



CITY OF FORT LAUDERDALE

APPROVED
BUDGET ADVISORY BOARD MEETING
CITY OF FORT LAUDERDALE
APRIL 11, 2023 – 5:00 P.M.
8TH FLOOR CONFERENCE ROOM
100 NORTH ANDREWS AVENUE
FORT LAUDERDALE, FL 33301

Board Member	Attendance	10/2022 through 9/2023	
		Present	Absent
Brian Donaldson, Chair	P	3	0
Jeff Lowe, Vice Chair	P	3	0
William Brown	P	2	1
Ross Cammarata [via Zoom]	P	3	0
John Rodstrom	P	2	0
Christian Macellari	A	1	2
Michael Marshall	P	3	0
Prabhuling Patel	P	3	0

Staff

- Anthony Fajardo, Assistant City Manager
- Susan Grant, Assistant City Manager
- Laura Reece, Director, Office of Management and Budget
- Yvette Matthews, Division Manager Office of Management and Budget
- Christopher Cooper, Director, Development Services
- Patrick Lynn, Police Chief
- Charmaine Crawford, OMB Department and Board Liaison
- J. Opperee, Prototype Inc. Recording Secretary

Communications to the City Commission

None

I. Call to Order

The meeting of the Budget Advisory Board was called to order at 5:05 p.m.

Motion made by Mr. Brown, seconded by Mr. Patel, to allow Mr. Cammarata to attend the meeting via Zoom. In a voice vote, motion passed unanimously.

II. Roll Call

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

III. Approval of Meeting Minutes – March 15, 2023

Mr. Patel suggested changes to the minutes.

Motion made by Mr. Lowe, seconded by Mr. Rodstrom to approve the minutes of the Board's March 15, 2023 meeting as amended. In a voice vote, motion passed unanimously.

IV. Floor Open for Neighbor Input

None

V. Old Business

- Follow-up Q&A from FY 2024 Department Presentations
 - Business Plans
 - Accomplishments and Challenges

Chair Donaldson was concerned that the Aquatic Center was still losing money after renovation. He suggested they consider if the City made enough money from hosting events and wanted Parks and Recreation representatives to discuss this at their department meeting in May.

Mr. Brown cited the negative impact events had on the City and wanted to see a review describing the financial impacts on all departmental budgets. Chair Donaldson stated they needed to discuss events all over the City and their total financial impacts, including overtime and cleanup costs.

VI. New Business

- Revenue Estimating Conference Committee Update; Ross Cammarata

Mr. Cammarata said they had reviewed departmental requests. In Finance, FPL was no longer accepting P-Card payments which would cost the City an additional \$200,000.

Ms. Reece said the Fiveash water treatment plant was the City's largest consumer of electricity. Streetlights and park lights were also large consumers. Ms. Grant stated the new water treatment plant was more energy efficient but used an updated process, nano-filtration, which consumed more electricity.

Mr. Cammarata said Parks and Recreation received \$500,000 in revenue from tennis lessons each year. The Swimming Hall of Fame average revenue was \$238,000 per year and staff estimated it would exceed \$400,000 in 2024. In Developmental Services, permits and engineering averaged \$450,000 revenue per year for the past three years, but staff estimated it would only bring in \$360,000 for 2024. The Zoning review revenues averaged \$1.5 million per year for the past three years and would drop to \$1.25 million in 2024. Building permit premium fees averaged \$526,000 per year for the past three years and would drop to \$250,000 in 2024.

Mr. Cooper acknowledged the slowdown in development review fees and said this would be evident in the Building Fund in a year or so. He stated they were reviewing the permit fees and would propose a fee increase at the start of the fiscal year. Chair Donaldson asked if there were restrictions on raising the fees and Mr. Cooper said the funds must be spent on building-related expenses. The Business Tax could only be increased 5% per year.

Mr. Cammarata stated Special Magistrate fine revenues averaged \$721,000 per year and were estimated to decrease to \$700,000 in 2024. He noted that \$61 million in fines was outstanding. He reported the Tree Fund had \$1.7 million in it, \$700,000 of which was added in 2022. He noted not all trees were being funded with the Tree Fund. Ms. Reece said often, trees were replacing trees that had been removed from a property, so they could not charge those to the Tree Fund. They typically used the fund when many trees were added to parks and public spaces.

