

City of Coral Gables, Florida
2021-2022 BUDGET



SECOND BUDGET HEARING



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

**CORAL
GABLES.**
THE CITY BEAUTIFUL

SEPT 27, 2021

2021 – 2022 BUDGET

SIGNIFICANT CALENDAR DATES

- ✓ **MAY 10 to MAY 14, 2021** – Individual Commission Briefings
- ✓ **JUNE 1, 2021** – Property Appraiser sends estimated property values
- ✓ **JULY 1, 2021** – Budget Estimate submitted to City Commission
- ✓ **JULY 1, 2021** – Property Appraiser certifies preliminary taxable values
- ✓ **JULY 1 to JULY 14, 2021** – State revenue estimates available online
- ✓ **JULY 8, 2021** – Review Budget Estimate with Budget Advisory Board
- ✓ **JULY 14, 2021** – Budget Workshop – Presentation of Budget Estimate
- ✓ **AUGUST 4, 2021** – Certify tax rate to the Property Appraiser
- ✓ **SEPTEMBER 13, 2021** – 1st Budget Hearing

SEPTEMBER 27, 2021 – 2nd Budget Hearing

BUDGET REDUCTION METHODOLOGY

Three-year event:
FY20, FY21 & FY22

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

BUDGET REDUCTION METHODOLOGY

FY20

Projected Revenue Shortfall

\$9.2M

Actual Revenue Shortfall

\$8.2M

Budget Reductions Applied to Budget

- Full & Part Time Positions Frozen: \$(3.3M)
- Oper. Accts Frozen + Normal Surplus: \$(3.9M)
- Capital Project Deferrals: \$(1.0M)

BUDGET REDUCTION METHODOLOGY

FY21

Projected Revenue 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 \$(1.2M)
- Reduce Reserve for Future Debt \$(600K)
- Pension Stabilization \$(1.0M)

2021-2022 BUDGET SUMMARY

| | | | |
|--|----|-------------|-----------------------|
| Annual Revenues | | | \$ 242,652,080 |
| Transfers From Reserves | | | |
| General Capital Improvement Fund | \$ | 15,026,078 | |
| General Fund | | 6,000,000 | |
| Coral Gables Impact Fee Fund | | 2,223,373 | |
| Stormwater Utility Fund | | 1,585,471 | |
| General Fund – Art In Public Places | | 867,724 | |
| Trolley / Transportation Fund | | 484,000 | |
| General Fund - City Clerks Special Revenue | | 309,620 | |
| Retirement System Fund | | 176,735 | |
| Roadway Improvement Fund | | 123,000 | |
| All Other Funds | | 84,838 | 26,880,839 |
| Total Revenues | | | \$ 269,532,919 |
| Expenditures | | | |
| Operating | | 177,747,587 | |
| Capital | | 81,259,597 | |
| Debt Service | | 9,107,695 | \$ 268,114,879 |
| Transfers to Reserves | | | |
| General Fund – Building Division Reserve | | 818,040 | |
| Parking Fund – Reserve for Capital Debt | | 600,000 | 1,418,040 |
| Total Expenditures | | | \$ 269,532,919 |

REVENUE INCREASES AFFECTING THE BUDGET

| <u>Revenues</u> | <u>Increases</u> | <u>Total Revenue</u> |
|----------------------------------|------------------|--------------------------|
| Debt Proceeds – Capital Projects | \$ 42,000,000 | \$ 42,000,000 |
| Property Tax * | 3,616,258 | 95,894,690 |
| Automobile Parking Fees | 2,865,952 | 15,294,390 |
| Stormwater Utility Fees | 595,000 | 6,725,000 |
| Permit Fees | 507,000 | 7,526,000 |
| Transportation Sales Tax | 390,000 | 2,150,000 |
| Golf Fees | 369,400 | 1,073,500 |
| General Government Fees | 295,000 | 2,700,000 |
| Franchise Fees | 240,000 | 6,835,000 |
| Swimming Fees | 227,900 | 1,287,000 |
| Local Option Gas Tax | 172,000 | 1,100,000 |
| Other Revenue Increases | 675,483 | 38,454,968 |
| Total Revenue Increases | \$ 51,953,993 | \$ 221,040,548 |

* Property Tax estimate based on July 1st property valuations. The City's millage rate has been maintained at 5.559 for 7 consecutive years.

REVENUE DECREASES AFFECTING THE BUDGET

| <u>Revenues</u> | <u>Decreases</u> | <u>Total Revenue</u> |
|--|----------------------|--------------------------|
| Sale of Land/Buildings | \$ (5,198,586) | \$ - |
| Miami-Dade County Roadway Impact Fees | (1,452,395) | - |
| Intergovernmental Revenues | (394,217) | 6,552,349 |
| Investment Earnings – General Fund | (408,500) | 111,500 |
| Rentals/Concessions – Biltmore Complex | (120,448) | 1,325,197 |
| Rentals/Concessions – General Fund | (106,284) | 3,342,079 |
| Tennis Fees | (29,000) | 687,000 |
| Commercial Waste Fees | (12,000) | - |
| All Other Revenue Decreases | (797,658) | 9,593,407 |
| Total Revenue Decreases | (8,519,088) | 21,611,532 |
| Net Change/Total Revenues | \$ 43,434,905 | \$ 242,652,080 |

EXPENDITURE CHANGES

AFFECTING THE BUDGET

| | INCREASE <u>(DECREASE)</u> | TOTAL <u>BUDGET</u> |
|--|-------------------------------|------------------------|
| <u>Personal Services (PS)</u> | | |
| Salaries | \$ 1,356,185 | \$ 71,767,956 |
| Overtime | (35,610) | 2,269,662 |
| Employee Benefits | | |
| Retirement (<i>Index, Assumption Change & Additional 401a</i>) | 911,103 | 30,335,567 |
| FICA | 118,617 | 4,681,597 |
| Workers Compensation | - | 2,000,000 |
| Health & OPEB | 1,083,499 | 11,174,006 |
| Other Misc. Benefits | (2,020) | 224,325 |
| Total Change in Personal Services | \$ 3,431,774 | |
| Total Personal Services Budget | | \$ 122,453,113 |

