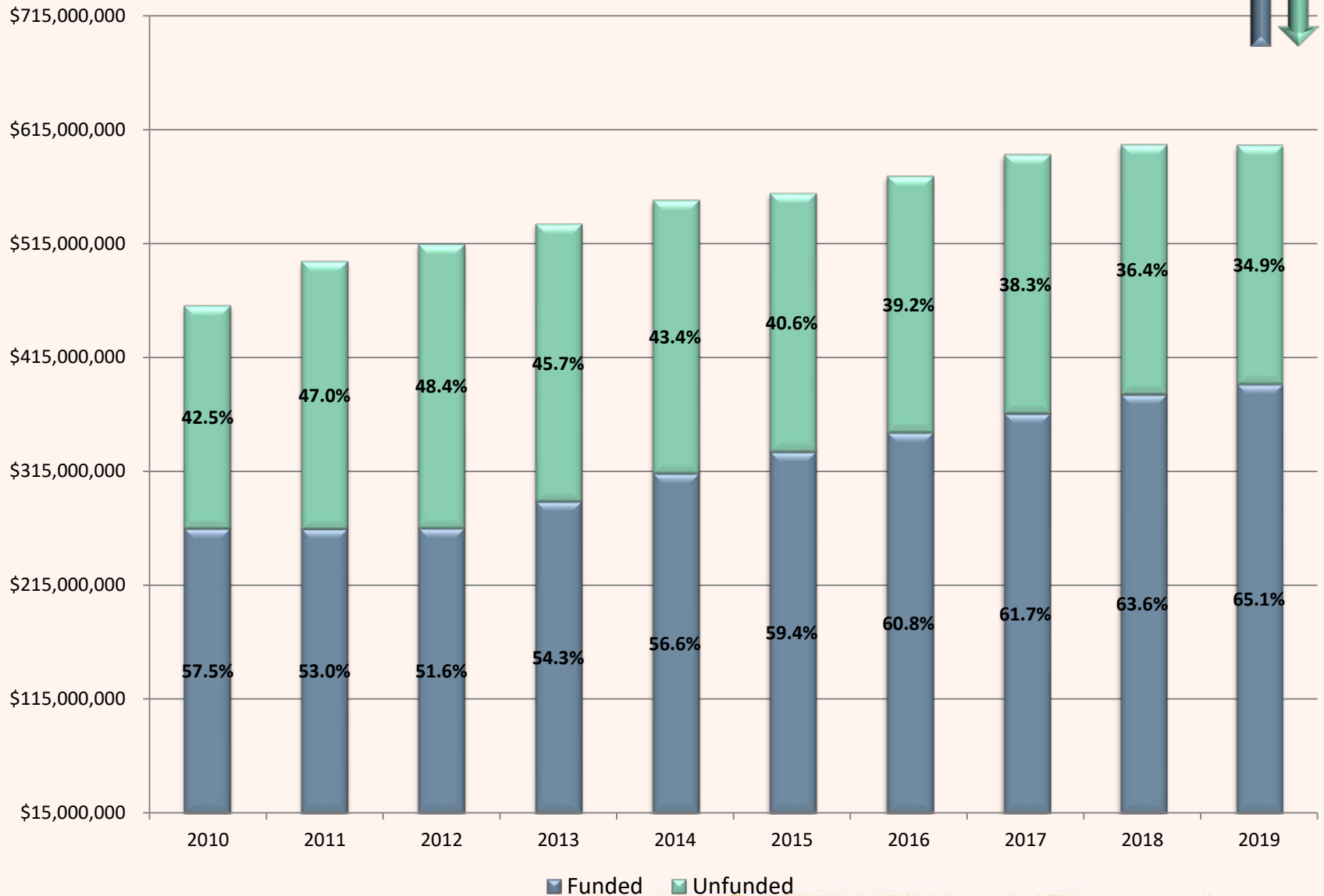


Property Tax Based on Estimated Taxable Values on July 1, 2020 of \$17,449,831,481 at 95% collection. Millage rates for the County, School Board and Regional are prior year rates.

