

**City of Coral Gables City Commission Meeting  
Second Budget Hearing  
September 27, 2021  
City Commission Chambers  
405 Biltmore Way, Coral Gables, FL**

**City Commission**

**Mayor Vince Lago**

**Vice Mayor Michael Mena**

**Commissioner Rhonda Anderson**

**Commissioner Jorge Fors**

**Commissioner Kirk Menendez**

**City Staff**

**City Manager, Peter Iglesias**

**Assistant City Manager, Ed Santamaria**

**City Attorney, Miriam Ramos**

**City Clerk, Billy Urquia**

**Assistant Finance Director, Keith Kleiman**

**Finance Director, Diana Gomez**

**Parking Director, Kevin Kinney**

**Public Speaker(s)**

**Maria Cruz**

---

Agenda Item [5:00 p.m.]

Second Budget Hearing 2021-2022 Presentation.

Public Hearing for obtaining comments relative to Budget for Fiscal Year 2021-2022.

An Ordinance of the City Commission providing for the levy of taxes for the Fiscal Year beginning October 1, 2021 and ending September 30, 2022; fixing the rate of such levy; providing for the segregation and the application of the proceeds of such

---

City Commission Meeting

September 27, 2021

Agenda Item - Second Budget Hearing

levy; providing for the separability of the provisions hereof; and providing that this ordinance shall become effective October 1, 2021. (Passed on first reading on September 13, 2021)

An Ordinance of the City Commission adopting the Annual Budget of Estimated Revenues and Expenditures for the Fiscal Year beginning October 1, 2021 and ending September 30, 2022; providing for the separability of the provisions hereof; and providing that this ordinance shall become effective October 1, 2021. (Passed on 1st reading on September 13, 2021)

A Resolution of the City Commission adopting the Capital Improvement Program for the five fiscal years from 2022 to 2026, where City joined various other municipalities and counties in challenging the penalty provision of section 790.33, F.S. relating to the regulation of firearms)

Mayor Lago: Good evening. Good evening. First off, I'd like to thank everyone for being here. Before we get started, I want to make sure that I reiterate, as I mentioned in the first reading -- excuse me, the first budget hearing -- how grateful I am for staff's efforts in preparation, especially in these very, very difficult times, where I know that all of us have taken haircuts or have been a little bit more prudent in regards to our spending in these very difficult times. So, I want to congratulate ahead of time the entire City, along with the leadership of the Manager, City Attorney, and City Clerk, along with all the directors, and most importantly, the people who are doing the day-to-day work, the people who are interacting with the residents in the business community. I am beyond grateful for your efforts, and I'm looking forward to greener pastures next year when we see a little bit more light at the end of the tunnel. So, I just wanted to congratulate all of you and thank you for your hard work. Before we get started, I'd like for Commissioner Menendez to lead us in the pledge of allegiance.

Pledge of allegiance delivered.

Mayor Lago: Thank you very much. Keith, the floor is yours.

Assistant Finance Director Kleiman: Thank you.

Mayor Lago: Mr. Manager?

City Manager Iglesias: Yes, Director Kleiman will proceed with the budget presentation, Mayor. Thank you.

Mayor Lago: Thank you, Mr. Manager.

Assistant Finance Director Kleiman: Thank you. Good evening, Commission -- Mayor and Commissioners. We're here for the second budget hearing. Before we start on the presentation, there are some follow-up items from the first hearing that we'd like to run through very quickly. And as we go through them, I just need everybody to keep in mind that the budget is a moving target, so you have to look at revenue and expenditures at the same time, so we did our best to try and simplify the answers so that the layperson can understand it, so hopefully we're going to get our point across now. We have six slides to go through. It shouldn't take very long, but if you have questions, please stop us in the middle. Okay, we're going to start with the overtime report, where certain departments had some overages on their overtime. I don't know if everyone can see it up on the big screen. We tried to make it as readable as possible. So, we have to report to the Budget Advisory Board every quarter for overtime for departments that are going over their budget. And in the beginning, when Diana and I first got here, we were reporting on all departments. We have gotten all that under control. The departments have worked well with us. We had narrowed it down to just Police and Fire up until now. Now, we've had to add in two divisions of Public Works due to vacancies, and we'll go over that very quickly. So, as you see in front of you, we have Police on top -- that's the blue -- and what we did over the last couple of years, we started breaking out the recording of overtime so that the department can really follow it. Before all of the overtime was in one or two accounts, and it really made it difficult for them to follow what was due to vacancies, what was due to events, what was reimbursable. So, working with each chief, we broke out their overtime into separate accounts. And when they do their

payroll, they actually charge those accounts. So, we know now what is actually due specifically to vacancies and what's regular overtime, what's event overtime, off-duty reimbursable. It's all broken out now. So, it helped them get their budgets under control. So, if you take a look at the last column all the way on the right, you're going to see that right now -- though we have not finished the fiscal year -- we have 1.3 payrolls left to go, but they are at 97.8 percent of their budget. Now, that excludes the overages due to vacancies. That money is coming from surpluses elsewhere in the department to cover the vacancy-related overtime. Now, let's just zero in on the column that is their vacancy-related overtime for Police. We know that Technical Services is experiencing unduly high overtime, and Police is working with the City Manager and HR. They're looking to restructure the communications operators where the brunt of that overtime is being earned, and they're looking to get that under control. So, it's still a new process now. It's in the budget for next fiscal year, but they're implementing it as we speak. So, you can see last year's overtime was \$575,000, vacancy related. This year was 443, so they have reduced it to some degree. We hope that in FY22 we're going to see some drastic changes. It'll still be high in the beginning, and it should start ebbing as we go further into the year.

Mayor Lago: So, Keith, first off, thank you for making it a lot more clearer for us to understand. I'd like to be able to track this with the Manager and with your team. Maybe we can put together on a quarterly basis a report to the Commission that gives us a little bit of understanding so we can start tracking the overtime.

Assistant Finance Director Kleiman: Sure. Yeah, we can do it. This report would do, right?

Mayor Lago: Okay.

Assistant Finance Director Kleiman: We could show you this report. We can send it to the Commission, or we can present it at a Commission meeting, so you tell -- let us know how you...

Mayor Lago: Listen, I don't -- I mean, again, whatever is the will of the Commission is fine with me. Obviously, we'll...

City Manager Iglesias: And we'll be happy to send it to you on a quarterly basis, if you wish, to the entire Commission.

Mayor Lago: I don't want to take up...

City Manager Iglesias: Or if you want a presentation, whatever you wish, we can do. We've been looking at the -- we're strongly looking at this area right now. And as we looked at a Police, we're looking at implementing a whole new system, and I think we'll be successful. This has been happening for the past 20 years. This is not something new.

Mayor Lago: So, this goes into what I've been saying along with the Commission. This is very simple. I want to try to save money in as many tranches as possible. Little numbers add up to big numbers. And we have a litany of things that we need to address here in the City in regards to deferred maintenance. We potentially need to hire new employees, which is something that we'll discuss potentially later or in the near future. So, I want to make sure we're as nimble as possible. So, I don't have an issue. Whatever my colleagues on the Commission desire in regards to the reporting of this information, I'm all for. I just want to make sure that it's available for the Commission, just like the consulting contracts we get on a monthly basis -- and I think that's important -- your procurement team sends to us. And I think it's important, so we understand where we're spending money.

City Manager Iglesias: And we're sending you every contract regardless of expense, Mayor.

Mayor Lago: Exactly. And that's something that I implemented a few years ago, and I think it's important for the entire Commission to understand how we're spending money. And you're being

more than transparent because we had set a threshold and we're sending everything, which I think is really good.

City Manager Iglesias: And we want to -- we are looking to minimize overtime, and we're looking at all these departments. I think -- we're minimizing overtime in Sanitation. We're minimizing -- we're trying to minimize overtime in Communications. Communications has been something that's been going on for a long, long time, and we have to re -- and we're restructuring the entire division to look at a better effectiveness in -- not only in operations, but in retention, which is one of our biggest problems.

Mayor Lago: Okay. What's the will of the Commission? Would you like to receive it as an update on the Commission or just send a simple email?

Commissioner Anderson: I think it's an excellent idea.

Mayor Lago: You want to do an email; that's fine?

Commissioner Anderson: We can do an email.

Mayor Lago: On a quarterly?

Commissioner Anderson: Quarterly.

Mayor Lago: Okay, perfect.

Vice Mayor Mena: That's fine.

Commissioner Anderson: That way it doesn't get away from us.

Vice Mayor Mena: And if one of us wants to put it on the agenda at some point...

Commissioner Fors: Yeah, yeah, exactly.

Mayor Lago: Listen, I just want to get reporting so that staff -- so that...

City Manager Iglesias: We'll be happy to do that, Mayor.

Mayor Lago: Perfect.

Commissioner Anderson: Thank you.

Mayor Lago: Thank you.