EXPENDITURE CHANGES

AFFECTING THE BUDGET

| | INCREASE <u>(DECREASE)</u> | TOTAL <u>BUDGET</u> |
|--|-------------------------------|------------------------|
| <u>Other Than Personal Services (OTPS)</u> | | |
| Professional Services | \$ (395,142) | \$ 15,500,048 |
| Repairs, Maintenance, Utilities & Misc. Services | 181,993 | 20,745,938 |
| Parts, Supplies & IT Maintenance Subscriptions | 361,007 | 8,728,473 |
| Equipment Replacements | (755,950) | 423,984 |
| Equipment Additions | (250,847) | 213,617 |
| Debt, Employee Payouts & Contingencies | (1,257,527) | 4,721,247 |
| Grants | (441,003) | 944,005 |
| Fleet Equip Replacement | (1,375,976) | 3,438,432 |
| Non-Operating | <u>(447,304)</u> | <u>578,730</u> |
| Total Change in Other Than Personal Services | (4,380,749) | |
| Total Other Than Personal Services Budget | <u></u> | <u>55,294,474</u> |
| Net Change in Operating Budget | <u>\$ (948,975)</u> | |
| Total Operating Budget | | <u>\$ 177,747,587</u> |

PERSONNEL/BENEFITS ANALYSIS

| | | | Total | % of Total |
|------------------------------------|----------------------|----------------------|-----------------------|--------------|
| | Total Salaries | Total Benefits | Salaries/Benefits | Expenses |
| City Commission | \$ 289,973 | \$ 230,176 | \$ 520,149 | 75.9% |
| City Attorney | 902,346 | 441,314 | 1,343,660 | 47.3% |
| City Clerk | 866,176 | 457,725 | 1,323,901 | 70.5% |
| City Manager | 1,550,385 | 705,426 | 2,255,811 | 76.4% |
| Human Resources | 899,558 | 672,781 | 1,572,339 | 78.5% |
| Labor Relations & Risk Mgmt | 420,985 | 208,660 | 629,645 | 84.4% |
| Development Services | 4,745,090 | 2,873,017 | 7,618,107 | 78.7% |
| Historic Resources & Cultural Arts | 504,724 | 295,207 | 799,931 | 42.2% |
| Public Works | 12,916,072 | 9,098,336 | 22,014,408 | 58.7% |
| Finance | 2,659,106 | 1,414,088 | 4,073,194 | 88.8% |
| Information Technology | 1,737,561 | 939,367 | 2,676,928 | 40.8% |
| Police | 24,562,136 | 17,003,339 | 41,565,475 | 86.1% |
| Fire | 15,720,786 | 10,859,897 | 26,580,683 | 87.4% |
| Community Recreation | 3,738,485 | 1,565,804 | 5,304,289 | 51.1% |
| Economic Development | 580,814 | 330,994 | 911,808 | 66.2% |
| Non-Departmental | 101,013 | 148,845 | 249,858 | 4.5% |
| Parking | 1,842,408 | 1,170,519 | 3,012,927 | 28.9% |
| Total Personnel/Benefits | \$ 74,037,618 | \$ 48,415,494 | \$ 122,453,113 | 68.9% |

EMPLOYEE CLASSIFICATION TEN-YEAR COMPARISON

| FISCAL | POLICE | FIRE- | GENERAL | |
|--------------------|------------------------|------------------------|-------------------------|---------------------|
| <u>YEAR</u> | <u>OFFICERS</u> | <u>FIGHTERS</u> | <u>EMPLOYEES</u> | <u>TOTAL</u> |
| 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 | 193 | 139 | 514 | 846 |
| 2022 | * | 139 | 514 | 846 |

*** Proposed**

AMERICAN RESCUE PLAN ACT OF 2021

DISTRIBUTION OF FUNDS

| | |
|--|----------------------------|
| Broadband Smart City Technology | \$ 2,062,750 |
| Facility Impact Glass Installation at the Youth Center | 387,250 |
| Fred B. Hartnett/Ponce Circle Park Improvements | 1,993,895 |
| Venetian Pool Structural & Pool Bottom Restoration | 1,735,650 |
| Fire House 4 Construction | <u>2,338,911</u> |
| Total Projects Funded By ARPA | <u>\$ 8,518,456</u> |

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2021-2022 BUDGET

| PROJECTS | <u>2021-2022 BUDGET</u> |
|---|-----------------------------|
| Capital Equipment | |
| IT Data Systems Equipment Replacement/Upgrade | \$ 2,107,502 |
| Public Art Restoration Matrix | 159,150 |
| Wi-Fi Improvement Program | 235,500 |
| Broadband Smart City Technology | <u>1,862,750</u> |
| Total Capital Equipment | <u>4,364,902</u> |
| Facility Repairs/Improvements | |
| Roof Replacements Program - Citywide | 516,536 |
| HVAC Replacements Program - Citywide | 484,886 |
| Elevator Repair/Replacement Matrix | 113,514 |
| Facility Environmental Remediation | 283,902 |
| Renovation of 240 Aragon Avenue (Cinema) | 175,000 |
| ADA Remediation | 150,000 |
| Energy & Water Efficiency Improvement Program | 140,200 |
| Facilities Impact Window Upgrade Program | 387,250 |
| Fuel Station Metal Canopy | <u>7,500</u> |
| Total Facility Repairs/Improvements Projects | <u>2,258,788</u> |

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2021-2022 BUDGET

Historic Facility Repairs/Restorations

| | |
|--|------------------|
| City Hall Complex Repairs/Improvements | 575,534 |
| White Way Lights Restoration | 687,574 |
| Structural Preservation Assessment of City Facilities | 112,652 |
| Biltmore Hotel Renovations | 600,000 |
| Venetian Pool Structural & Pool Bottom Restoration | 1,735,650 |
| Total Historic Facility Repairs/Restorations Projects | 3,711,410 |

Motor Pool Equipment Replacements/Additions

| | |
|--------------------------------------|------------------|
| Motor Vehicle Replacements/Additions | 3,438,432 |
| Total Motor Pool Projects | 3,438,432 |

Parking Repairs/Improvements

| | |
|--|-------------------|
| Parking Lot/Garage Improvement Matrix | 506,074 |
| Installation of Multi-Space Pay Stations | 150,000 |
| Miracle Mile/Giralda Streetscape - Paver Maintenance Program | 200,000 |
| Mobility Hub Construction | 42,000,000 |
| Minorca Garage Construction | 1,433,541 |
| Total Parking Repairs/Improvements Projects | 44,289,615 |

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2021-2022 BUDGET

Parks & Recreation Repairs/Improvements

| | |
|---|------------------|
| Purchase of Land | 1,462,624 |
| Parks & Recreation Major Repairs | 1,876,302 |
| Cooper & Moore Park Enhancements | 652,425 |
| Fred B. Hartnett/Ponce Circle Park Improvements | 3,916,109 |
| Phillips Park Renovation & Enhancement | 1,740,584 |
| Total Parks & Recreation Repairs/Improvements Projects | 9,648,044 |