In the Police Department, Mr. Cammarata reported tickets and local ordinance violation revenue had dropped significantly since the pandemic. In 2018, the revenue had been \$1 million, and dropped to \$280,000 in 2023. It was estimated this would increase to \$308,000 in 2024. He thought the common variable was that “the Police Force just isn’t writing enough tickets.” The Committee was concerned that they were not policing the City and delivering fines and tickets as they should.

Ms. Reece agreed to share a preliminary estimate of the total revenue at the first May meeting.

- Infrastructure Task Force Update; Michael Marshall

Mr. Marshall would provide a report at the next meeting.

- FY 2024 Personnel Costs Projection; OMB staff

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

Chair Donaldson noted that Police overtime was budgeted for \$7.5 million for the entire year and had already reached \$5 million. Ms. Reece indicated they had sufficient salary savings to offset the increase in overtime. She agreed to provide a breakdown of all the factors that contributed to Police overtime.

Mr. Lowe asked if unfilled positions were budgeted for, and Ms. Reece stated they were. The only place they budgeted for attrition was in the Police Department. Mr. Brown wanted to share Ms. Reece’s presentation with the Council of Civic Associations. Ms. Reece noted that Police and Fire pensions would change but she was fairly confident of the other numbers.

- Commission Prioritization and Goal Setting Workshop Outcomes
- Format for FY 2024 Departmental Budget Review Presentation
- Joint City Commission Workshop Preparation
 - Tuesday, May 2, 2023 @ 11:30am – 1:00pm

Chair Donaldson asked the Board how aggressive they felt he should be with the City Commission regarding an ad valorem increase. He felt he must get feedback from the City Commission regarding the ad valorem before hearing from departments about enhancements, instead of strategic reductions. Mr. Brown said Chair Donaldson should “just lay it out to them.”

Chair Donaldson said he would meet with Ms. Reece, Ms. Grant, and Mr. Chavarria the week before the joint meeting. He would relate to the City Commission where they were currently and inform them that if they wanted to fund items the departments requested that were prioritized at the Commission’s goal setting session, this would require additional funding and they may need to raise the ad valorem. If the City Commission had no interest in increasing the ad valorem, the Departmental requests could not be funded unless they also included equal cuts. Chair Donaldson said departments should indicate two “must haves” and areas for cuts during their presentations.

Chair Donaldson asked Board members what they wanted included in discussion with the City Commission. Mr. Brown wanted a discussion on City events. Mr. Lowe wanted to ensure they discussed the non-profit contributions.

VII. Communications to/from the City Commission

None

VIII. Board Member Comments

None

IX. Regular Meeting Date Change

- Reschedule Tuesday, June 13 meeting to Thursday, June 15, 2023

Motion made by Mr. Brown, seconded by Mr. Patel to reschedule the June meeting to Thursday, June 15. In a voice vote, motion passed unanimously.

X. Adjourn

The meeting was adjourned at 6:30 p.m.