Assistant Finance Director Kleiman: Okay, so that was Police. Let's move quickly to Fire. And Fire also got the same treatment. We worked with them to determine which accounts they would like so they can split out their different types of overtime, and it helped them see where their overtime was. Their vacancy-related overtime, obviously, is less than Police. It was still somewhat high because they have experienced vacancies this past year at 190. It came from surpluses throughout -- in their department, and you can see though they are at this point at 95.9 percent of their budget, which is right where they should be.

Mayor Lago: But if you look at, for example, FY20, the numbers are staggering in comparison. I mean, again, we've hit 100 percent this year. We're about to finish this year. But last year was -- you know, they blew the budget, correct?

Assistant Finance Director Kleiman: Well, for last year, they were at 83.4 percent.

Mayor Lago: Okay, perfect. No, I was looking at the one that said -- the one below -- right there, yeah. That 2,000 -- my eyesight this far is not so good.

Assistant Finance Director Kleiman: Yeah, I know. I'm sorry. This report is a little bit big to present here, unfortunately.

Mayor Lago: Okay.

Commissioner Anderson: Vacancy related.

Mayor Lago: Yeah.

Commissioner Anderson: That's what you were looking at.

Mayor Lago: Yeah, yeah.

Unidentified Speaker: That's the one.

Assistant Finance Director Kleiman: So, the vacancy related, they had more vacancies this year...

Mayor Lago: Yes.

Assistant Finance Director Kleiman: Than they did the previous year, and that's why. So, vacancies are explainable in some cases where there's a problem, such as in Technical Services, we're doing something about it. With the -- with Fire, they have people coming on and they are replacing their vacancies.

Mayor Lago: My concern is not really about the budgeted amount. My concern is about blowing past the budgeted amount.



Assistant Finance Director Kleiman: Right, right. Remember, we budget for vacancies, so the money is there to cover anything that's hiring-related due to those vacancies. If it doesn't get used, it falls to fund balance, and then we use it for the future. Okay, then what we added to...

Vice Mayor Mena: Sorry. Okay, but sorry, just to understand that comment. When you say you budgeted -- Are we reading that correctly, that what you budgeted was the first number there?

Assistant Finance Director Kleiman: No, we budget -- on the salary side, we budget for any vacancies. So, we budget all positions 100 percent; other cities don't. If they have a vacancy, they'll budget it at three months or six months thinking, "Oh, it's going to take time to hire," and stuff like that. We don't do that.

Vice Mayor Mena: But that budget -- I guess my question is: that budget for Fiscal Year 20 is that first column, correct?

Assistant Finance Director Kleiman: This 190 is transferred in from surpluses already into that account -- that 1402 account -- for Fire. It's not coming from their overtime budget. It's coming from other surpluses identified in their department.

Commissioner Fors: I think the -- or I understand where Commissioner Mena's coming from. Why is it that the budget for vacancy related was so low?

Vice Mayor Mena: In '20.

Commissioner Fors: Why did we budget that --? In '20, why did we budget so low to begin with?

Assistant Finance Director Kleiman: No, actually, in '20, we just didn't bring it in. The bottom line when we closed out '20, it balanced out, but we should have. That's our fault. We should

have brought the surplus in to cover that; we didn't do it. So, it doesn't matter. The bottom line of the department was still within budget, which is all we -- that's the most important thing. We didn't bring it in, so that's just a mistake on our part. So, we should have had a budget of \$90 million. It would have reduced the budget on other line items within Fire, and it would have just been put here. It was more of just an accounting thing at this point. So, every department covers their own overtime. So, if they go over, they have to cover it, which means they have to suspend spending in other places if that's the case. So far, no one -- we've never had -- so far in my 10 years -- to tell them, "Stop spending because you have to cover your overtime." We've always had -- most of the time -- enough salary surplus to cover it. When we don't, we'll take it from other accounts. We do our projections, and we say, how are they spending, where do we project surpluses. We give them a little cushion to make sure that we're not overstating what we think they're going to spend, and then we move the money. So, we make sure we're covered within department budgets. Is that understandable? I'm just making sure.

Vice Mayor Mena: Yeah, I'm still not totally following that...

Assistant Finance Director Kleiman: Okay.

Vice Mayor Mena: In terms of I hear what you're saying, "Okay, we should have brought it over," and I don't care that there was...

Assistant Finance Director Kleiman: A mistake.

Vice Mayor Mena: A mistake or not a mistake. That's not my issue. My question is, where were those dollars in the FY20 budget then? You know what I mean?

Assistant Finance Director Kleiman: Oh.

Vice Mayor Mena: If they weren't here...

Assistant Finance Director Kleiman: So, where it says 4187, okay, we had moved in some money on a previous quarterly report to cover what they had at that point. By the -- when the year closed out, they had \$90,655 worth of overtime related, and we didn't do the entry at that point. So, there were still surpluses somewhere else that covered it because the bottom line, the department is not allowed to overspend their budget unless it's a specific reason, and that's by Charter. So, for them, it's our bad; it's not theirs. The money was available in other surpluses to cover this. We just honestly forgot to make the transfer. But in the end, Fire expenses were still what Fire expenses were. We just didn't correct that one entry.

Vice Mayor Mena: But with those -- I don't mean to belabor the point. I'm just trying to understand.

Assistant Finance Director Kleiman: No, no. I'd rather you understand it, so yeah.

Vice Mayor Mena: The surplus that existed elsewhere if it wasn't brought over here...

Assistant Finance Director Kleiman: It went...

Vice Mayor Mena: Wouldn't it have rolled over into like future surplus or...

Assistant Finance Director Kleiman: Yeah, it -- and minus this amount because, again, this account in theory is in the negative -- right? --so if you have \$90,000 worth of expenditures and a budget of \$4,000, it's in the hole. So, before any money bottom line goes to fund balance, the department has to balance. So, that's what I'm saying. It's more of an accounting entry that we didn't do in Budget, but the bottom line, when Accounting closed out the books, they took that into consideration. So, only the true surplus went to fund balance. Okay? Is that...?

Vice Mayor Mena: Sure.

Assistant Finance Director Kleiman: I want to make sure. Is that good?

Vice Mayor Mena: You don't need to -- I get what you're saying in concept, but okay, you know.

Mayor Lago: I want you to feel comfortable.

Vice Mayor Mena: Maybe you can -- no, no. This is last year anyway, so it's not even...

Assistant Finance Director Kleiman: I know. No, but I'd rather you...

Vice Mayor Mena: That's why I don't want to belabor the point today.

Assistant Finance Director Kleiman: Honestly, it's the concept because we're going to be going through this in the future.

Vice Mayor Mena: Yeah. I don't want to belabor the point today because it's not FY21, it's FY20, so...

Assistant Finance Director Kleiman: Right.

Vice Mayor Mena: You know...

Assistant Finance Director Kleiman: Yeah, no -- yeah, I just...

Vice Mayor Mena: No use crying over spilled milk. But if you can just kind of get -- you don't have to do it right now -- but if you can get me whatever information on that after the fact, I'd just like to understand, again, if something doesn't get brought over into this column, that means it lives elsewhere in the budget.

Assistant Finance Director Kleiman: Yes.

Vice Mayor Mena: And where did it go...

Finance Director Gomez: Right, so...

Vice Mayor Mena: In the budget?

Finance Director Gomez: So, right, so in the Fire Department, in another line item in the Fire Department, there was a surplus.

Vice Mayor Mena: Right.

Finance Director Gomez: And that surplus, when you net the two together, the bottom line is the end-all surplus or deficit for the department. So, let's just say in a different line item, you had a surplus of \$100,000, all the other line items, you had a surplus of \$100,000, then this deficit of \$86,000 nets against that \$100,000 surplus and now the overall surplus is only \$14,000.

Vice Mayor Mena: Right.

Finance Director Gomez: So, then now the \$14,000 is what eventually -- then the department has a surplus of \$14,000 and that rolls into fund balance, into the general fund balance surplus.

Vice Mayor Mena: I got it, right.

Finance Director Gomez: At year-end that will then go to capital in the subsequent year. So, the surplus -- there was other funds in the Fire Department...

Vice Mayor Mena: You're saying whatever department level surplus there was, whether it was in this column or this column or this column, it's going back into fund balance?

Finance Director Gomez: Exactly.

Vice Mayor Mena: Right.

Finance Director Gomez: It's the net surplus by department goes into fund balance.

Mayor Lago: And I want to take just a quick advantage of the fact that we're talking about this. This goes back to my point about the departments trying to save as much money as possible. We started having this conversation about a 1 to 2 percent to see if we could shave as much cost as possible and roll that over to some sort of piggy bank. I know it goes back to fund balance. I know it goes back to the general fund, but I wanted to do that year over year, and we talked about that.

City Manager Iglesias: Yes.

Mayor Lago: And we're working on that. For example, this year we lost -- it was about \$8 million, correct?

Finance Director Gomez: Well, he's going to go over that in the next couple of slides, the...