Public Safety Improvements

| | |
|---|------------------|
| Fire Equipment Replacement Program | 225,845 |
| Construction of New Public Safety Building | 50,000 |
| Fire House 4 Construction | 2,610,080 |
| Fire Station 3 - Repairs & Improvements | 40,000 |
| Mobile Radio Replacement Program | 423,321 |
| Police Sniper Rifle Replacement Program | 12,878 |
| Total Public Safety Improvement Projects | 3,362,124 |

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2021-2022 BUDGET

Transportation & Right of Way Improvements

| | |
|---|-------------------------|
| Citywide Pedestrian Infrastructure Program | 1,200,000 |
| Citywide Street Resurfacing Program | 500,000 |
| Citywide Alleyway Repaving Program | 75,000 |
| Channel Markers Upgrade & Maintenance Program | 15,000 |
| Citywide Traffic Calming Program | 1,400,000 |
| Street Tree Succession Plan | 150,000 |
| Cocoplum Street Lighting - Phase I | 55,000 |
| Miracle Mile Streetscape Improvements - Electrical & Irrigation | 30,000 |
| Granada Blvd & Coral Way Intersection Improvements | 750,000 |
| Bridge Repairs & Improvements | 75,000 |
| Last Mile Transit Stop Improvements | 205,000 |
| Street Ends Beautification | 100,000 |
| Total Transportation & Right of Way Improvement Projects | <u>4,555,000</u> |

Utility Repairs/Improvements Projects

| | |
|---|-----------|
| Sanitary Sewer Major Repair | 1,589,714 |
| Pump Station Remote Monitoring | 400,000 |
| Journey's End Pump Station and Force Main Replacement | 700,000 |
| Granada Golf/Tennis Conversion to Sewer | 50,000 |

CAPITAL PROJECTS - NEW/ADDITIONAL FUNDING 2021-2022 BUDGET

Utility Repairs/Improvements Projects - Continued

| | |
|--|------------------|
| Electric Atlas Update & Model Calibration | 50,000 |
| Sewer Pipe Cameras | 5,000 |
| Sea Level Rise Mitigation Program (Infrastructure Reserve) | 3,225,000 |
| Stormwater System Improvement Program | 400,000 |
| Cross Connection Removal | 200,000 |
| Storm Drainage Infrastructure Verification | 750,000 |
| Coral Gables Waterways Maintenance | 650,000 |
| Storm Drainage Master Plan | 500,000 |
| Galiano St. & Madeira Ave. Storm Water Improvements | 400,000 |
| Downtown Drainage Improvements | 150,000 |
| Total Utility Repairs/Improvement Projects | 9,069,714 |

| | |
|-----------------------|----------------------|
| Total Projects | \$ 84,698,029 |
|-----------------------|----------------------|

TEN-YEAR PROPERTY TAX MILLAGE RATE SCHEDULE

| <u>FISCAL YEAR</u> | <u>OPERATING</u> | <u>VOTED DEBT SERVICE</u> | <u>TOTAL</u> |
|--------------------|------------------|---------------------------|--------------|
| 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 |
| 2022 | * 5.559 | - | 5.559 |

* Proposed

ESTIMATED AVERAGE TAXABLE VALUE OF A HOMESTEADED PROPERTY

| Tax Year | 2017 | 2018 | 2019 | 2020 * | 2021 * |
|---|------------|------------|------------|------------|------------|
| Taxable Value | \$ 621,277 | \$ 651,651 | \$ 654,191 | \$ 704,611 | \$ 725,749 |
| Percentage | 5.12% | 4.89% | 0.39% | 3.00% | 3.00% |
| Millage Rate | 5.559 | 5.559 | 5.559 | 5.559 | 5.559 |
| Estimated Coral Gables Portion of Property Tax | 3,454 | 3,623 | 3,637 | 3,917 | 4,034 |
| Increase | 166 | 169 | 14 | 280 | 117 |