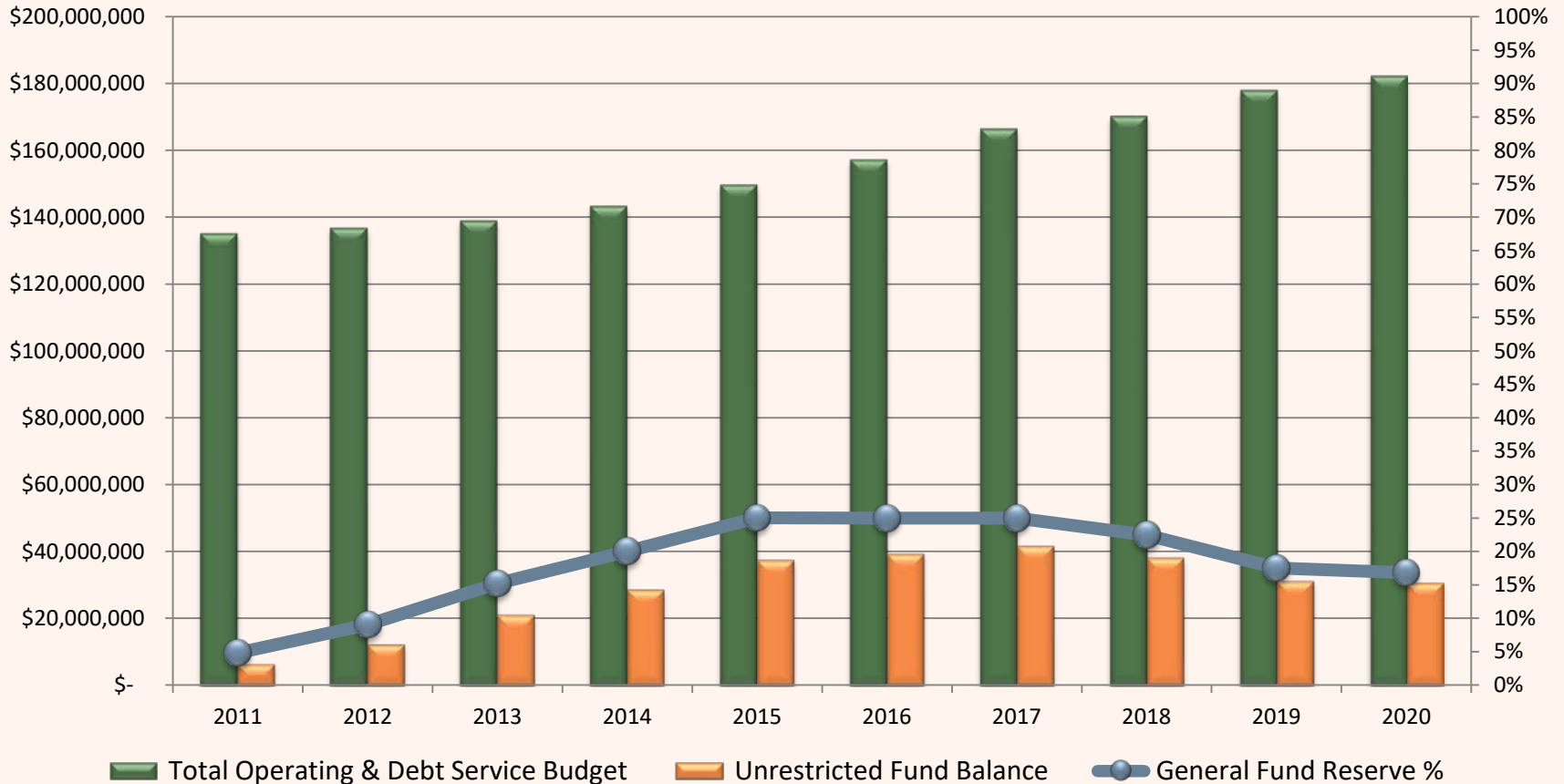
Annual Pension Contributions



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