Mayor Lago: Okay.

Finance Director Gomez: Projected surplus -- or projected deficit...

City Manager Iglesias: But...

Finance Director Gomez: Shortfall.

City Manager Iglesias: But Mayor, we have to understand that sometimes you do have issues where you have personnel issues that you may not hire -- you may have some problem hiring or some time hiring, and you need some overtime.

Finance Director Gomez: Right.

City Manager Iglesias: Now, that's generally made up with the fact that we have that...

Mayor Lago: Open position.

City Manager Iglesias: That surplus -- that open position that's not being paid, and that goes back into the overtime. But if one department cannot -- has a problem hiring someone and we have to go to a consultant, let's say, to get that done or to overtime, then that position surplus actually pays for that.

Finance Director Gomez: Right.

City Manager Iglesias: So, that balancing is why I believe it's very good to have the funding of all the positions at all times because it creates that level of funding that you need to function sometimes when you have problems with loss of staff.

Mayor Lago: I'm going to address the \$8 million shortfall when we get to that slide.

Assistant Finance Director Kleiman: Okay.

Mayor Lago: Thank you.

Assistant Finance Director Kleiman: Okay. So, we also added Public Works to this. There was a discussion at the first hearing about the Public Works vacancy-related overtime. And you can see from this report now for right-of-way -- which we did not discuss -- their budget is \$21,000; their actual is \$58,000. Now, we have not been tracking vacancy-related overtime in the Public Works Department. This was an issue really for Fire and for Police. It was never an issue for other departments. But now since it came up last -- two weeks ago, we've added these two divisions of Public Works, which are the only ones that are overspending on here, and they have requested that an account be set up so they can start tracking their overtime that's vacancy-related, so it'll be broken out from now on. So, these numbers here, the \$58,000 over the \$21,000, and the \$309,000 over the \$25,000, are vast majority vacancy related.

Mayor Lago: Well, so look at Solid Waste. So, if we look at it so far this year, we're talking about \$430,000, correct? I can't see that.

Assistant Finance Director Kleiman: Yeah, in total, yes.

Mayor Lago: Total so far. You know, it's obvious that's a pretty significant number.

Assistant Finance Director Kleiman: Right, 120...

Mayor Lago: But I want to...

Assistant Finance Director Kleiman: I'm sorry.

Mayor Lago: Before we talk about the negative implications, I also want to give some positive feedback. The last three weeks -- and I want to, you know, really push this towards staff, especially the people who are working day-to-day and the manager because I know the manager. I met with staff. I met with the people who are out there, our employees who are doing the best they can under very tough situations. I went to meet with them. I went with our team, and we had breakfast



with them during the listening tour. And I know that the Manager went over the last three weeks where we were having a little bit of issues with manpower. And things have been really corrected over the last three weeks. It's nowhere near perfect, but we're getting as close as possible. We were in a tough position at one point, probably about a month and a half ago, two months ago, and we're in much better shape today. And I can -- and that can be clearly understood if you drive through the City on Saturdays and Sundays. You don't see the amount of garbage that is being picked up as a result of overtime. So, I'm really looking forward to seeing the next overtime numbers that are going to come out because I think we're going to see a drastic drop in regards to those numbers as we end the year. And I want to make sure that I commend staff for really, you know, working hard, the Manager and our team and going out there and getting the job done.

City Manager Iglesias: And Mayor, let's not forget in 2020, we had COVID also...

Mayor Lago: Yeah.

City Manager Iglesias: Which created a lot of overtime because of people out. So, really, 2020 is a little bit of an aberration from that perspective.

Assistant Finance Director Kleiman: Okay. So, just so everyone understands, for the holiday, we're budgeted at 120, and that's their normal budget. They spent 123, which to me is within reason. So, that small piece, they spent 103 percent, so it's really not a budgetary concern. The concern is, of course, \$58,000 over \$21,000. Now, that is -- according -- we -- I spoke to the Public Works Director. That is one of two positions in right-of-way that they're finding hard to fill, so it is taking overtime in order to keep those positions going for the time being. Okay, and Solid Waste, we know what the issues are there. So, this is the report now. We will leave Public Works on the report until the issues are resolved. For next year, you'll start seeing vacancy-related overtime broken out into its own account for Public Works, similar to Police and Fire. Okay. Okay, going back to the follow-up items, the next item, Mayor, you had asked for where are we, the status of the \$12.6 million shortfall.

Mayor Lago: Yep.

Assistant Finance Director Kleiman: Where are we? So, first let's just -- so how did we come to a \$12.6 million shortfall? The revenue compared to FY20, there was a shortfall of \$10,700,000. We had an increase in expenditures, which is two pieces of 1.9 that we couldn't avoid. We had the increase to the pension that we all know has to come in. That usually has three components. It's the 401a. We cover any additional participants. We cover the index of 1.25 percent on the pension, and we cover any changes in assumptions that the Pension Board has applied to the pension. So, that's a big piece. There were some health insurance increases that went on and other payroll increases that were contractual. So, the increase to the expenditure budget is 1.9. This rounds to -- it's 12.6. These are high level rounded numbers, of course. The detail. The next slide. Hopefully, everyone can see this. It's a lot of numbers. We try to make it as simple as possible. If you look down to the bottom line, we are projecting about \$6 million over what we budgeted, okay? Now, a big piece of that, if you go up to permit fees, of the \$6 million, 3.3 is for the Building Division. We can't touch that money unless it has something to do with the Building Division. Like for instance, 427 Biltmore Way. A big component of that building renovation is for the Building Division. We can cover some of those costs from that surplus, but that money goes into the Building Division reserve. It is not part of the general fund. It's in the general fund, but we can't use it for capital or anything else, unless it is building-related. So, that's half -- a little over half of what we're projecting as the additional money. But overall, you can see we're coming in better than we anticipated. We can go through some of the numbers if you'd like. Property tax, we're collecting \$430,000 more than what we anticipated. Franchise fees, 370; utility service taxes, 374; permit fees (INAUDIBLE), \$3.3 million. The intergovernmental -- those are the recurring intergovernmental items that the State estimates. So, these coming in almost a million dollars higher than what the State estimated, so that's just all very good news. And we have general government fees and passport came in higher. I think a third of that is passports. Another third of that -- and that's due to the uptick in sales of residences -- \$326,000 of lien searches. So, there are unanticipated revenues that have come in higher, and this will, again, fall to fund balance, and we

will have some -- this year, for FY23, we should have some considerable amount to use because we have so many capital projects that still have to be funded. So, we'll present those numbers to the Commission, of course, when we go into the FY23 budget process. So, any questions on the shortfall and where we are? Is this clear? Okay, good. Let's go down to the next slide. Now, Mayor, one of your other questions: who's overspending across the board in departments for the last two years? So, we did FY20, which obviously we know was a problem year, and FY21, which is not yet finished. So, let's look at FY20 first. There are only really three departments that have -- I mean, two departments that really have an excess, Police and Fire, and they're both fully explainable. With Police, those were COVID-related expenditures that are netted against some of the CARES Act money in a different fund, so that's completely covered so it breaks even there. And for Fire, the \$300,000 negatives are health insurance costs that are budgeted elsewhere than in that department for that fiscal year. Okay, in FY21, they're budgeted in Fire. So, there were no concerns of people overspending without a good explanation in FY20. In FY21 -- I don't want anyone to get excited at looking at a \$14 million surplus because, okay, there's things there we have to pull out.

Mayor Lago: I'm happy you started off with that.

Assistant Finance Director Kleiman: Yeah, well, yeah, I know because please -- I mean, I know everyone's like, "Okay, what could we do with this?" No, please, let's -- now, first of all, some of it are the soft reductions that we built into the budget, so we're talking about \$5 million of the \$14 million is going to go to fund balance. We promised that to the Commission that if it was not needed to cover underperforming revenues, that it would fall to fund balance, so that's going right to fund balance of the 14.

Mayor Lago: Thank you for that. The Commission really appreciates that because that's something that we talked about in these very difficult times, that we needed to tighten our belt as much as possible, and staff and your team deserve all the credit for that.

Assistant Finance Director Kleiman: Honestly...

Mayor Lago: So, I can't thank you enough for that.

Assistant Finance Director Kleiman: It's the departments.

Mayor Lago: Yeah, I know.

Assistant Finance Director Kleiman: I got to give them credit.

Mayor Lago: I mean, again, the Manager listened to the Commission, and we requested that we really tighten our belt this year, in a very difficult year, in a difficult two years. And the departments heeded the call and they delivered, so I think it's important to put that on the record to really ensure that people understand the hard work and the sacrifices that were made this year across the board so...