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

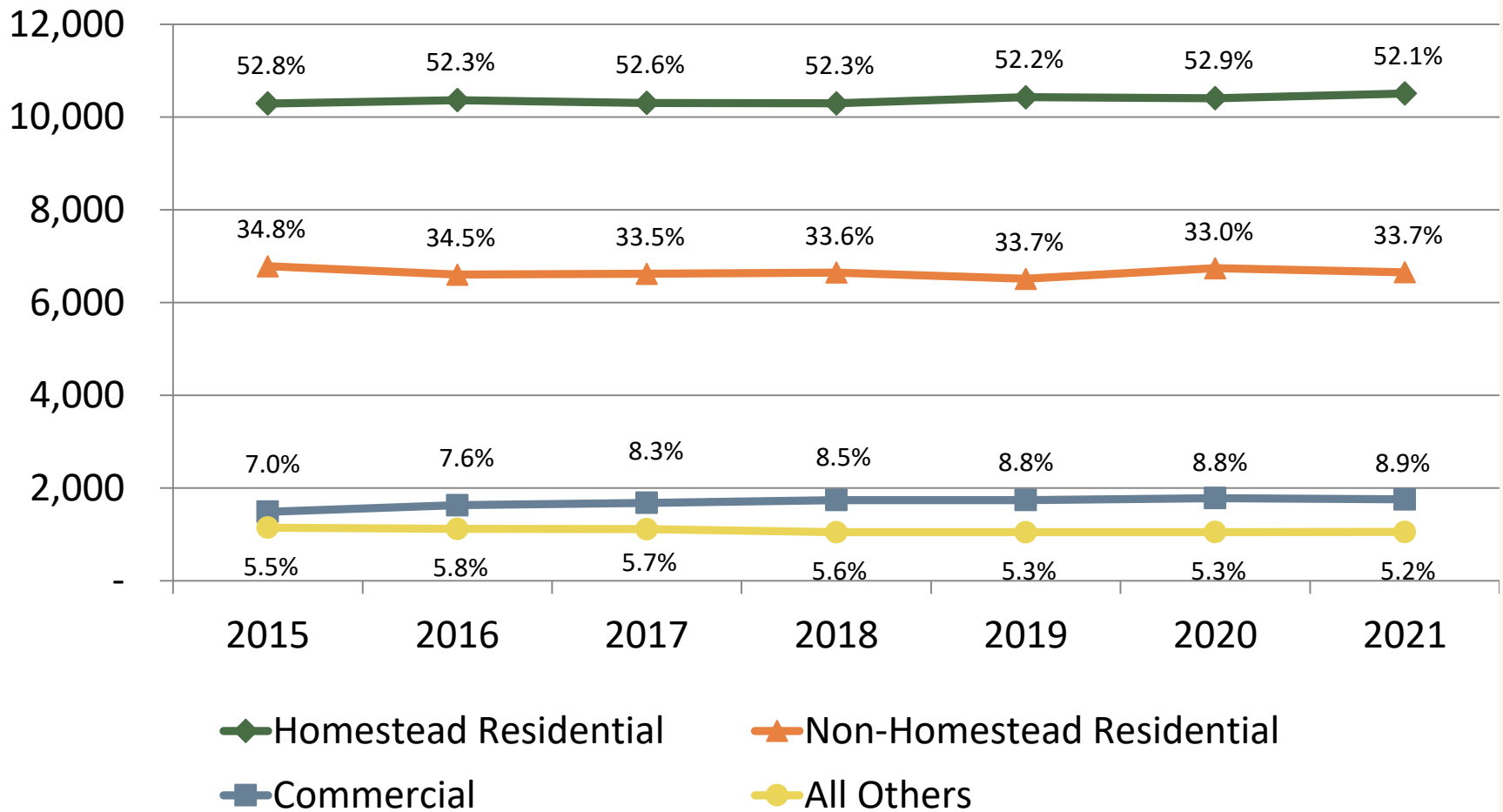
ESTIMATED AVERAGE TAXABLE VALUE OF A HOMESTEADED PROPERTY

| City | Coral Gables | Miami | Miami Beach | Hialeah | Key Biscayne |
|--|--------------|-------|-------------|---------|--------------|
| Millage Rate | 5.559 | 7.990 | 6.0515 | 6.3018 | 3.3267 |
| Estimated City Portion of Property Tax | 4,034 | 5,791 | 4,386 | 4,567 | 2,411 |
| Difference from Coral Gables | - | 1,756 | 351 | 533 | (1,623) |

Comparison of Full-Service Cities in Miami-Dade County based on average homesteaded value of \$725,749

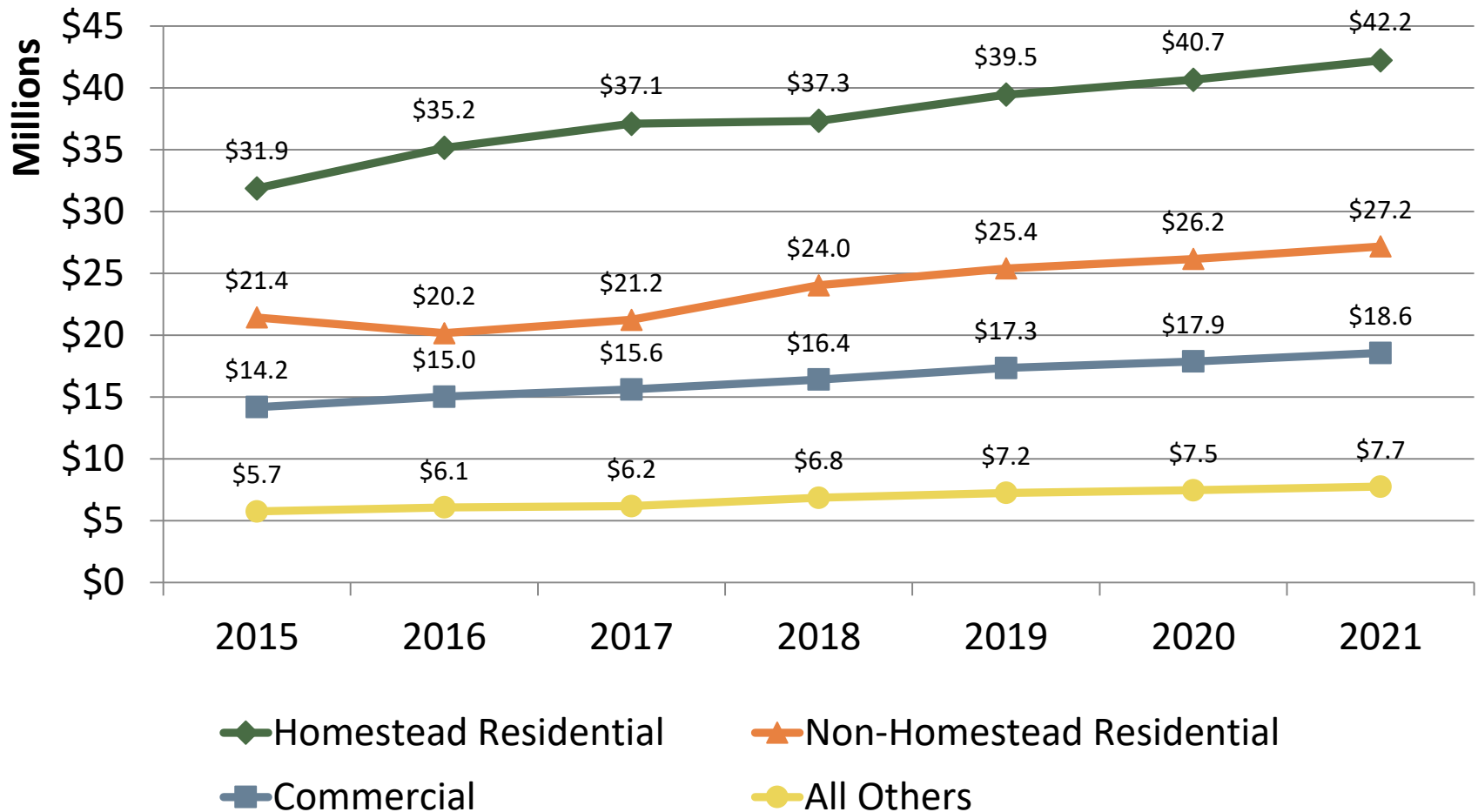
CORAL GABLES PROPERTIES BY TYPE

(PROPERTY COUNT 19,963)



