



CITY OF FORT LAUDERDALE

APPROVED
BUDGET ADVISORY BOARD MEETING
CITY OF FORT LAUDERDALE
JULY 21, 2021 – 6:00 P.M.
8th Floor Conference Room
100 North Andrews Avenue, Fort Lauderdale, FL 33301

Board Member	Attendance	10/2020 through 9/2021	
		Cumulative Attendance Present	Absent
Brian Donaldson, Chair	P	9	0
Jeff Lowe, Vice Chair	P	9	0
Ross Cammarata	P	8	1
Catherine Graham	P	9	0
Michael Marshall [until 7:22]	P	7	2
A. Abidemi Oladipo	P	8	0
Prabhuling Patel	P	9	0
Adam Sabin	P	7	2
Johnnie Smith	A	7	2
Christopher Williams	P	7	2

Also Attending

- Laura Reece, Director, Office of Management and Budget
- Susan Grant, Director of Finance
- John Herbst, City Auditor
- Ben Rogers, Director of Transportation and Mobility
- Michael Dudley, Senior Budget and Management Analyst
- Charmaine Crawford, Board Liaison
- Jamie Opperlee, Prototype Inc. Recording Secretary

Communications to the City Commission

Motion made by Mr. Lowe, seconded by Mr. Cammarata to inform the City Commission that based on the \$432 million needed for the new water treatment plant, the Board supports the 5% additional annual increases over a period of 5 fiscal years starting in 2022. In a roll call vote, motion passed 9-0.

Purpose: To provide the City with input regarding the taxpayers’ perspective in the development of the annual operating budget; to review projections and estimates from the City Manager regarding revenues and expenditures for upcoming fiscal year; to advise the City Commission on service levels and priorities and fiscal solvency; and to submit recommendations to the City Commission no later than August 15 of each year regarding a budget for the upcoming fiscal year.

I. Call to Order

The meeting of the Budget Advisory Board was called to order at 6:00 p.m.

II. Roll Call

Roll was called, and it was determined a quorum was present.

III. Approval of Last Meeting Minutes – June 9, 2021

Motion made by Mr. Lowe, seconded by Ms. Graham, to approve the minutes of the Board's June 9, 2021 meeting. In a voice vote, motion passed unanimously.

IV. Floor Open for Neighbor Input

None

VI. New Business

A. Presentation of FY 2022 Proposed Budget Neighbor Engagement Tool

Live (Balancing Act) – Office of Management and Budget

Michael Dudley, Senior Budget and Management Analyst, provided a presentation showing how to use the software. He noted that going through the interactive exercise informed users about the City's budgeting process: where the money comes from and where it was going. Chair Donaldson wanted to see the report and to know specifically what percentage of people who had used the software indicated they would approve of increasing taxes. Ms. Reece said the software allowed public input that staff summarized and shared with the City Commission. She agreed to provide Board members with the report, effective the Friday prior to the Board's meeting with the City Commission.

Mr. Patel asked if the information obtained from the software had any impact on the budget and Ms. Reece said the software was a way for the public to provide input on the budget, like speaking at a public meeting. Chair Donaldson said some Commission members had used it to discuss their constituents' priorities.

Mr. Sabin asked if the City was marketing the software and Ms. Reece said it was on the City's website, and Commission members shared it with their constituents. Chair Donaldson said it was also on the City's Facebook page.

B. Presentation of FY 2022 Proposed Budget and Community Investment Plan – City Manager/Designee

Ms. Reece and Mr. Rogers provided a Power Point presentation, a copy of which is attached to these minutes for the public record.

Ms. Reece and Mr. Rogers discussed the following:

- Proposed millage rate and debt
 - Overview of rates
 - Example of City taxes
- Proposed Selected Enterprise Funds
 - Water and sewer fund
 - Parking fund
 - Stormwater fund
- FY 2026 Community Investment Plan [All Funds]

Chair Donaldson wanted the Board to discuss and make a communication to the City Commission regarding how to cover the new water treatment plant construction funding.

Mr. Williams agreed with the Stantec analysis, that the City should be in control of the water plant, not a private entity, and felt they should start saving for it now.

Mr. Cammarata believed there were problems with water billing now that the City had not addressed. He said from an optics perspective, he disagreed with increasing the rate to pay for a treatment plant in the future, but from a financial perspective, he admitted it was needed.

Mr. Marshall said the reserves should be earmarked for this purpose to give the public confidence.

Mr. Oladipo agreed with the plan and felt they had no choice but to be prepared.

Mr. Patel asked if building up the reserve would reduce the total cost. Ms. Reece said whatever they put into the reserve could reduce costs or the debt. After 2026, the Stantec plan indicated they could stop charging the additional 5% and go back to the 3.6% increase per year.

