



CITY OF FORT LAUDERDALE

APPROVED
BUDGET ADVISORY BOARD HYBRID MEETING
CITY OF FORT LAUDERDALE
NOVEMBER 17, 2021 – 6:00 P.M.
COMMISSION CHAMBERS
100 NORTH ANDREWS AVENUE, FORT LAUDERDALE,
FL 33301

Board Member	Attendance	10/2021 through 9/2022	
		Cumulative Attendance Present	Absent
Brian Donaldson, Chair	P	2	0
Jeff Lowe, Vice Chair	P	2	0
Ross Cammarata	P	2	0
Michael Marshall	A	1	1
Prabhuling Patel	P	1	1
Adam Sabin	P	1	1
Christopher Williams	P	2	0

Staff

Laura Reece, Director, Office of Management and Budget
Chris Lagerbloom, City Manager
Susan Grant, Finance Director
Charmaine Crawford, Budget Department and Board Liaison
Jamie Opperlee, Prototype Inc. Recording Secretary

Communications to the City Commission

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 – October 20, 2021

Motion made by Mr. Sabin, seconded by Mr. Williams, to approve the minutes of the Board’s October 20, 2021 meeting. In a voice vote, motion passed unanimously.

IV. Floor Open for Neighbor Input

None

V. Old Business

A. Selection of Revenue Estimating Conference Committee Member

Mr. Williams nominated Mr. Patel.

Motion made by Mr. Williams, seconded by Mr. Lowe, to appoint Mr. Patel to represent the BAB at the Revenue Estimating Conference Committee. In a voice vote, motion passed unanimously.

VI. New Business

A. 10-year Revenue Sufficiency General Fund Update - Stantec Consulting Inc. Kyle Stevens

Ms. Reece noted that many things had changed between June and the adopted budget, so this would be an update of the changes.

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

Chair Donaldson asked about the soil testing at the government complex and Ms. Grant said testing was ongoing. She added that since the County owned the land, the delay would not affect costs.

Chair Donaldson pointed out that the three municipalities with lower ad valorem rates had higher residential development and lower commercial development.

Regarding the Fire Assessment, Chair Donaldson recalled the BAB had recommended taking the fee to full recovery in year one and the City Commission had done so. He thought with the increase in staff, they would need to raise the Fire Assessment by more than 10%. Without an increase in the millage rate, they would need to spread an increase in the Fire Assessment over more than one year.

Regarding the End of Year Fund Balances, Mr. Stevens explained the updated projection was that the City's budget was balanced in 2022. They expected inflation on some operating expenditures to exceed the increases in revenues, and they would be within financial targets through 2024 but in 2025 they would be below their minimum financial targets.

Mr. Stevens and Board members discussed the Taxable Value assumptions and the impact on revenue. Ms. Reece noted that new construction was a large contributor to the increase in property tax revenue. Chair Donaldson stated the majority of the Board members agreed the estimate for 2023 should be 7%. Mr. Steven had estimated 6% in 2024 and 5% in 2025 and thereafter. Mr. Cammarata noted the historical average was 6% so they should use that figure. Discussion ensued regarding the property taxable

value future estimates. Ms. Reece said they would have the actual figures from the Property Appraiser before this went to the City Commission.

Chair Donaldson thought Mr. Stevens had not calculated high enough for salary growth in 2023, 2024 and 2025. Mr. Stevens said they had started with current salaries and adjusted with an inflation factor of 5%.

Mr. Stevens entered different percentages for coming years and stated if they kept the ad valorem flat, the Taxable Value would need to increase to 14% to eliminate the \$11 million shortfall.

Chair Donaldson said it would be the Board's job this year to consider where to cut expenses if the desire of the City Commission was to keep the ad valorem flat. The Board needed to be able to justify their belief that the City should increase ad valorem in order to fund employees and services to the degree they felt they should be funded.

Ms. Reece explained that the property appraiser determined the valuation as of January but the City did not receive the preliminary valuation until June.

Mr. Sabin said if they needed to make \$11 million in cuts, they must communicate to the City Commission that there could be severe disruptions to services and departments may not be able to function properly.

Mr. Williams pointed out that since property values usually increased every year, property taxes increased every year. He thought an increase in the millage rate was inevitable to meet their expectation of services and to meet their contractual obligations.