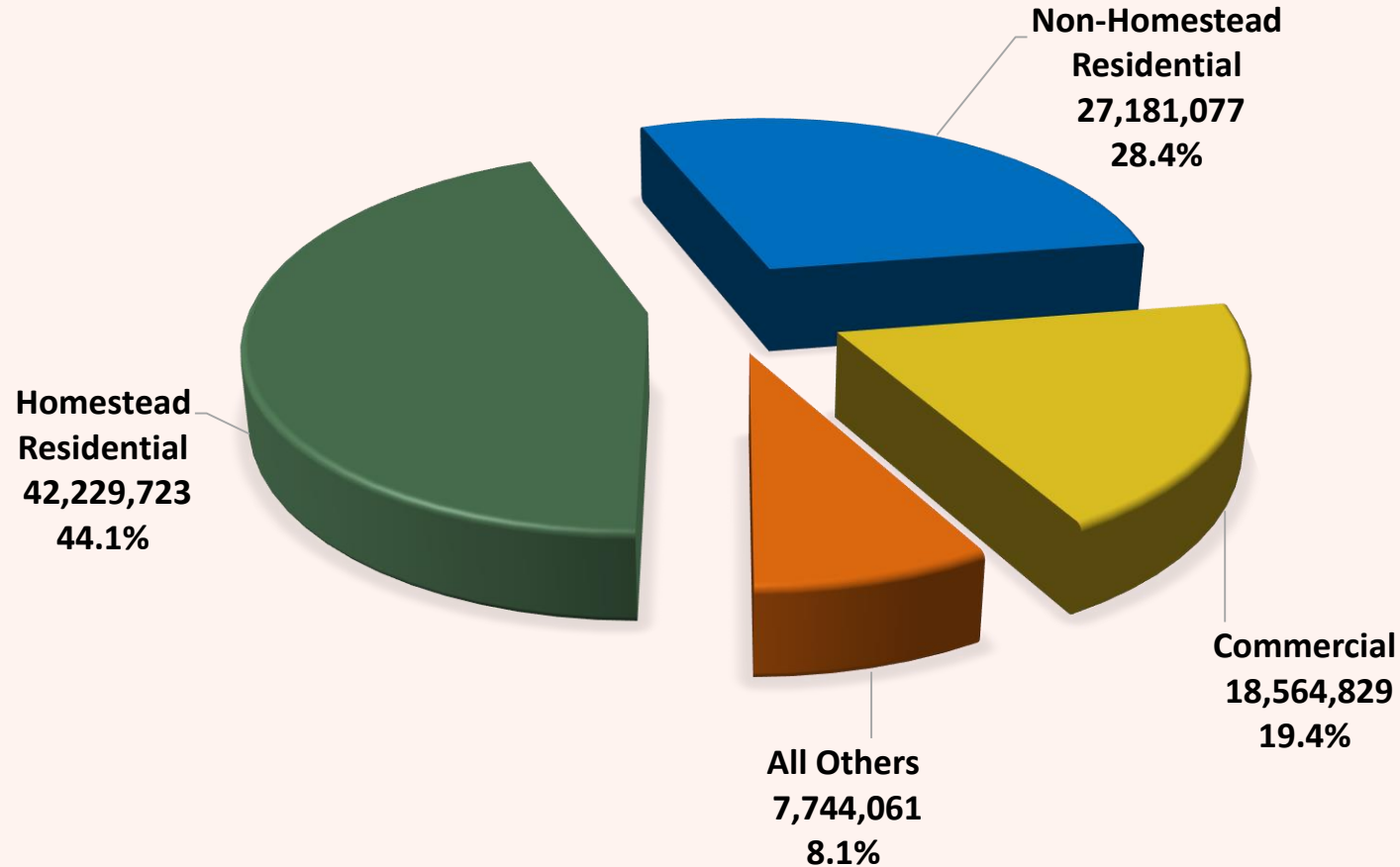
PROPERTY TAX REVENUE BY PROPERTY TYPE

(TOTAL FY22 PROJECTED PROPERTY TAX REVENUE \$95.7M)