Office of Management and Budget

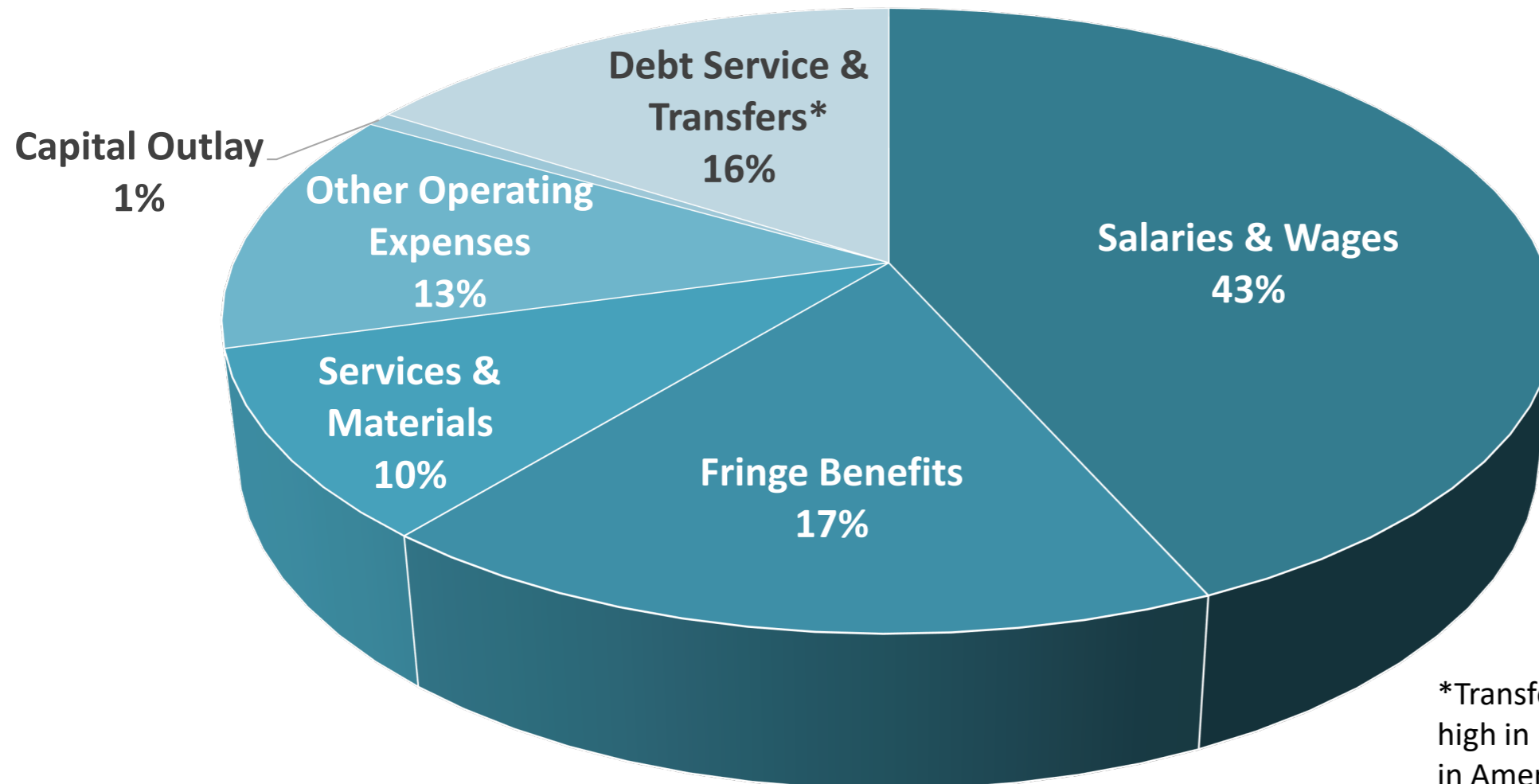


Budget Advisory Board
FY 2024 DRAFT Personnel Costs Projections
April 11, 2023



Office of Management and Budget

Where the Money Goes by Expense Type (FY 2023 Adopted General Fund)