Chair Donaldson confirmed that the Board was open to making a recommendation for raising the ad valorem rate, "however the chips may fall" if that was their determination after reviewing all the data over the next six months.

B. Infrastructure Task Force Update

Mr. Marshall was not present to provide an update.

VII. Communications to/from the City Commission

None

VIII. Board Member Comments

Chair Donaldson felt they could cancel the December meeting.

Motion made by Mr. Lowe, seconded by Mr. Patel to cancel the Board's December meeting. In a voice vote, motion passed unanimously.

Chair Donaldson suggested starting meetings at 5 PM instead of 6 PM in case they became involved in in-depth discussions. Mr. Sabin did not want to change the meeting time and Mr. Cammarata suggested 5:30.

Motion made by Mr. Lowe seconded by Mr. Patel to change the Board's meeting start time to 5 PM. In a roll call vote, motion passed 6-0.

Chair Donaldson said the City Commission had discussed their communications. Regarding the non-profit funding, there was no consensus and they had postponed consideration of the funding until next summer. No applications would be accepted in December.

IX. Adjourn

Upon motion duly made and seconded, the meeting was adjourned at 7:52 p.m.

The Board's next meeting was scheduled for January 19, 2022 at 5 PM.

Minutes prepared by J. Opperlee ProtoType Inc.



Ft. Lauderdale, FL

FY 2022 Revenue Sufficiency Study Overview

Nov 17, 2021



Source Data & Key Assumptions:

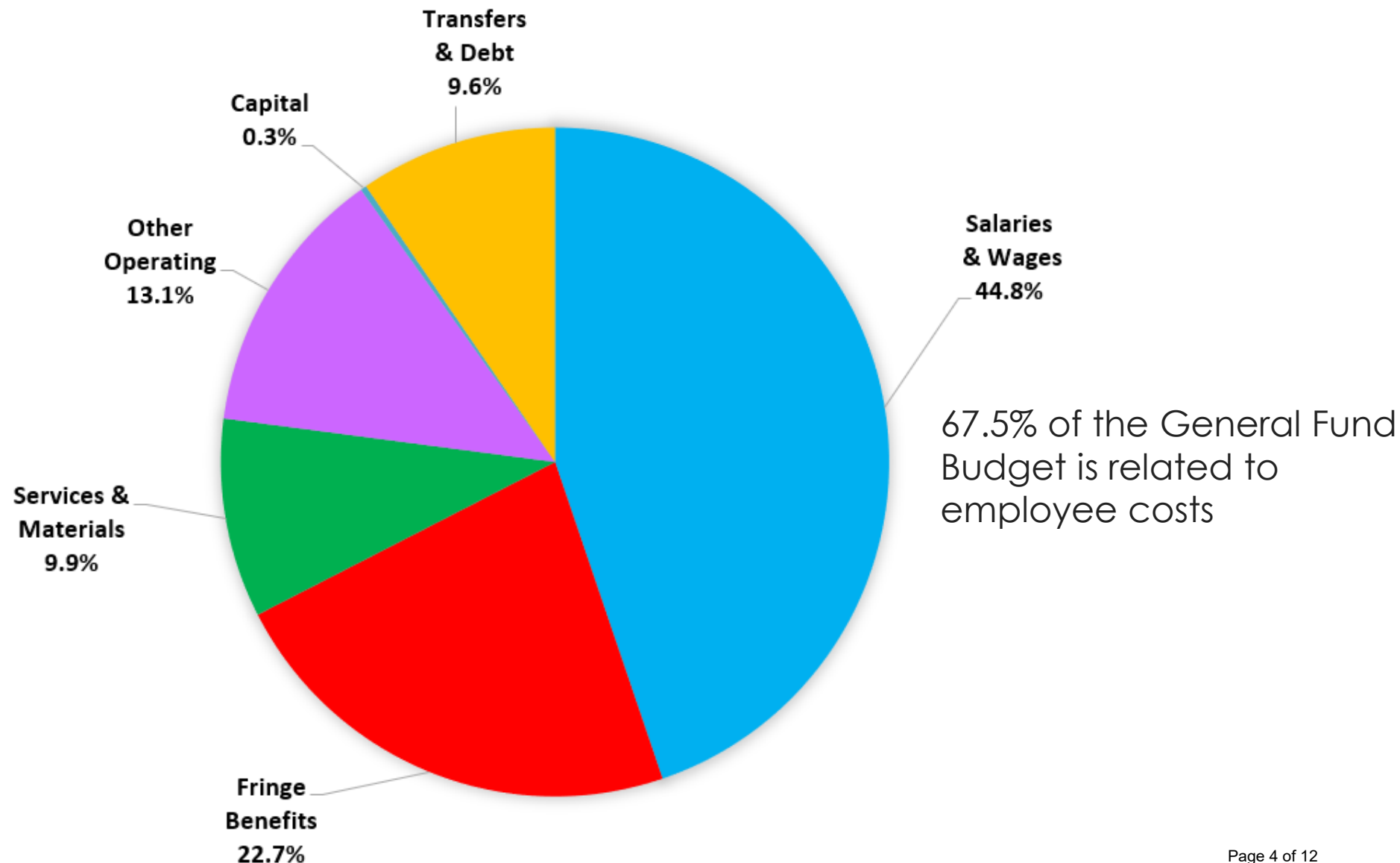
- FY 2020 Audited Financials
- FY 2021 Amended Budget and FY 2022 Adopted Budget
- FY 2022–FY 2026 Adopted Community Investment Plan
- FY 2021 second quarter year-end projections
- Historical expenditure trends
- Collective bargaining agreements
- Pension estimating software
- Joint Governmental Facility \$16.4M all funds annual impact beginning in FY 2026 (does not include renewal and replacement)
- Includes replenishment of Insurance Fund due to settlement in FY 2021-2023 of \$6M per year