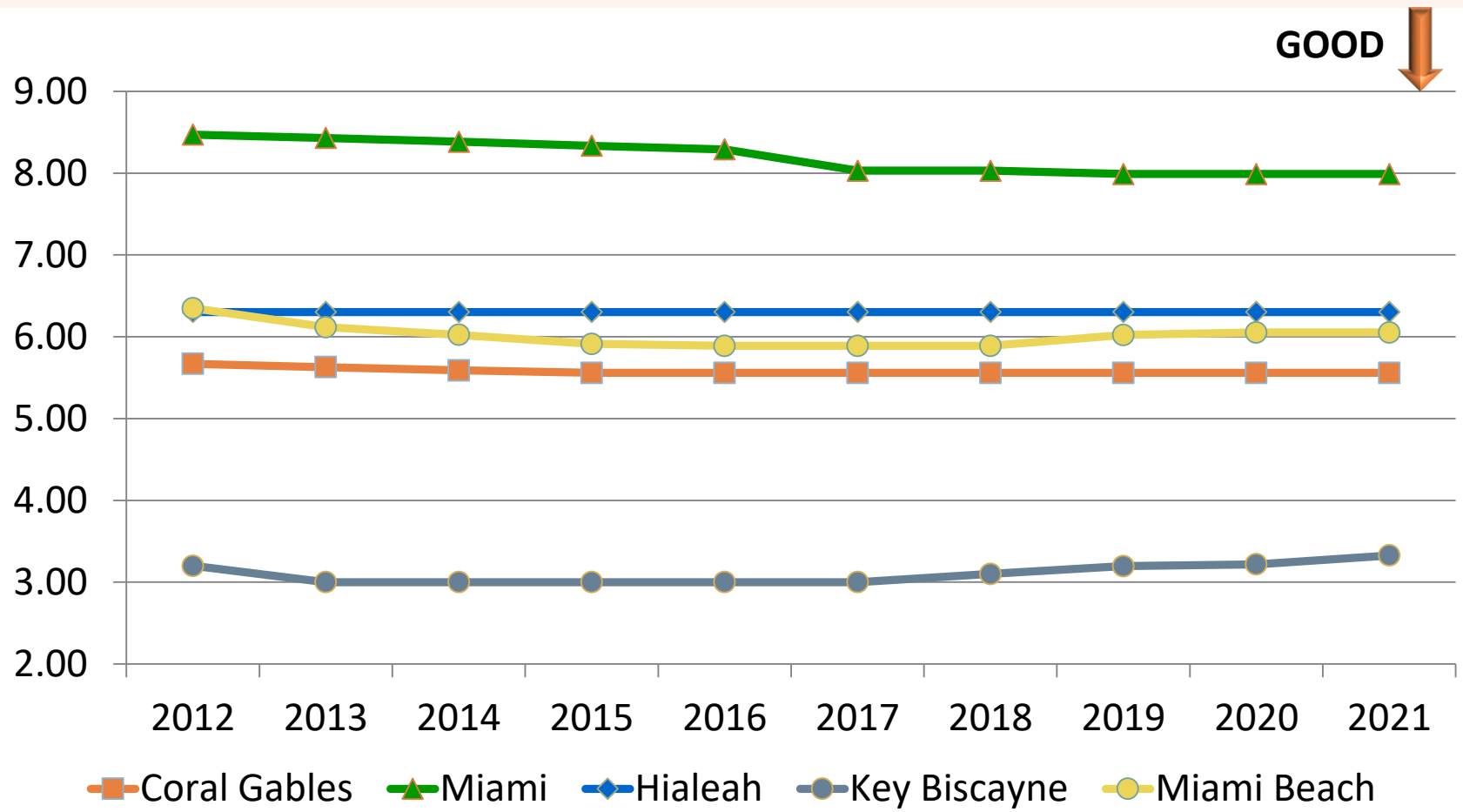


PROPERTY TAX REVENUE BY PROPERTY TYPE

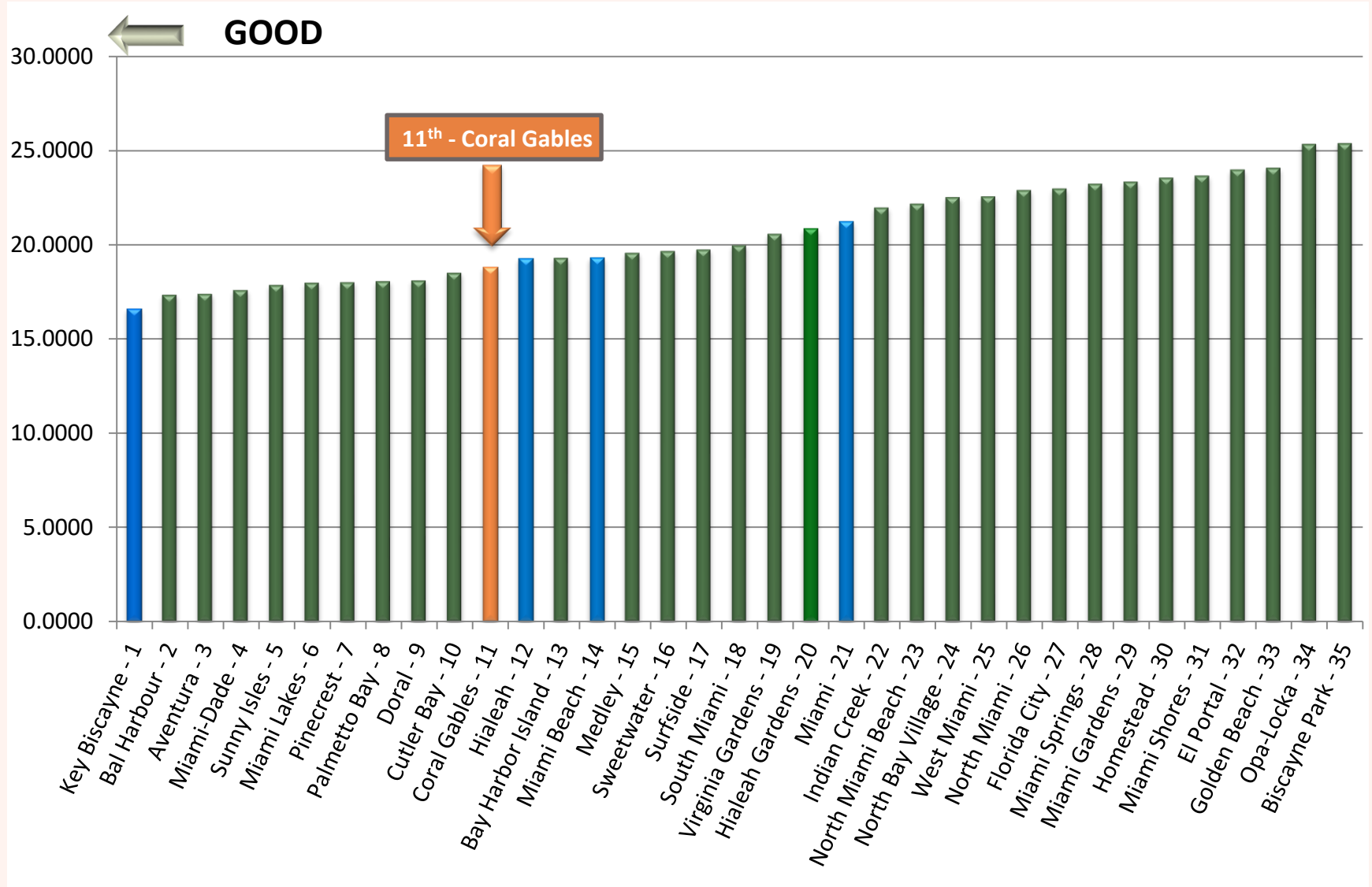
(TOTAL FY22 PROJECTED PROPERTY TAX REVENUE \$95.7M)