Assistant Finance Director Kleiman: I appreciate that. Okay, therein also in the 14 is about \$700,000 worth of reserves that are reappropriated every year. Some of the reserves are in the Art Department and in Economic Development, so we have to pull those out. Community Recreation is generating a surplus of about 1.8, but that is for underperforming revenues on the other side because of COVID. So, for FY21, we didn't know what was going to happen with COVID and the programming. So, we did fund -- we budgeted revenues and budgeted expense. The revenues didn't come in, the expenses didn't happen, so that's why that surplus is there. Okay, so that's not a true surplus because the revenue is not on the other side. Okay, and then we have a remaining payroll. We have 1.3 payrolls left for this fiscal year, about \$3 million. So, it brings it down to about \$3.7 million, which is much more reasonable, and we know we still have other things -- smoke has to clear for the end of the fiscal year. So, again, we have no idea exactly where it's going to be. At least we know we're not going to overspend. We're going to be within budget, and we should be generating sufficient reserves to fund some capital projects for FY23.

Mayor Lago: So, I just want to touch on a few things, you know. There has been said on multiple occasions that certain departments are spending too much in regards to outside consultants or counsel. This is an important breakdown because it really shows the entire community the sacrifices that were made this year, so I want to make sure that this is available to anyone that wants to see it I don't know if this is something that we can post on the website.

Assistant Finance Director Kleiman: We could.

Mayor Lago: I may include it in my newsletter, but I think that we need to really focus in and show, you know, year over year the sacrifices and the commitment and really the cutbacks that we've done...

Assistant Finance Director Kleiman: Right.

Mayor Lago: To ensure that we didn't have to furlough employees, that we didn't have to cut back on services, that we didn't have to, you know, potentially take away certain projects that are so critically important to this community. So, this is an example of -- that I think is worth noting and worth showing to everybody in the community.

Assistant Finance Director Kleiman: Right. So, I think if we're going to do that -- the website or the newsletter -- we should add to this the items that we've pulled out of the \$14 million so people don't think we're generating \$14 million of surplus.

Mayor Lago: Of course.

Assistant Finance Director Kleiman: Okay?

Mayor Lago: I think there should potentially be a sub, you know, breakdown...

Assistant Finance Director Kleiman: Right.

Mayor Lago: Which gives those numbers...

Assistant Finance Director Kleiman: Right.

Mayor Lago: And really shows the numbers and where that money is going to go...

Assistant Finance Director Kleiman: Okay.

Mayor Lago: And where we've allocated that money; once we're done, where we're going to send that money.

Assistant Finance Director Kleiman: Right.

Mayor Lago: Okay.

Assistant Finance Director Kleiman: Very good. Any other questions on that? Okay, I'm going to call up Kevin Kinney. You had wanted a question...

Mayor Lago: Yeah.

Assistant Finance Director Kleiman: You had a question on parking revenues, so Kevin's going to take over.

Mayor Lago: Good evening, sir.

Parking Director Kinney: Mr. Mayor, Commissioners, there was just a couple of questions about parking revenue. So, when Keith and I spoke, we thought the easiest way to kind of get a picture of it was to just take the Fiscal Year 21 numbers year to date, and just so everybody could kind of get a feel of how parking revenue lays out. Year to date, we're just over \$15 million. Just for comparison purposes, without the pandemic, we would expect probably a 20 to 25 percent higher number. But through Fiscal Year 21, there was continuous improvement. Now, that does not mean we expect Fiscal Year 22 to be everything back to normal, but we are hopeful if there's no more -- no reverses, that maybe by the end of Fiscal Year 22, we will essentially be back to normal. Actually, at this point, on-street revenue is essentially normal. One of the places we have a continuing shortfall or a lag in recovery is the parking garages. You know, at this point of the year, all things considered, we would hope to be at about \$4 million in parking garage revenues, and obviously, you know, we're at not quite 2.8. The other one is parking enforcement, but again, that's another area where through the year things have improved as the pandemic goes down. We would anticipate -- at this point in the year -- a number closer to \$1.8 million under normal circumstances. And I know we've talked about enforcement a few times over the past few years, but I thought this was a good opportunity just to make sure we all kind of understood the theory of parking enforcement. And that is, we enforce parking rules and regulations to encourage people to comply. You can see by the pie chart that we make the vast majority of our money from people who follow the rules, put money in the meter, pay by phone, buy permits. That's where our riches are in the service that we provide. Yes, we want to make sure there's enough enforcement so people feel, "Yeah, I should follow the rules." What I could tell you is, if you talk to people in our community, often I'm told that the only problem with Coral Gables is you can never get away with anything, that if you come downtown and you don't pay for parking, you're going to get a citation. I can honestly tell you that's not quite true. We do things like capture rate studies. The last one has been quite a while back. Then when we do -- we have in the queue a parking and mobility master plan. It's not going to happen in Fiscal Year 22, but when it does happen, one of the components of that will be reviewing our capture rate. Historically, we've had just about the right level, and for some people that feels like too much. But we have vastly improved over Fiscal Year 20, and we anticipate that there's going to be another big improvement, maybe not all the way back

to normal, not the 20 percent or 25 percent, but we do anticipate an improvement over Fiscal Year -- as we go into Fiscal Year 22. So, if there's any questions, I'd be happy to answer them.

Mayor Lago: So, you said we're about 20 or 25 percent from expected numbers?

Parking Director Kinney: If -- but for the pandemic, we would be 20 or 25 percent higher.

Commissioner Fors: Any theories on the lagging numbers on City garages?

Parking Director Kinney: Yes. They're just less comfortable. Well, the first place people are going to park is if they find the on-street space. And of course -- so, the on-street spaces fill first. And the other lag in the garages is the big office buildings have not refilled yet. Although I will say, I walked on Alhambra today, and it feels like there's a lot more people out on the street than there has been for the last 18 to 20 months. So, maybe the offices are starting to come back, but that's essentially permit sales in the garages, and we're still probably 500 permits a month below our peak. So, as that improves, our garage numbers will improve.

Commissioner Menendez: I have a question. I agree that you can see just a lot more people out, especially in the evenings, during the day. Since COVID has sort of turned the world upside down and inside out, at what point will we be able to detect whether long-term patterns have changed? Because a lot of folks have changed the way they go about doing things, and quite honestly, sometimes they don't want to go back to the way it was. What would it --? How many months, a year or two out, will we be able to detect that the patterns have changed dramatically long-term?

Parking Director Kinney: I think by the end of this year, we will know, as long as there's not a, you know, fall back. Because there was initially a plan for a lot of people to be back in the offices before the end of the year. Delta kind of pushed that aside. And now people are mostly talking about some time in the spring. But I think by next summer, Keith and I will probably have a good feel if there's been a permanent shift. I mean, there's another very specific area that we are seeing



a huge impact, and we have always had a centralized valet program in Coral Gables. Obviously, nobody used that at the peak of the pandemic, and we have slowly been trying to bring that back. But the number of people who are comfortable with somebody else in their car is much less than historically. And I believe valet may be one of those things that's permanently affected.

Commissioner Menendez: Okay, thank you.

Mayor Lago: Thank you, Kevin.

Assistant Finance Director Kleiman: The next slide is the percentage of pool and golf resident versus non-resident, and Fred is going to take this one.

Mayor Lago: Hey, Fred.

Parks and Recreation Director Couceyro: Excuse the sunglasses, but...

Mayor Lago: Nice glasses.

Parks and Recreation Director Couceyro: I took a hit. I let you look at it once. Now, you know, so you don't have to look at it the whole time. I put my glasses on.

Commissioner Anderson: You poor thing.

Mayor Lago: You look great.

Commissioner Anderson: That was since we...

Parks and Recreation Director Couceyro: I'll do it like, you know...

Mayor Lago: No, no.

Commissioner Anderson: This was after...

Assistant Finance Director Kleiman: We were going to hand out glasses to everybody just to make him comfortable but...

Commissioner Menendez: Parks and Rec is a tough business.

Parks and Recreation Director Couceyro: It is. People get angry.

Commissioner Menendez: Yeah.

Parks and Recreation Director Couceyro: Try working some of our events.

Commissioner Anderson: Somebody needs that self-defense course.

Parks and Recreation Director Couceyro: It's tough.

Commissioner Anderson: Right?

Parks and Recreation Director Couceyro: It's tough, it's tough. So, at our last meeting, we asked -- we were requested to look at what the use of both the golf course and Venetian Pool were in terms of percentage of resident versus nonresident. So, what we found in the rounds of Granada golf, it was 77 percent resident and 23 percent non-resident. And in addition, Venetian Pool, you were looking at 12 percent resident and 88 percent resident in terms of admissions. We do have a next slide looking at revenue, but there was also a question on Venetian Pool revenues. And in terms of the revenue, half of our revenue that is based on admissions, of that half, over 90 percent -- close to 93 percent is non-resident. A small amount is resident, but then there's another half a

million dollars of revenue that has to do with events, concessions, and all this other stuff, which you know, you can't really delineate between a resident and non-resident. But in terms of the admission revenue, over 90 percent is non-resident. In terms of Granada golf, we were looking at whether it was in the red still or in the black. And as I said to you, Mayor, I needed to look at it because we were that close, and this is what we're projecting to have. We're about \$15,000 in the black, which as you know in the past, we've been sometimes 2 to 300 in the red. So, as we spoke at the last meeting, COVID...