Why We Do This:

- Plan for future cost requirements and changes to ensure long-term financial sustainability
- Identify short-term and long-term impacts of current-year decisions
- Provide a framework for scenario evaluation and sensitivity tests
- True-up prior year assumptions based on current conditions



General Fund Expense Composition



Collective Bargaining Contract Expiration Dates

Bargaining Group	Expiration Date
Teamsters Union	September 30, 2022
Federation of Public Employees - Professional Unit - Supervisory Unit	September 30, 2022
International Association of Fire Fighters (IAFF) - Fire Fighters - Battalion Chiefs	September 30, 2021
Fort Lauderdale Fraternal Order of Police (FOP) - Police Lieutenants and Captains - Police Officers and Sergeants	September 30, 2022



General Fund



Key Planning Observations & Considerations

Fire Assessment:

- Full cost recovery true-up every 3 years (planned for FY 2023)

Community Redevelopment Areas (CRAs):

- Northwest Progresso Flagler Heights CRA sunsets in FY 2026
 - Tax Increment Financing (TIF) transfer from the General Fund ends (approximately \$6M currently)
 - \$350K increase in operating expenses expected in the General Fund

City's Annual Required Pension Contribution:

- Planning for increased pension cost from the Police and Fire Pension Plan due to lower assumed rates of return in FY 2022-FY 2028

New Fire Station 88:

- \$1M estimated to be added in FY 2024 for staffing



Key Planning Observations & Considerations

Joint Government Center:

- \$9.9M added annual expense beginning in FY 2026

FY 2022 Taxable Value:

- As of July 1 - increase was 6.98% over FY 2020 final valuation

Covid Budget Impacts:

- The City's proactive budgetary actions in FY 2020 and FY 2021 have resulted in greater financial flexibility for FY 2022



Key Changes Since Proposed Budget Requiring Ongoing Funding

Police Department:

- 4 new positions (Tactical Analyst) added to support the Real Time Crime Center at an annual cost of approximately \$375,000

Fire Rescue Department:

- 16 new positions (10 Firefighters, 3 Driver Engineers, and 3 Captains) added to support “staffing factor” at an annual cost of approximately \$1.7 million

Capital Equipment Financing:

- Approximately \$300,000 in debt payments for 7 years to fund 41 LifePack 15 Devices



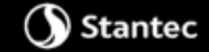
Historical Millage Rate Adjustments in Broward County