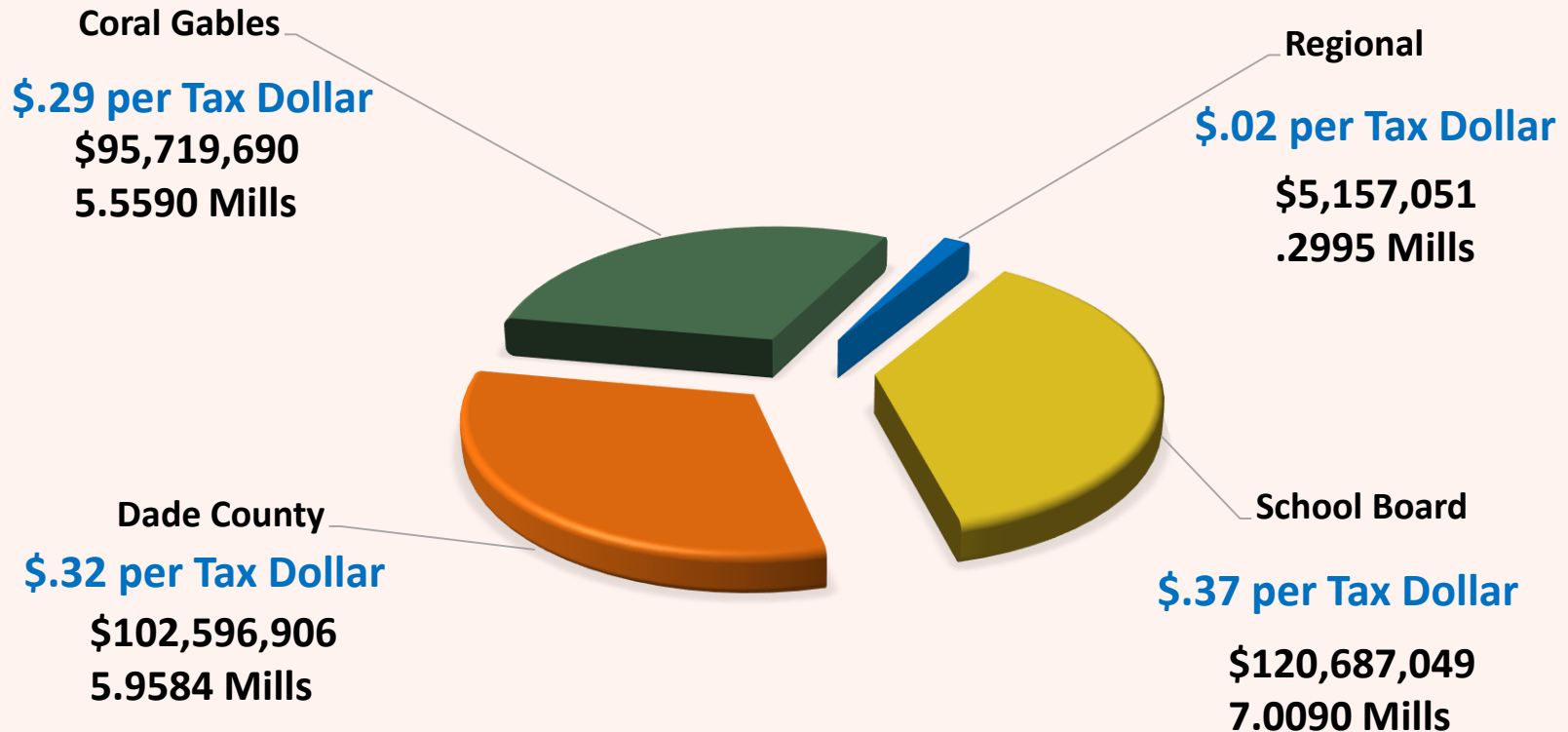
TEN-YEAR MUNICIPAL MILLAGE RATES FOR FULL-SERVICE CITIES BY TAX YEAR



RANKING OF MIAMI-DADE/MUNICIPALITY 2020 ADOPTED MILLAGE RATES COMPARED TO CORAL GABLES 2021 PROPOSED MILLAGE RATE

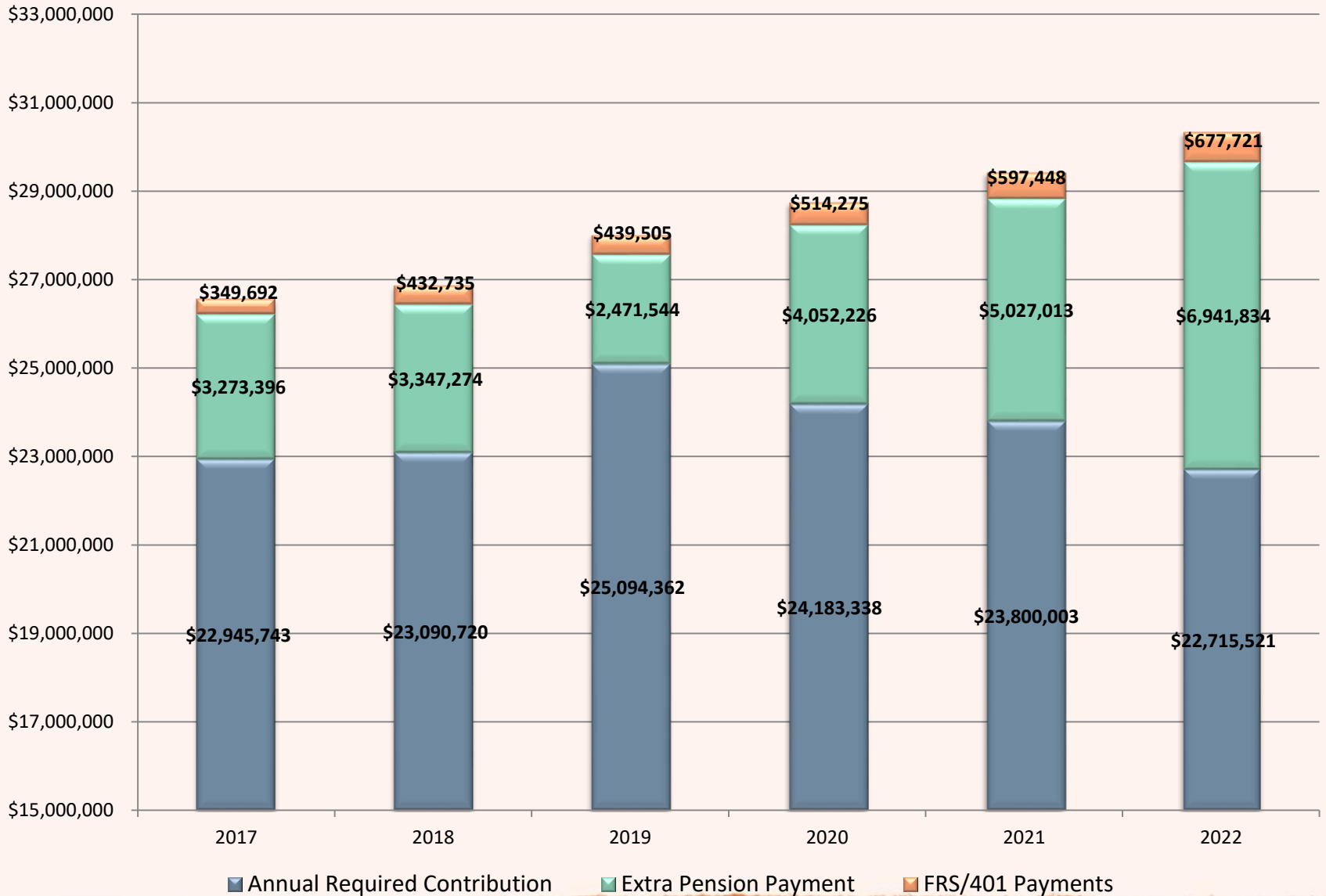


PROPERTY TAX DISTRIBUTION PER TAX DOLLAR

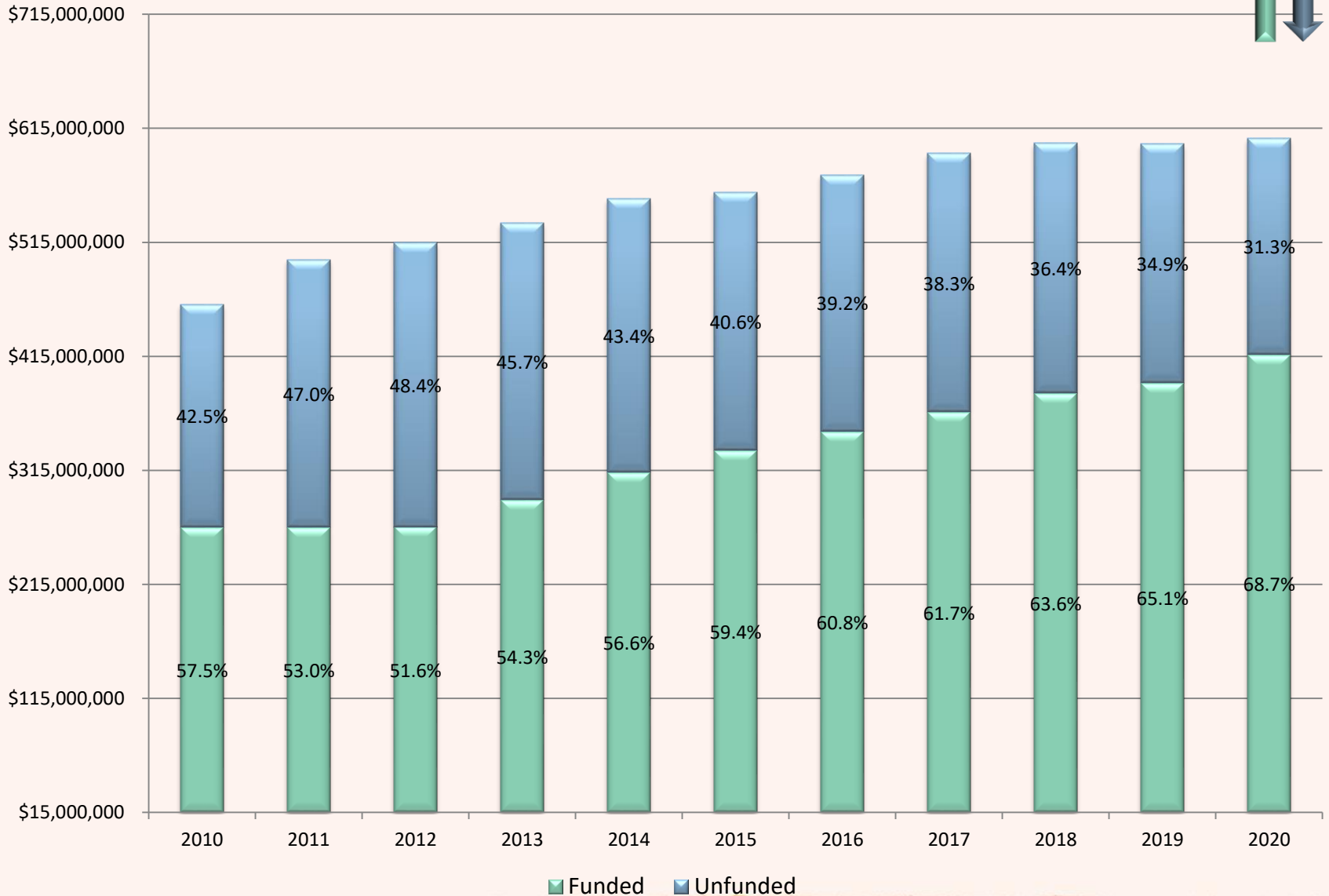