Mayor Lago: Has really pushed golf.

Parks and Recreation Director Couceyro: Was a boon for golf, it was, and it continues. I think golf as a whole is on an upswing. All I heard was everybody watching the Ryder Cup this weekend, so golf is on an upswing. But in fairness, we've seen this before. I was here for the Tiger Woods boon, where our rounds were the same that they are now, which is over 40,000 rounds. And a lot of that revenue is based on not only the rounds, but the golf cart rental, which is both. And then there's a few other ancillary revenues that deal with the Pro Shop concessions and all that, but the majority of it is the rounds and the golf carts. So, we've seen a lot this year.

Mayor Lago: Fred, so just two quick questions. What is the price for non-resident versus resident at Venetian Pool, and the same for the golf course?

Parks and Recreation Director Couceyro: A non-resident at Venetian Pool for the adults, it's approximately \$5.15 -- well, non-resident is \$20, but resident is \$5.15. So -- but that was done through a Commission response and direction for us...

Mayor Lago: That happened a few -- I think that happened a few years ago, right?

Parks and Recreation Director Couceyro: It did.

Mayor Lago: It's recent.

Parks and Recreation Director Couceyro: It happened about three or four years ago, where we wanted to look at -- there was a large increase of non-resident use, so we wanted to, first off, reduce the capacity and go down in total bather load and make up for that with non-resident revenue. So, that's -- it's kind of worked. In golf, we are getting ready in October 1st to go 20 -- 20 and 25? So, it'll be \$20 for resident, \$25 for non-resident.

Mayor Lago: So, again, I'm not a golfer, and I leave that up to...

Parks and Recreation Director Couceyro: Yeah.

Mayor Lago: My colleagues if they golf. It sounds pretty cheap to me though.

Parks and Recreation Director Couceyro: It is.

Mayor Lago: And the contrast...

Parks and Recreation Director Couceyro: But I mean -- but it's...

Mayor Lago: And the contrast in pricing when you consider Venetian Pool for \$5 versus \$20, and then you're talking about Granada \$25 versus \$20.

Parks and Recreation Director Couceyro: Yes. It's only nine holes. It's not an 18-hole course. We can charge more. We're bumping it up. We bumped it up about \$3 in each one. We didn't want to go much higher than that, you know, increase from one year to the next, but we can increase year over year.

Mayor Lago: You know what I'd like to see?

Parks and Recreation Director Couceyro: Yeah.

Mayor Lago: I'd like to see residents pay less and non-residents pay more. So, I'm not -- again, I'm not talking about...

Parks and Recreation Director Couceyro: Sure.

Mayor Lago: Right now. I'm just talking...

Parks and Recreation Director Couceyro: Right.

Mayor Lago: Just to think about this. I mean, you're having someone who goes to Venetian Pool -- and I spoke to a physician the other day who likes to swim at a certain time every day.

Parks and Recreation Director Couceyro: Sure.

Mayor Lago: He's retired.

Parks and Recreation Director Couceyro: Yeah.

Mayor Lago: I think you know the gentleman that I'm talking.

Parks and Recreation Director Couceyro: Yeah.

Mayor Lago: Charging him \$5 to use the pool to me is -- you know, he's a resident. Those should be one of the perks of being a resident. I'm talking about the pool in itself.

Parks and Recreation Director Couceyro: Yeah.

Mayor Lago: When you have 70 -- over 75 percent usage residents in Grenada, obviously, we can't give it to them for free.

Parks and Recreation Director Couceyro: But I understand what you're saying.

Mayor Lago: And it requires a lot of maintenance, the golf course.

Parks and Recreation Director Couceyro: Correct, it does.

Mayor Lago: But when you're talking about -- I think it was 13 percent or 12 percent of the residents in the Venetian Pool...

Parks and Recreation Director Couceyro: Yeah.

Mayor Lago: Are using the facility for \$5...

Parks and Recreation Director Couceyro: Right, and it comes out to a small portion of our revenue because admission is only half of the revenue that we realize there. So, if that's something that is the will of Commission...

Mayor Lago: I just want to -- again, it's an opportunity to speak in public.

Parks and Recreation Director Couceyro: Yeah, absolutely.

Mayor Lago: Have a conversation with my colleagues and maybe if any of them have any opinions on it.

Vice Mayor Mena: It'd be good to look at like usage patterns. You know, are there times of day where you can make it for residents...

Mayor Lago: Yeah.

Vice Mayor Mena: Where you're not really getting...

Mayor Lago: That's a great idea.

Vice Mayor Mena: That much revenue generally, stuff like that.

Parks and Recreation Director Couceyro: Absolutely. We can look at that.

Vice Mayor Mena: You know, any patterns like that that you can identify for us that...

Parks and Recreation Director Couceyro: Yeah.

Vice Mayor Mena: There might be a way to offer...

Parks and Recreation Director Couceyro: Okay.

Vice Mayor Mena: Something like that.

Parks and Recreation Director Couceyro: Sure.

Commissioner Menendez: Is there -- Do we have somewhere what the resident and non-resident numbers, percentages have been over the years? Because that's really skewed towards the non-resident. I know there have been...

Parks and Recreation Director Couceyro: For Venetian Pool?

Commissioner Menendez: Venetian Pool. I know there have been a lot of challenges, and you all have done an amazing job with the support of the Commission and the Manager of trying to find ways to sort of bring the resident numbers back up, but it's really skewed on one end. Is there interest, is there demand on the resident side, because it's just hard to understand how our numbers are so low resident -- and I know it's like a Rubik's cube. We keep on moving and trying to find the right solution, but do we have numbers going back five, ten years to see if we had more residents at that time?

Parks and Recreation Director Couceyro: We have those numbers. I can't give you exact, but I can tell you overall as a trend, it's not much different than it is now. We actually have done -- when we've done our sign-ups and we've looked at -- we've tried to make sure that now we can get any resident who wants to come in to come in as we're doing our stuff online. And we let residents in if they want to come. There used to be a time, several years ago, when we had a much higher bathing load, and it was like lines out the door on the weekends just to get in, where maybe residents when we sold out, they didn't get in, but we don't do that anymore. We make sure that residents have access to it. And that was one of the things that was at the direction of the Commission. And what we've done is, you know, made it -- the Commission wanted us to make it a little more beneficial if a non-resident's going to use the pool, it's going to benefit the City.

Commissioner Menendez: Right.

Parks and Recreation Director Couceyro: And revenue-wise, it does, so...

City Manager Iglesias: Let me -- if I can say, that's a very expensive facility. We've been spending about 1.6, \$1.7 million to replace the floor. It's a historical building, so it's a very expensive facility to operate, fresh water every day. So, it's a very unique facility and a very expensive facility to actually use and maintain.



Commissioner Menendez: I think it's, you know, one of the most beautiful facilities in the whole country. But you know, perhaps having had dealt with so many challenges over the years, the mindset in the community is that they still will encounter difficulties if they go to the Venetian Pool. Maybe we haven't gotten through to as many residents to let them know, "Hey, you can come and actually enjoy this."

Parks and Recreation Director Couceyro: I have an option that we have discussed, which is we've heard from some of our residents to maybe have an hour after closing, have an hour only for residents, so there is no fight and -- because -- and then they can do their swimming and their laps, so we'll look at that. That's something that we'll consider and see -- I'm not sure what the personnel cost will be, but we'll handle it.

Commissioner Menendez: I personally think it would be phenomenal, and I think that's the message...

Parks and Recreation Director Couceyro: Sure.

Commissioner Menendez: That we can get out to the community very clear.

City Manager Iglesias: But we also have to look at the fact that the pool is in a residential area and closing of the pool can affect noise and everything in that residential area. So, we need to balance that use with the fact that it's a residential area, and it's also, again, a very expensive facility to maintain, given the historical nature of the facility.

Parks and Recreation Director Couceyro: We definitely need the revenue.

Commissioner Anderson: I'll just belabor the point a little bit more because I do run, walk, and go by that area quite a bit. I mean, this past weekend, the parking was into where we're going to put

the next (INAUDIBLE) and garden right across the way. So, I mean, parking is inadequate for the volume that's coming in. And historically, I can tell you from the time that I raised my kids 30-some years ago, that it was much easier for a resident to get into the pool at that time, and it was not a hassle. It's a much drastically different situation right now. So, yeah, whatever we can do to make it easier for residents and add those extra hours would be fabulous.

Parks and Recreation Director Couceyro: Yeah. We're a little bit of victim of our own success. As the pool got more popular and we did good things with it, more and more people showed up, and that's when we had to start lowering capacity little by little. And then we did a drastic one because we had -- at one point, we were at 700 an hour for...