Ms. Reece stated the current revenue for water was approximately \$83 million per year. In the first year, the additional 5% would bring in \$4.1 million and it would increase each year while in effect.

Ms. Grant stated the reserves for the plant would be established by resolution and would require a resolution to change. Chair Donaldson said it must be communicated to residents that the reserves would be specifically set aside for this purpose and the City was being proactive

Mr. Sabin agreed with the plan; he believed it was proactive and fiscally responsible.

Ms. Graham asked if there was any help available for people who would have difficulty paying the increase on their water bills. Ms. Reece was not aware of any.

Motion made by Mr. Lowe, seconded by Mr. Cammarata to inform the City Commission that based on the \$432 million needed for the new water treatment plant, the Board supports the 5% additional annual increases over a period of 5 fiscal years starting in 2022. In a roll call vote, motion passed 9-0.

Mr. Rogers said it was time for residents to reapply for the residents' parking rate. He described their current outreach and agreed to send the information to Ms. Reece to distribute to the Board.

Ms. Reece reported the new stormwater rate was sufficient to support the debt for the proposed stormwater projects in the CIP. Ms. Grant stated they were conducting a bond validation on the entire program, approximately \$1 billion over 20-25 years.

Ms. Reece agreed to send the Power Point presentation to Board members.

Mr. Lowe asked when the Board would receive the latest vacancy report and staff agreed to look into it.

Chair Donaldson opposed adding Presidents' Day as a paid holiday and would rather use the funds to help pay for some needed full time employees in some departments. Mr. Herbst stated this was a City Commission policy request that they had directed the City Manager to add to the budget.

Mr. Patel thought they should advise the City Commission to pay for both the FTEs *and* the holiday. Mr. Lowe said he had already informed the Mayor and two Commissioners that he opposed adding a holiday and supported hiring FTEs. Ms. Graham preferred the paid holiday. Mr. Oladipo said since it was a Commission priority, he agreed with the holiday. Mr. Marshall said he did not know how important the FTEs were compared to a holiday and he would have to side with the City Commission. Mr. Cammarata believed the Commission had already made up their minds and the Board would not sway them. He added that he had assumed staff already had the Presidents' Day holiday, and he supported it. Mr. Williams thought it was important to recognize Presidents' Day and that the FTEs were a different, needed discussion.

Mr. Marshall left the meeting at 7:22 pm.

Chair Donaldson said he felt the Board was split and he would discuss this with the City Manager and explain that Board members agreed that the need for FTEs should be re-examined. Mr. Williams felt Board members should speak to Commission Members individually.

V. Old Business

None

VII. Communications to/from the City Commission

[Earlier in the meeting]

Motion made by Mr. Lowe, seconded by Mr. Cammarata to inform the City Commission that based on the \$432 million needed for the new water treatment plant, the Board supports the 5% additional annual increases over a period of 5 fiscal years starting in 2022. In a roll call vote, motion passed 9-0.

VIII. Board Member Comments

Chair Donaldson said the Board would meet again in two weeks and two weeks after that they would meet with the City Commission on August 17.

IX. Adjourn

Upon motion duly made and seconded, the meeting was adjourned at 7:27 p.m.

Minutes prepared by J. Opperlee ProtoType Inc.

Agenda

01

FY 2022 Proposed Millage and Debt

- Overview of Rates
 - Example City Taxes
-

02

FY 2022 Proposed Selected Enterprise Funds

- Water and Sewer Fund
 - Parking Fund
 - Stormwater Fund
-

03

FY 2022 – FY 2026 Community Investment Plan (All Funds)

- FY 2022 – FY 2026 Significant Project Funding
-

04

Questions and Discussion

- Next Steps

General Fund - Proposed Millage and Debt Rates

Example Property Values					
Save Our Home Value		\$150,000	\$300,000	\$501,025*	\$550,000
Homestead Exemption		\$50,000	\$50,000	\$50,000	\$50,000
Municipal Taxable Value		\$100,000	\$250,000	\$451,025	\$500,000
Example Proposed Millage and Debt Service Rates					
Proposed Millage Rate	4.1193	\$411.93	\$1,029.83	\$1,857.91	\$2,059.65
Total Debt Service Rate	0.2613	\$26.13	\$65.33	\$117.85	\$130.65
2015 Refunding	0.0255	\$2.55	\$6.38	\$11.50	\$12.75
2011A	0.0275	\$2.75	\$6.88	\$12.40	\$13.75
Public Safety Bond	0.1160	\$11.60	\$29.00	\$52.32	\$58.00
Parks Bond	0.0923	\$9.23	\$ 23.08	\$41.63	\$46.15
Total Millage and Debt	4.3806	\$ 438.06	\$1,095.15	\$1,975.76	\$2,190.30