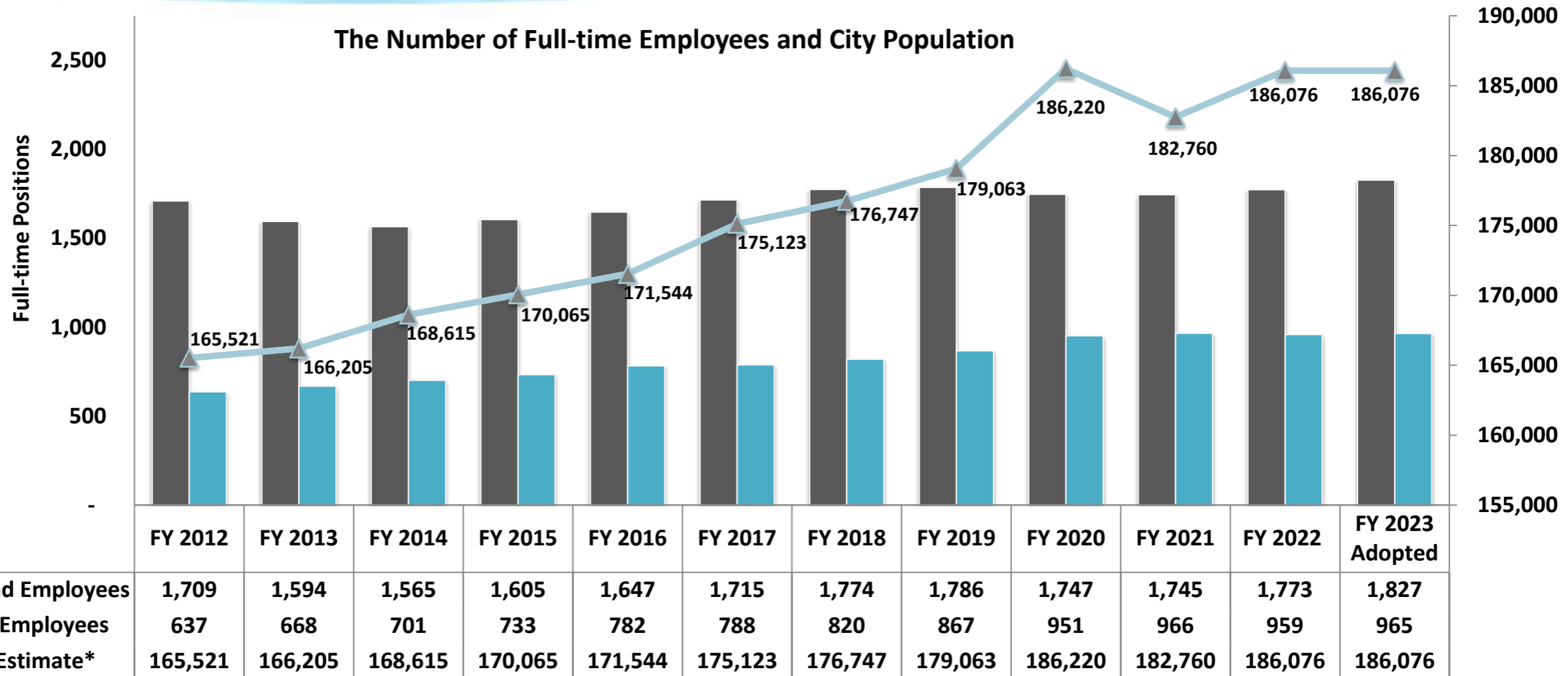
**60% of the FY 2023
Adopted General
Fund Budget is for
Personnel Services**

*Transfers to Capital were exceptionally high in FY 2023 due to \$20M in American Rescue Plan Act Funding.