Mayor Lago: I'm not comparing us to any other facility, but if you look at other municipalities or areas in Miami-Dade County that have like similar water parks, this is not a water park, but...

Parks and Recreation Director Couceyro: Right. It's a different -- yeah.

Mayor Lago: What are they offering in regards to pricing?

Parks and Recreation Director Couceyro: Well, it depends.

Mayor Lago: They have something right next to the golf course near the airport.

Vice Mayor Mena: Yeah, Melreese, yeah.

Mayor Lago: Melreese -- adjacent from Melreese. I just want -- just to get an idea.

Parks and Recreation Director Couceyro: That's the Grapeland Water Park. I think that's operated as a regular water park. I do know Miami Shores has a small water facility that they only allow residents to use at a small price, but it's a large money item then. It's a -- like you said, our facility's

a little different. We're not just a water park where we're dealing with just the -- we're dealing with the whole historic nature of the pool. There are so many things that you constantly have to look at, yeah.

Mayor Lago: The amount of tourists that I see on weekends, on Thursdays and Fridays, like as you drive through the City -- because I usually -- I use that street to drive to City Hall. It's incredible the amount of people that are there to really take -- to really understand the Venetian Pool, are interested in the history.

Parks and Recreation Director Couceyro: It's a prestigious facility, and we win a lot of awards, and we get a lot of -- so, I mean, you know, it's -- people want to come see it, and that's -- so it's a balancing act and we understand the needs of our residents.

Mayor Lago: So, we haven't raised the price in three years?

Parks and Recreation Director Couceyro: No, we raised it -- no, because it was part of our fee raise. We raise it -- right now, we raise it 5 percent every other year.

Mayor Lago: Okay.

Parks and Recreation Director Couceyro: But we did the big giant raise about three years ago. But we have a five-year plan where every year that we -- we presented it to you at Commission a few months back. It's every year -- every other year, it's 5 percent, and that's most of our programs.

Commissioner Menendez: Just a thought on what you, you know, mentioned as a possibility -- and I know it brings in a lot of money in these times. That's fantastic. It helps the City in many ways. So, if you're able to add maybe an hour or two on the back end or the front end to look at dramatically -- you know, I don't know what the fee structure would be for those two hours, but dramatically cut -- because it'd be beautiful to see the Venetian Pool filled with residents enjoying

themselves. And also, (INAUDIBLE) the extra hour too, but know that they got a preferred rate for being a Coral Gables resident. If we could do something special, it'd be great.

Parks and Recreation Director Couceyro: Well, we can look at a preferred -- because it'll only be a small hour. It would only be a small group; it's not a whole day admission.

Commissioner Menendez: Right.

Parks and Recreation Director Couceyro: It's a couple hours. If that's the direction, we can do it. It's not a problem. It's just us figuring out how to schedule it and making sure we have the staff, and we can do it.

Commissioner Menendez: Do you mind coming back? I mean unless my colleagues want something. Not -- you know, obviously, I don't want to put you on the spot. I don't think none of us do.

Parks and Recreation Director Couceyro: Well, we're running out of season anyway.

Commissioner Menendez: If you could come back to us and maybe brief us on what...

Parks and Recreation Director Couceyro: Yeah, because we're...

Commissioner Menendez: Options there are...

Parks and Recreation Director Couceyro: Running out of season.

Commissioner Menendez: So we could support it.

Parks and Recreation Director Couceyro: And we'll tell you, yeah. And for the pool, a quick plug, on Sunday is our dog swim, so one of our most favorite events. If you ever look at my Team's background, I got a little dog jumping in the water.

Commissioner Menendez: That's great.

Parks and Recreation Director Couceyro: Is there anything?

Mayor Lago: Thank you, Fred. I appreciate you for all the information.

Parks and Recreation Director Couceyro: Thank you.

Assistant Finance Director Kleiman: Okay, that was the last follow-up item, so we're going to go to the presentation now, unless anyone has another question.

Mayor Lago: I'd like to have all this information included, you know, for everyone to enjoy...

Assistant Finance Director Kleiman: Sure.

Mayor Lago: You know, on the website in some way or another.

Assistant Finance Director Kleiman: Okay. Okay, so first slide is the calendar, you could see we're at the very bottom now, September 27th, the second budget hearing. We're going to adopt the budget this evening, and it'll be effective as of October 1st. Just as a recap, the COVID pandemic, we declared it as a three-year event, affecting FY20, FY21, and FY22. And the goal was to keep the shortfall in each year contained within that year without touching fund balance. So, far, we've been successful in doing that. We have every hope that FY22 would be the same. And then for FY23, we are hoping to be out of the pandemic fiscally. Obviously, health-wise too, but hopefully, fiscally. For FY20, the projected revenue shortfall was \$9.2 million; the actual

shortfall, \$8.2 million. Though we balanced the budget for FY20, full and part-time positions were frozen for \$3.3 million; operating accounts frozen plus normal surpluses, \$3.9 million; and capital project deferments of \$1 million. For FY21, the projected revenue shortfall was 12.6, as we just went over. The way we balanced the budget was through hard reductions. We reduced the budget by \$12.6 million. And in addition to that, we had the soft reductions, which we've talked about, are additional items identified in the budget but supported with revenue. The hard reductions, \$1.9 million for vacancies that were frozen. We reduced operating expense, \$2.2 million. We reduced the capital transfer from the general fund, \$4.6 million. We reduced the capital contingency in the general fund by \$1 million. We reduced reserve for future debt, \$1.2 million; adjustment for compensated absences, \$950,000. We reduced fleet replacement for just the one year, \$495,000, and health insurance adjustment of 280. The FY21 soft reduction: contingency for budget reductions, \$5.4 million; reduce reserve for future debt, \$600,000. That was the \$600,000 in total -- I mean, the \$6 million in total we discussed before. And pension stabilization, \$1 million that was available to be used if necessary, and we have not used it. That will stay in the fund balance. FY22 soft reductions still built into the budget, contingency for budget reductions, \$1.2 million; reduce reserve for future debt, \$600,000, that's still included in the budget; and there's still that \$1 million with pension stabilization. Now, the budget summary. The annual revenues are projected at \$242.7 million. Planned use of fund balance, \$26.9 million; total revenues, \$270 million. Expenditures. The operating budget is projected at \$178 million, capital at \$81 million, debt service at \$9 million, transfer from reserves, \$1.4 million, for a balanced budget of \$270 million. Revenue increases. The largest increase is the estimate for Garage 1. We're estimating that we will go to debt of \$42 million, and that's included in the budget because we plan on breaking ground during FY22. Property tax with the same millage rate, but the increased values, \$3.6 million. Automobile parking fees, \$2.9 million higher than the previous year. Stormwater utility fees, \$600,000. Most of that is going toward the sea level rise reserve fund. That's \$445,000. Permit fees going up by 507; transportation sales tax, \$390,000; golf fees, \$269,000; general government fees, 295 -- I'm sorry. Yeah, golf fees are 269. General government fees, \$295,000; franchise fees, 240 and so on. So, the total increases, 51 -- almost \$52 million. And that affects the revenues of \$221,000 in the budget. On the decrease side, sale of land and buildings, \$5.2

million is the land swap for the old public safety building. That is a one-time item in the budget for FY21, not included in FY22. \$1.5 million, Miami-Dade roadway impact fees. That will be re-appropriated in the first quarter. And the other items are all one-time items in the budget for the most part that will not be repeated for FY22. Total revenue decreases, \$8.5 million. The net change in the budget is \$43 million. Details of the expenditure changes affecting the budget. Salaries are going up by \$1.3 million. Overtime is going down by \$35,000. That was a one-time item that'll be covered in -- over expenditure in FY21, but that was toward their operating budget, and it's been pulled out. It was just a one-time item. Retirement, \$911,000, made up of three components. There's the 1.25 percent index that we do every year. There's the assumption change, and then there's additional 401a participants. All that brings the payment up to \$30 million, and we know that we'll get to the slide, but the additional payment for this year is going to be nearly \$7 million. FICA is \$118,000 increase over last year. The health is almost \$1.1 million. That represents an 11 percent increase in health insurance premiums over the previous year. Expenditure changes that affect the budget on the operating side. Professional services going down by \$395,000; repairs, maintenance, utilities, and miscellaneous services, 182 higher; parks supplies and IT maintenance, \$361,000 going up. The other items, all the big negatives in there, except for the contingencies, are one-time items that were in the budget that will not repeat themselves for FY22. The contingency is money that was taken out to fund some of the contractual items that are on the personnel side of the budget. This slide shows the cost of labor. Total salaries, \$74 million; total benefits, \$48.4 million. The total is \$122 million, and that's 68.9 percent of the total operating budget. Employee classification, a 10-year comparison. We have maintained the same headcount for the last three years: FY20, 21 and 22 at 846 full-time employees. The American Rescue Plan, we're projected to get \$8.5 million. We got half of that already. As we discussed at the first hearing, we are applying those dollars to the Broadband Smart City Technology, approximately \$2 million. Impact glass installation at the Youth Center for \$387,000; Ponce Circle Park, almost \$2 million; the Venetian Pool structure and pool bottom restoration, 1.7; and Firehouse 4, \$2.3 million. Now we've gone over all the details of the capital budget in the first hearing and during workshops previous to this, so I'm just going to go over the totals of each category. If anyone has any questions, please stop me, and just ask your question. Total capital equipment, \$4.4 million;