Property Tax Based on Estimated Taxable Values on July 1, 2021 of \$18,125,124,740 at 95% collection. Millage rates for the County, School Board and Regional are prior year rates.

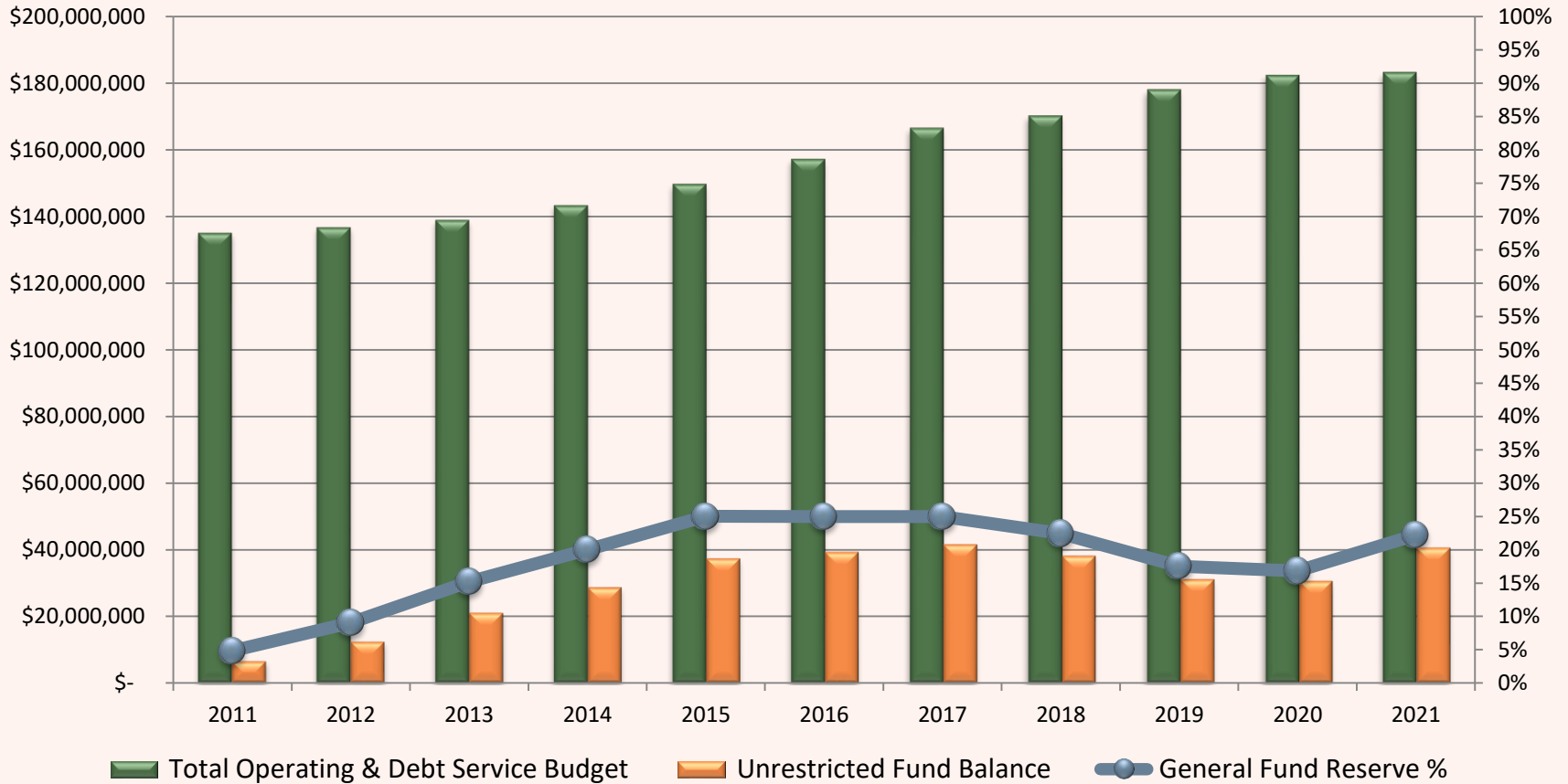
Annual Pension Contributions



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-FY21 reserves are less than 25% pending FEMA/State/County/Insurance reimbursements for Hurricane Irma/CARES/ARPA.



A WORLD CLASS CITY WITH A HOMETOWN FEEL