Office of Management and Budget

Full-Time Community Builders

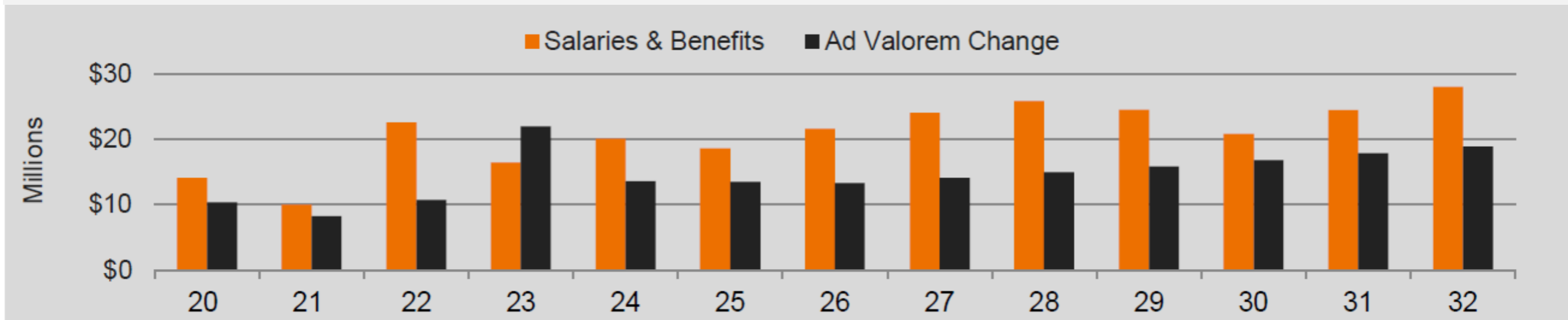


*Population Estimates; Bureau of Economic and Business Research, April 2021



Growth in Property Tax Revenues versus Increases in Salaries and Benefits

Growth in Salaries vs. Property Tax Revenues*



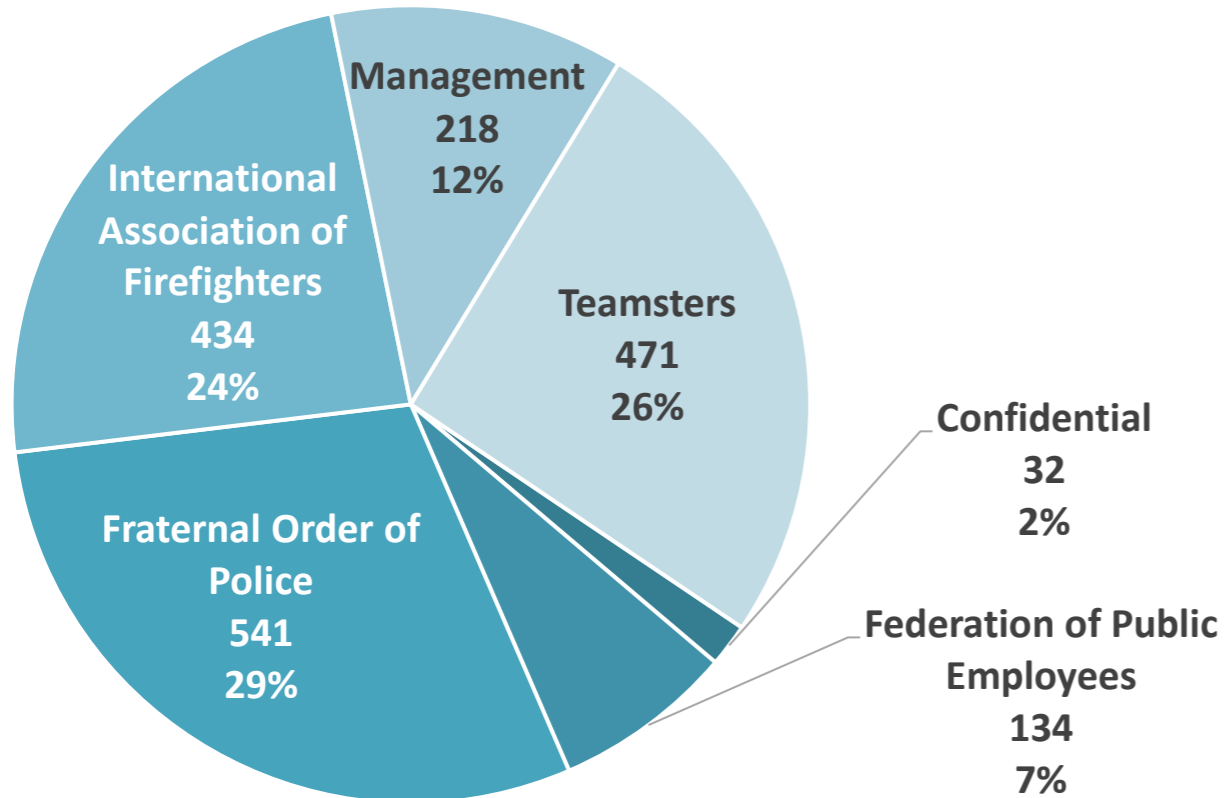
*General Fund projection only



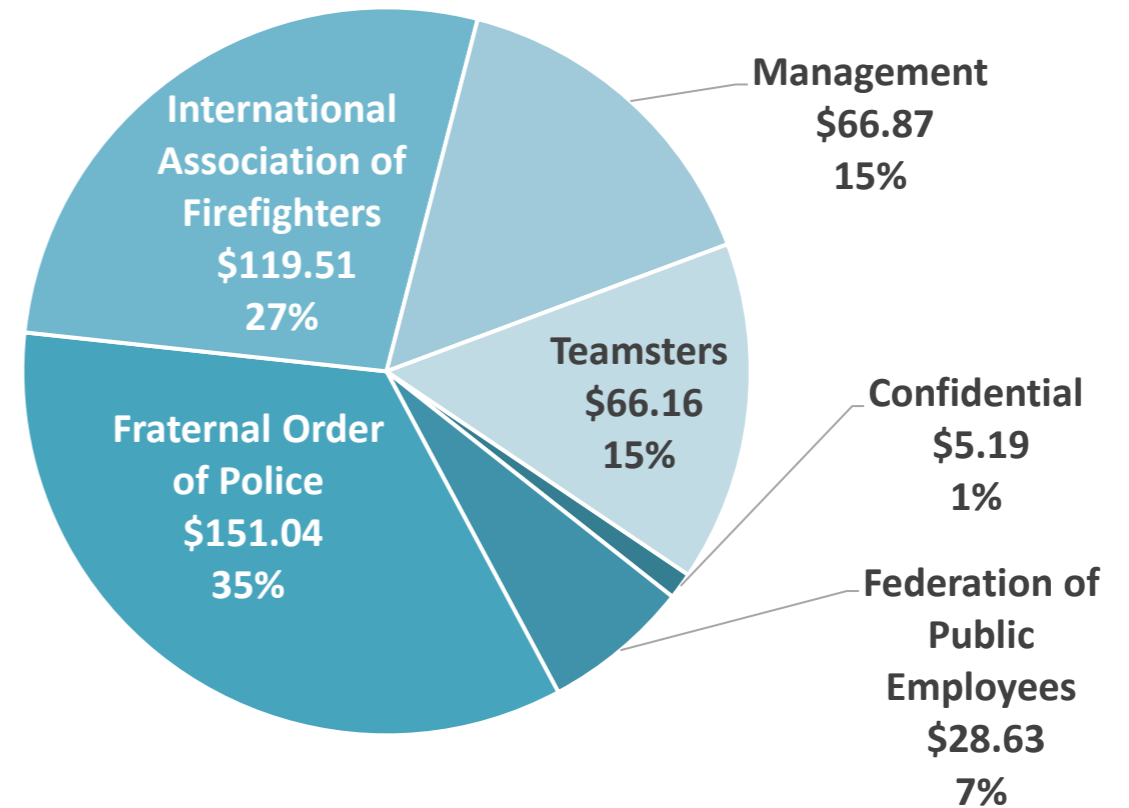
Office of Management and Budget

Where the Money Goes by Bargaining Group (FY 2024 Projected General Fund)

Positions by Labor Group



Salary and Wages by Labor Group Amount in Millions (\$)





Office of Management and Budget

Bargaining Group Expiration Dates

Bargaining Group	Expiration Date
Teamsters	September 30, 2025
Federation <ul style="list-style-type: none">- Professional Unit- Supervisory Unit	September 30, 2025
International Association of Fire Fighters (IAFF) <ul style="list-style-type: none">- Rank and File- Battalion Chiefs	September 30, 2021
Fort Lauderdale Fraternal Order of Police (FOP) <ul style="list-style-type: none">- Police Lieutenants and Captains- Police Officers and Sergeants	September 30, 2022



Office of Management and Budget

Cost of Living and Merit (Step) Assumptions

Labor Groups	Cost of Living (COLA) or 75th Percentile Adjustment	Merit (Average Steps) ^Δ