facility repairs and improvements, just under \$2.3 million; historical facility repairs and restorations, \$3.7 million; motor pool equipment, \$3.4 million; parking repairs and improvements, \$44 million, and that does include the \$44 million estimate for the Mobility Hub. Parks and recreation, \$9.6 million; public safety improvements, \$3.3 million; transportation and right-of-way improvements, almost \$4.6 million; and utility repairs and improvements, \$9 million, for a total capital budget of \$84 million. And let me just say one more time that the automobile budget is in the operating budget. So, if you look on other documents, it shows 81 million. That's just a reconciliation item. The property tax -- the millage rate that we're proposing is 5.559. This is the seventh, I think, consecutive year -- the sixth, the sixth consecutive year, right? It's seven -- seventh consecutive year. I should know that by now -- that we've maintained a millage rate of 5.559. Now, if you apply our values, our average value of \$725,000 to the millage rates proposed for the other full-service cities, you can see the difference that it'll cost the homeowner. Okay, so for -- I'm sorry. So -- yeah, I'm sorry. I'm looking at the wrong slide. My bad. So, this is the increase over the previous year of the property tax. It should cost an average value of \$726,000. That homeowner would pay an additional 117 of Coral Gables values, but keep in mind that not all homes are at that level. If you have a person who's been here for some years, their values -- their taxable value could be in the \$250,000 range, so their extra cost would be somewhere in the \$40 range for the year. Now, this is the slide I was referring to before. If you apply our values to the millage rates of the other cities, you see how much more it would cost to live in the other cities. So, I've said this before, we do not have high taxes here; we have high values. Our millage rate is a very reasonable millage rate, and we'll go over that compared to other cities. Coral Gables properties by type: 52.1 percent are homesteaded, 33.7 are non-homesteaded. You have 8.9 percent, which is commercial, and 5.2 percent, which is all others. The revenue brought on by the same categories. Residential brings in 4.2 -- residential homesteaded. Non-homesteaded brings in 27.2, commercial brings in 18.6, and all others brings in 7.7. Now, this is that same information in just a different type of slide, a different visual. We have five full-service cities in Miami-Dade County. Coral Gables, our millage rate, is the second lowest, the lowest one always being Key Biscayne. Now, the next slide is similar information, but it looks at the total millage rate, not just the City millage rate. And you can see where we are. We are still second to lowest. The blue are



the full-service cities, other than Coral Gables. The orange is Coral Gables. So, we have maintained that number 11 spot for the last five or six years, as far as I know. I think the highest we've been is the 12th spot, and that was years ago. Property tax distribution by dollar. For every dollar of taxes that our residents pay, only 29 cents goes to Coral Gables. And I've said this before, when a resident comes -- needs services, they come to the City for their services. So, even though the County is getting 32 cents for every dollar, a resident knows when they need help, they come to the City, and that's where they get their help. The annual pension contribution, you can see here, the new required contribution for the next fiscal year is \$22.7 million. Our additional payment last year was \$5 million. This year it's going to be nearly \$7 million. And use of the 401 has gone up from \$597,000 to \$677,000. The funding ratio -- and I'm sure the Commission is very happy to see this slide. We are at 68.7 percent funded and 31.1 -- 31.3 percent unfunded. And this has been a lot of hard work for the City, and we've done, I think, a tremendous job. And we hope to be out of our unfunded liability within about 12 years if all goes well. The general fund reserve analysis. We should be at about \$45 million. We're at about \$40 million. And that difference is just the money owed to us by FEMA, the State, and insurance for the storm and for CARES.

Mayor Lago: I think we mentioned it before...

Assistant Finance Director Kleiman: And that's it.

Mayor Lago: Since this is the last slide, maybe you can touch up on it again. Do we have any idea of a date when we could potentially expect to be paid? I know I may be asking for a little bit more than can be possibly given, but I'll shoot anyways.

Finance Director Gomez: Yeah. So, no, we're...

Mayor Lago: It's coming in a trickle?

Finance Director Gomez: It is, and there's really not that much more that we're waiting for from FEMA. I want to say just under \$2 million from FEMA and about another million from application of the insurance proceeds. So, we're getting there. Now, we're starting to see little trickles here and there. I actually saw an email the other day of another \$20,000 they want to close out and be done, you know. So, they're doing it -- we're responding to their inquiries, but they really do look at every single receipt and every single document and every single picture and things like that. So, we are getting it. There's nothing that we're in fear of not getting. It's just a matter of when.

Mayor Lago: Okay. I don't know if my colleagues have any other comments they want to talk before we open this up for a public hearing. I just have three projects that are important that I want to put on the record that I would like to see staff -- I know this year is very tight, but if we can find some monies to address these projects, they're very small, and I think they'll have a big impact. The first one is the sidewalk project that I mentioned to the Manager, which is adjacent to the fountain on Coral Way and Granada, the Granada golf course. It's a sidewalk which basically just ends and then it's a dirt road before you get -- and then it leads right near that fountain near where the circle -- with that sculpture is, where the smaller sculpture is, and the flower sculpture is. It's important not only for beautification, but it's important also for ADA. I see a lot of families, and I've seen actually people in wheelchairs use that sidewalk and they have to go on the dirt.

City Manager Iglesias: We've already discussed that, Mayor. We will take care of that.

Mayor Lago: It's a small, very small piece...

City Manager Iglesias: Very small.

Mayor Lago: Of sidewalk, and I'd like to see that installed. That was brought to my attention by Mayor Cason. And then also, Commissioner Menendez and Commissioner Anderson were present -- I don't know if they were involved in this conversation after -- when we visited the Golden Gate Homeowners Association last week, and we had a nice meeting. We were there to discuss the co-

designation, but it turned into more of a kind of community meeting, which I think it was warranted and I think it was appreciated. One of the items that they brought up, which I know that this will -- which the Vice Mayor and Commissioner Fors will enjoy -- is that we have a nice park, Golden Gate Park. It's a little park that is getting a lot more use because a lot of young families are moving into the neighborhood and people who live in the neighborhood are now starting to have kids. They're asking for a small play structure. And I'd like -- I mean, she even said -- and goes, I don't want anything huge. I just want a small play structure, something for the kids in the neighborhood so they don't have to go to the other park, which is across the street. I think it's near Frow Avenue. The line separates Coral Gables and City of Miami. So, I think it'd be nice to just put a small play structure, if we have some funds. Maybe we can make this, you know, a priority for this year. I know that we have a lot of asks. And the third is one that we've been working on for some time, which is the circle on Miller, which has been an issue, which I know that that's been working on it. We're going to do a traffic study. We've done multiple traffic studies, and there were findings from Miami-Dade County saying that corrective measures are warranted.

City Manager Iglesias: We're going to be working with Tim Plummer and Associates for it.

Mayor Lago: Okay. I'd like to see if we can finalize it this year. I know that we have some monies from the University of Miami that are not allocated to this, but they're allocated to crosswalks and other things that are...

City Manager Iglesias: We have \$250,000.

Mayor Lago: I'd like to see that money be finally finished and used in the neighborhood. Maybe I'm being selfish, and I have no problem admitting it. There's a lot of people and there's a lot of families. There's a lot of UM students that are in the neighborhood. And whatever those -- whatever staff deems appropriate for those \$250,000 to be used, it's money that's been provided by the University of Miami. Let's get it in the books and let's use it in a project.

City Manager Iglesias: We're already setting up a meeting on that specifically, Mayor.

Mayor Lago: So, those are three projects that I'd like to see. One is a very small sidewalk project, one is a very small place structure, and the third is the Miller Circle, which it's a very confusing circle for a lot of people. I live a few blocks away, and I've gotten concerns from multiple people on that issue. Thank you.

Commissioner Menendez: I have a -- I'm sorry. You were going to go? With regards to the discussion we had a little while ago -- and I would obviously need guidance on this -- we were talking about the Venetian Pool. And it's my understanding there's some obviously work that's being done. I think the surface and the pumps may have to be replaced. I think we have coming up soon on our agenda, maybe if not tomorrow, the next one, our state legislative priorities. When I was with the City of Miami for some years and I did the intergovernmental affairs, we were able to get a million dollars for Miami Marine Stadium, a historic landmark. Venetian Pool is a historic landmark. I would love to, perhaps after this meeting or sometime this week before, you know, it's too late, to find out if perhaps we can add getting -- trying to get some state funding for the Venetian Pool, since it is a historic landmark and there has been some success drawing money to such landmarks. Perhaps it would help the City move that along. So, I'd love to have that discussion.