*Median Estimated City Taxable Value



Water Treatment Plant

- Estimated Cost of New Water Treatment Plant – \$432 million (not included in current rate structure)
- Additional 5% rate increase above the current 3.6% increase is required annually in FY 2022 - FY 2025 dedicated to new Water Plant
- Dedicated reserve to be set up to ensure that the additional rates are dedicated to the new plant
- New rate beginning in FY 2022
- Debt issuance expected in FY 2026

Parking Fund



New Rates:

- Effective: July 1, 2020
- Three Parking Zones

Parking Zone	Registered Resident	Other
Zone 1: Barrier Island	\$1.50	\$4.00
Zone 2: Downtown	\$1.50	\$3.00
Zone 3: All Other	\$1.50	\$2.00

COVID-19 Initiatives:

- \$10 daily max rate through February 2021
- Suspended collections through February 2021
- Suspended vehicle booting through February 2021
- Utilized parking spaces for non-parking uses at no-cost



Parking Fund (continued)

Since return to normal (March 2021):

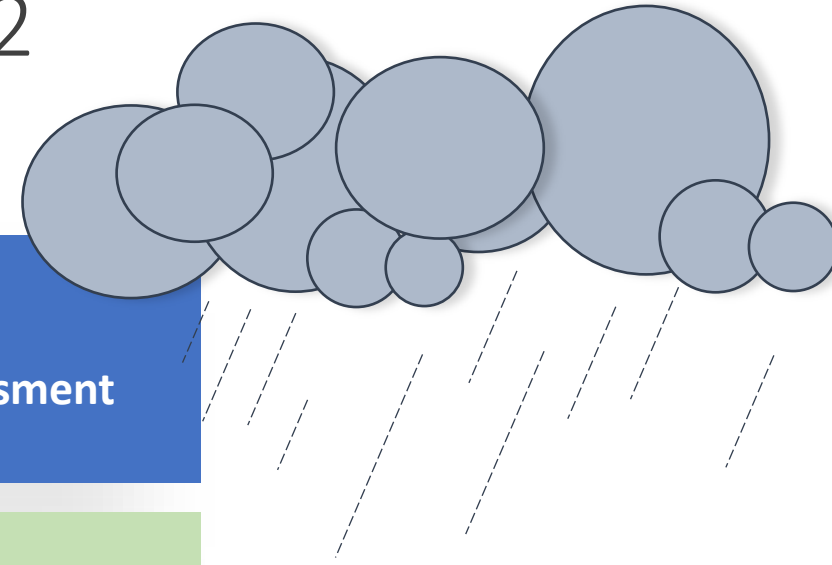
- Meter revenue is outperforming previous years
- Demand has rebounded and is “typical”
- Chart above illustrates meter sales (FY 2021 compared to FY 2020)



Stormwater Bond Issuance

- New rate structure in place with FY 2021 budget to support debt
- \$70 million Line of Credit currently in place
- Currently reviewing draft of Master Bond Resolution (\$1 billion)
- Currently preparing documents for Water Infrastructure Finance and Innovation Act (WIFIA) Program
- September 2021 – City Commission adopt Master Bond Resolution
- September 2021 – Submit documents for bond validation (approximately a four to six-month process)
- January 2022 – City Commission adopt Series Resolution (up to \$200 million)
- February 2022 – Bond closing

Stormwater Fee – No Increase in FY 2022 (Annual Assessment)



Stormwater Charge (Annual Assessment)	FY 2021 Adopted Assessment	FY 2022 Proposed Assessment
Single Family Residential ≤ 3 Units	\$218.71 / unit + \$4.19 / trip	\$218.71 / unit + \$4.19 / trip
Developed Parcels	\$2,273.01 / acre + \$4.19 / trip	\$2,273.01 / acre + \$4.19 / trip
Undeveloped Parcels	\$567 / acre	\$567 / acre

Significant FY 2022 – FY 2026 Capital Funding (All Funds)

	Unspent Balances (as of 5-7-21)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Totals
GRAND TOTAL*	\$571,227,807	\$244,369,308	\$298,756,921	\$96,522,624	\$112,255,810	\$43,561,846	\$1,366,694,316

**The City has the authority/voter approval to issue another \$120 million in Parks Bonds*

Key Project Highlights:

- \$4.0 million Additional to complete Fire Station 13
- \$10.0 million Beach Nourishment
- \$10.0 million Asphalt Resurfacing & Sidewalk Replacements
- \$10.0 million Seawall Replacement and Restoration
- \$17.0 million Garage Repairs and Facility Rehabilitation
- \$20.0 million Stormwater Improvements
- \$24.0 million Bridge Replacement and Restoration
- \$30.0 million Advanced Metering Infrastructure Implementation
- \$39.0 million Runway and Taxiway
- \$53.0 million Water & Sewer
- \$76.0 million Central Regional/Wastewater
- \$130.0 million Stormwater Bond Improvements
- \$200.0 million Water & Sewer and Central Region Bond