Broward County	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Cumulative % Change (14 Years)
Weston	1.3215 ▼	1.5235 ▲	1.7670 ▲	2.0000 ▲	2.0000	2.0000	2.0000	2.3900 ▲	2.3900	2.3900	2.3900	3.3464 ▲	3.3464	3.3464	153.2%
Lauderhill	4.7340 ▼	5.0646 ▲	5.9574 ▲	5.9574	6.8198 ▲	7.4198 ▲	7.3698 ▼	7.3698	7.5898 ▲	7.5898	7.5898	7.9898 ▲	8.9898 ▲	8.4898 ▼	79.3%
Coral Springs	3.3651 ▼	3.3651	3.8866 ▲	4.3559 ▲	4.3939 ▲	4.5697 ▲	4.5697	4.5697	4.7982 ▲	4.7982	5.8732 ▲	5.8732	5.8732	5.8732	74.5%
Hillsboro Beach	2.1938 ▼	2.6121 ▲	2.9600 ▲	3.3900 ▲	3.3900	3.3900	3.3900	3.3900	3.5000 ▲	3.5000	3.5000	3.5000	3.5000	3.5000	59.5%
Lauderdale Lakes	5.4309 ▼	5.7622 ▲	6.5500 ▲	7.0000 ▲	9.5000 ▲	9.5000	9.5000	8.9500 ▼	8.5000 ▼	8.5000	8.5000	8.6000 ▲	8.6000	8.6000	58.4%
Pompano Beach	3.2788 ▼	3.4861 ▲	4.0652 ▲	4.4077 ▲	4.7027 ▲	4.9700 ▲	4.8712 ▼	4.7470 ▼	4.9865 ▲	4.8252 ▼	4.9865 ▲	5.1361 ▲	5.1875 ▲	5.1875	58.2%
Coconut Creek	4.3796 ▼	4.8869 ▲	5.6837 ▲	6.4036 ▲	6.3857 ▼	6.3250 ▼	6.3250	6.2301 ▼	6.1803 ▼	6.1370 ▼	6.5378 ▲	6.5378	6.5378	6.5378	49.3%
Plantation	3.9155 ▼	4.0925 ▲	4.5142 ▲	4.5142	4.6142 ▲	5.6142 ▲	5.6142	5.7500 ▲	5.9000 ▲	5.9000	5.7500 ▼	5.8000 ▲	5.8000	5.8000	48.1%
Tamarac	5.0496 ▼	5.3215 ▲	5.9999 ▲	6.5000 ▲	6.6850 ▲	7.2899 ▲	7.2899	7.2899	7.2899	7.2899	7.2899	7.2899	7.2899	7.2899	44.4%
Hallandale Beach	4.9818 ▼	4.9818	5.9000 ▲	5.9000	5.9000	5.6833 ▼	5.6833	5.1918 ▼	5.1918	5.1918	5.3093 ▲	6.3191 ▲	7.4074 ▲	7.0000 ▼	40.5%
Davie	4.1215 ▼	4.2456 ▲	4.8124 ▲	4.8124	4.8122	4.8122	5.0829 ▲	5.0829	5.0819 ▼	5.0799 ▼	5.3220 ▲	5.6270 ▲	5.6270	5.6270	36.5%
Pembroke Pines	4.1725 ▼	4.4312 ▲	5.1249 ▲	5.6880 ▲	5.6368 ▼	5.6368	5.6368	5.6368	5.6368	5.6736 ▲	5.6736	5.6736	5.6736	5.6736	36.0%
Miramar	5.2975 ▼	5.4797 ▲	6.4654 ▲	6.4654	6.4654	6.4654	6.4654	6.7654 ▲	6.7654	6.7654	6.7654	7.1172 ▲	7.1172	7.1172	34.4%