Assistant Finance Director Kleiman: Okay, we'll look into that.

Commissioner Menendez: Thank you.

Mayor Lago: Mr. Manager, that could be a priority for our October visit to Tallahassee that I know...

City Manager Iglesias: We're trying to...

Mayor Lago: Naomi's coordinating.

City Manager Iglesias: Kick it up above -- about 4.2, \$4.3 million already, Mayor.

Mayor Lago: Yeah, perfect. Okay, thank you. Any other questions, concern from staff? Any ideas? Perfect. Mr. City Clerk.

City Clerk Urquia: Yes, sir.

Mayor Lago: Are there any comments? Anyone that would like to speak?

City Clerk Urquia: We do have one request to speak, Mr. Mayor. But before we go, I did receive an email on behalf of the Arts Advisory Panel and Cultural Development Board. They adopted a motion expressing the sentiment of the Arts Advisory Panel and the Cultural Development Board members that the restoration of the White Way Lights is a worthy and worthwhile project. However, use of the Art in Public Places funds should go through the board process for appropriate use of the funds, and the board is not ready to propose support of using the Art in Public Places funds for this project at this time. In addition, the board recommends establishing a procedure for distribution of Arts in Public Places funds. And the board was -- it was a motion by the board and passed unanimously. They wanted that read on the record tonight.

Mayor Lago: Thank you, Mr. Clerk. And I want to thank the members of the Arts Advisory Board for their input and their guidance, and like I mentioned before in the last Commission meeting, obviously we're in a tough position financially this year and last year, and we want to be as careful and prudent, but this is a project that needs to happen. This is a project that for a long time has been on the books, and it's shameful when you drive down Bird Road and Granada and you see some of the White Way Lights that are covered in yellow tape. And I don't want to spend those monies, but I see it as a worthy opportunity to really address the issues that again, in my opinion,

put a stain on a lot of the history that has really set the City apart. So, I'm ready to move forward on that issue.

City Clerk Urquia: Okay. And Ms. Maria Cruz has requested to speak today.

Mayor Lago: Ms. Cruz, the floor is yours. Ms. Cruz?

City Clerk Urquia: She doesn't seem to be unmuting.

Mayor Lago: Well, let's give the -- let's give Mayor Cruz a few more seconds, and then we'll move from there.

City Clerk Urquia: Ms. Cruz?

Maria Cruz: Okay, I'm here. I'm here. Can you hear me?

Mayor Lago: Ms. Cruz, yes. The floor is yours.

Maria Cruz: Alright, I have two comments. I'm very, very grateful that -- that's old stuff. That's all old stuff. I'm very grateful that we heard about the overtime. I'm still not satisfied with the explanation for Sanitation. But I'm going to let it go because I guess I do not understand the explanation. I think at the end, we're going to see that it's way more than what we are being told. The second comment has to do with the San Amaro/Miller Circle. It's been years. We've done all kinds of studies. The studies were sent to Miami-Dade. Miami-Dade agreed that it needed to be changed to a one lane. Please do not continue spending money on studies. Let's fix it. Save the money from the studies so we can fix the circle that we've been asking for years, and Miami-Dade has agreed that we need to do it, please. Thank you.

Mayor Lago: Thank you, Ms. Cruz. That's a priority that I mentioned. I think that my Commissioners will support me on that to make sure that we finally deliver on that project. I think that project's been in the books for -- as long as I've been here, we've been talking about it, so I think it's time to get it done.

Commissioner Anderson: I agree.

Mayor Lago: Thank you.

Commissioner Anderson: I use it too.

Mayor Lago: It's a little bit of a confusing circle. Any other comments? If not, we'll move on with the City Attorney, and we'll read the Ordinance 21-2996 into the record.

City Attorney Ramos: So, we have three items today: two ordinances and a resolution. The first is an ordinance providing for the levy of taxes for the Fiscal Year beginning October 1, 2021 and ending September 30, 2020 (sic); fixing the rate of such levy; providing for the segregation and application of the proceeds of such levy; providing for the separability of the provisions hereof; and providing that this ordinance shall become effective October 1, 2021. It was passed on first reading on September 13, 2021. Be it ordained by the City Commission of the City of Coral Gables that there is hereby levied upon the real and personal property within the present corporate limits of Coral Gables, which is assessed for taxation for the year 2021, and which is subject to taxation under the Constitution and the laws of the State of Florida as now written: A tax of 5.559 mills which is a 3.58 percent increase over the rolled-back rate of 5.3668; all proceeds of the collection of this levy to be recorded in the General Fund of the City and shall be reserved therein and disbursed/transferred therefrom for the sole and express purpose of paying the necessary operating and capital expenditures of the City of Coral Gables, its departments, offices, and properties, for the fiscal year ending September 30, 2022.

Mayor Lago: I'll entertain a motion.

Commissioner Menendez: Motion.

Commissioner Anderson: Second.

Mayor Lago: Mr. Clerk.

Commissioner Anderson: Yes.

Commissioner Fors: Yes.

Vice Mayor Mena: Yes.

Commissioner Menendez: Yes.

Mayor Lago: Yes.

(Vote: 5-0)

Mayor Lago: Madam City Attorney.

City Attorney Ramos: Next is an ordinance adopting the Annual Budget of Estimated Revenues and Expenditures for the Fiscal Year beginning October 1, 2021 and ending September 30, 2022; providing for the separability of the provisions hereof; and providing the ordinance to become effective October 1, 2021. It passed on first reading on September 13, 2021. Whereas, the City Manager prepared and on July 1, 2021 submitted to the Commission a Budget Estimate for the revenues and expenditures of all City departments, divisions, offices and properties for the fiscal year commencing October 1, 2021 and copies of such estimate have been made available for public viewing at the Coral Gables Library and Office of the City Clerk; and whereas, the Budget Estimate submitted to the Commission on July 1, 2021 in the amount of \$255,660,343 has been revised by the City Manager to include revenues and expenditure increases in the amount of \$13,872,576, bringing the total budget to \$269,532,919; and whereas, the revised revenue estimate of \$269,532,919 includes total revenues in the amount of \$242,652,080 and transfers from the fund



balance of \$26,880,839; and the revised expenditure estimate of \$269,532,919 include expenditures of \$268,114,879 and transfers to reserves in the amount of \$1,418,040. That the following summary estimate revenues and expenditures for the fiscal year commencing October 1, 2021 and ending September 30, 2022 is hereby agreed upon and adopted alongside the supporting data relating thereon to the file of the Finance Department of the City of Coral Gables as the official 2021-2022 Budget of the City of Coral Gables. The amount of money for all respective purposes is set forth below for the op...

(BREAK IN AUDIO)

City Attorney Ramos: Authorized to be financed from any other available source of the City. Total operating revenues, \$242,652,080; total transfers from reserves, \$26,880,839; total revenues, \$269,532,919; total operating expenditures, \$177,747,587; capital projects in the amount of \$81,259,597; total debt service appropriation in the amount of \$9,107,695; total transfers to revenues in the amount of \$1418,040, for total expenditures of \$269,532,919.

Mayor Lago: Thank you, Madam City Attorney. I will entertain a motion.

Commissioner Anderson: I'll move it.

Commissioner Menendez: Second.

Mayor Lago: Mr. Clerk.

Commissioner Fors: Yes.

Vice Mayor Mena: Yes.

Commissioner Menendez: Yes.

Commissioner Anderson: Yes.

Mayor Lago: Yes.

(Vote: 5-0)

Mayor Lago: Madam City Attorney, will you please read the resolution into the record?

City Attorney Ramos: Yes, sir. A resolution adopting the Capital Improvement Program for the five fiscal years from 2022 to 2026. Whereas, the City Manager has prepared and submitted to the Commission a five-year capital improvement program for Fiscal Years 2022 through 2026. Now, therefore, be it resolved by the City Commission of Coral Gables that the proposed Capital Improvement Program for Fiscal Years 2022 through 2026 is hereby adopted as a long-range strategy for capital improvements.

Mayor Lago: Thank you, Madam City Attorney. I'll entertain a motion.

Commissioner Menendez: I'll move it.

Commissioner Anderson: Second.

Mayor Lago: Mr. Clerk.

Vice Mayor Mena: Yes.

Commissioner Menendez: Yes.

Commissioner Anderson: Yes.

Commissioner Fors: Yes.

Mayor Lago: Yes.

(Vote: 5-0)

Mayor Lago: If there are no further comments, I, again, want to reiterate my statements at the beginning. I want to thank all the staff for all your hard work, the City Manager, the City Attorney,

and City Clerk, our police officers, our firefighters. I want to thank the Finance Department. You have done an incredible job. Diana, you keep doing an incredible job; Kevin...

Unidentified Speaker: Thank you.

Mayor Lago: All of the team. We are blessed to have you here. So, we look forward to next.