North Lauderdale	5.5307 ▼	6.1875 ▲	6.9185 ▲	6.9185	7.4066 ▲	7.6078 ▲	7.6078	7.5000 ▼	7.5000	7.5000	7.4000 ▼	7.4000	7.4000	7.4000	33.8%
Cooper City	4.7704 ▼	4.7704	4.7704	5.0479 ▲	5.0526 ▲	5.6866 ▲	5.7087 ▲	5.7202 ▲	5.9293 ▲	6.3847 ▲	7.1347 ▲	7.1347	6.9258 ▼	6.2280 ▼	30.6%
West Park	6.5239	6.5239	7.5697 ▲	8.5000 ▲	8.9900 ▲	9.4200 ▲	9.4200	8.9200 ▼	8.6500 ▼	8.6500	8.6500	8.6500	8.5500 ▼	8.5000 ▼	30.3%
Hollywood	5.7380 ▼	5.6900 ▼	6.0456 ▲	6.7100 ▲	7.4479 ▲	7.4479	7.4479	7.4479	7.4479	7.4479	7.4479	7.4665 ▲	7.4665	7.4665	30.1%
Margate	5.5591 ▼	6.7500 ▲	7.7500 ▲	7.7500	7.7500	7.5000 ▼	7.3300 ▼	6.2761 ▼	6.3402 ▲	6.4554 ▲	6.5183 ▲	6.5594 ▲	7.1171 ▲	7.1171	28.0%
Parkland	3.4083 ▼	3.4083	4.0198 ▲	4.0198	4.0198	3.9999 ▼	3.9900 ▼	3.9890 ▼	3.9870 ▼	3.9800 ▼	3.9780 ▼	4.4000 ▲	4.4000	4.2979 ▼	26.1%
Oakland Park	4.7662 ▼	5.1041 ▲	5.7252 ▲	5.7252	6.0138 ▲	6.3142 ▲	6.3995 ▲	6.2744 ▼	6.1995 ▼	6.1555 ▼	6.0985 ▼	5.9985 ▼	6.0880 ▲	5.8910 ▼	23.6%
Deerfield Beach	4.9537 ▼	4.9072 ▼	5.3499 ▲	6.2482 ▲	5.1865 ▼	5.1856	6.2317 ▲	6.2745 ▲	6.1949 ▼	6.0493 ▼	6.0981 ▲	6.1267 ▲	6.0018 ▼	6.0018	21.2%
Sunrise	5.1232 ▼	5.4397 ▲	6.0543 ▲	6.0543	6.0543	6.0543	6.0543	6.0543	6.0543	6.0543	6.0543	6.0543	6.0543	6.0543	18.2%
Lighthouse Point	3.0887 ▼	3.2822 ▲	3.6188 ▲	3.6188	3.5893 ▼	3.5893	3.5893	3.5893	3.5893	3.5893	3.5893	3.5893	3.5893	3.5893	16.2%
Wilton Manors	5.1340 ▼	5.3122 ▲	5.8000 ▲	6.0855 ▲	6.2068 ▲	6.2068	6.2166 ▲	6.0683 ▼	6.0683	5.9900 ▼	5.9837 ▼	5.9587 ▼	5.9587	5.9000 ▼	14.9%
Dania Beach	5.4044 ▼	5.4044	5.8579 ▲	5.9998 ▲	5.9998	5.9998	5.9998	5.9998	5.9998	5.9998	5.9998	5.9998	5.9998	5.9998	11.0%
Fort Lauderdale	4.1193 ▼	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	0.0%
Average Millage Rate	4.4755	4.6982	5.2802	5.5458	5.7362	5.8772	5.9197	5.8306	5.8419	5.8468	5.9446	6.0872	6.1777	6.1003	36%

General Fund Adopted Budget Dashboard (Updated)



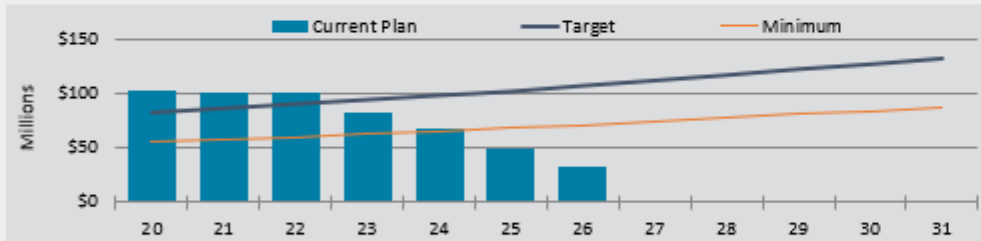
City of Fort Lauderdale, FL - General Fund



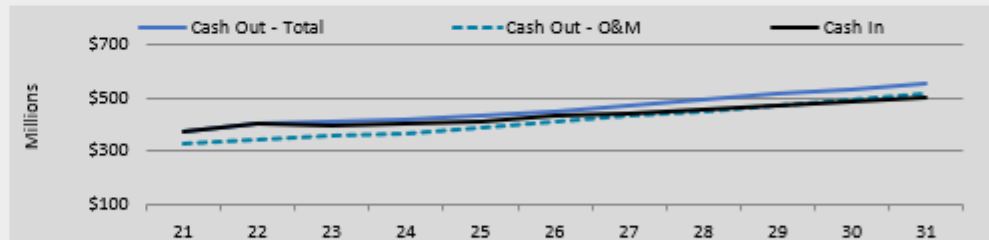
CALC SAVE LAST CTRL OVR

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Millage Rate	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193
Taxable Value Increase	6.31%	6.08%	3.5%	4.0%	4.5%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Cash Flow Surplus/(Deficit) \$M	\$ (2.88)	\$ (0.00)	\$ (17.35)	\$ (15.23)	\$ (17.88)	\$ (18.09)	\$ (30.77)	\$ (38.08)	\$ (41.16)	\$ (45.65)	\$ (52.69)
End of Year Fund Balance \$M	\$ 100.73	\$ 100.73	\$ 83.38	\$ 68.15	\$ 50.27	\$ 32.18	\$ 1.42	\$ (36.67)	\$ (77.83)	\$ (123.49)	\$ (176.18)
Target Fund Balance \$M	\$ 87.02	\$ 90.98	\$ 94.85	\$ 98.74	\$ 102.27	\$ 107.47	\$ 112.18	\$ 117.07	\$ 122.44	\$ 126.84	\$ 132.05
Balance % of Expenses	28.94%	27.68%	21.98%	17.25%	12.29%	7.49%	0.32%	-7.83%	-15.89%	-24.34%	-33.35%
Fire Assessment Increase %	0.0%	0.0%	10.0%	0.0%	0.0%	10.0%	0.0%	0.0%	10.0%	0.0%	0.0%
Fire Assessment Revenue \$M	\$ 47.86	\$ 48.62	\$ 53.48	\$ 53.48	\$ 53.48	\$ 58.83	\$ 58.83	\$ 58.83	\$ 64.71	\$ 64.71	\$ 64.71
Fire Assessment - SF Home	\$ 311.00	\$ 311.00	\$ 342.10	\$ 342.10	\$ 342.10	\$ 376.31	\$ 376.31	\$ 376.31	\$ 413.94	\$ 413.94	\$ 413.94
CIP Execution %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
CIP Input	\$ 8.57	\$ 20.11	\$ 16.16	\$ 12.92	\$ 12.33	\$ 8.62	\$ 14.00	\$ 14.00	\$ 14.00	\$ 14.00	\$ 14.00

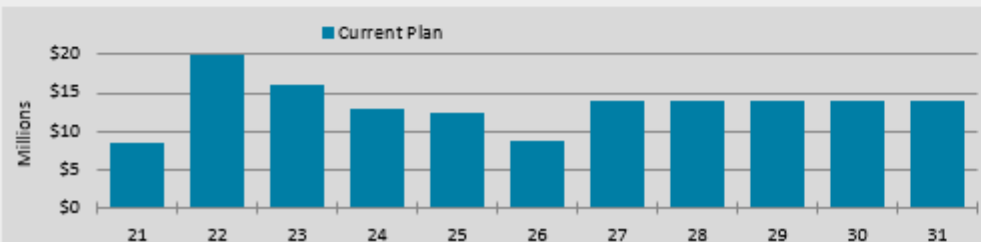
End of Year Fund Balance



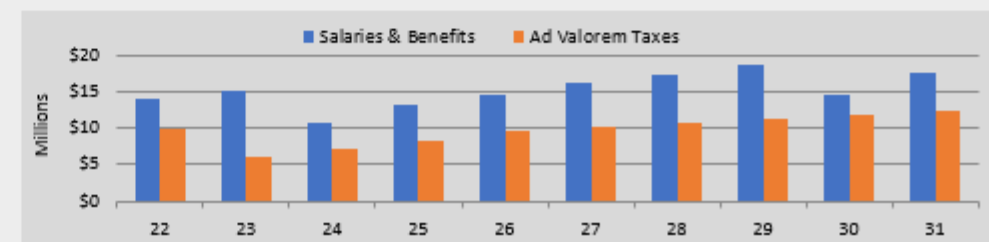
Revenues vs. Expenses



CIP Spending



Growth in Salaries vs. Property Tax Revenues





Interactive Model Review