Management	3.0%	3.0%
Confidential		
Teamsters		
Federation		
International Association of Fire Fighters (IAFF)*	4.0% Assumption	4.5%**
Fort Lauderdale Fraternal Order of Police (FOP)*	4.0% Assumption	2.8%***

^Δ Employees who have reached the maximum of their position's pay plan, or will not receive a step increase, receive a one-time payment in lieu of a salary increase for merit.

*IAFF and FOP 75th percentile adjustments are based on current negotiations.

**The IAFF average Merit (Step) adjustments were based on the one-year agreement approved in October 2020 which expired 9/30/2021.

***The FOP average Merit (Step) adjustments were based on the two-year agreement approved in October 2020 which expired 9/30/2022.



Office of Management and Budget

International Association of Firefighters (IAFF) Merit (Steps)

Schedule A					
PAY RANGE AMOUNTS EFFECTIVE OCTOBER 4, 2020					
(630) FIREFIGHTER AND (640) PARAMEDIC/FIREFIGHTER					
3% Wage Adjustment					
PAY RANGE AMOUNTS BASED ON A 48-HOUR					
PAY RANGE/STEP	HOURLY RATE	BI-WEEKLY RATE	MONTHLY RATE	ANNUAL RATE	Step Increase
F1 - 1A	\$23.81	\$2,285.76	\$4,952.48	\$59,429.76	
F1 - 2A	\$24.52	\$2,353.92	\$5,100.16	\$61,201.92	2.98%
F1 - A	\$25.74	\$2,471.04	\$5,353.92	\$64,247.04	4.98%
F1 - B	\$26.98	\$2,590.08	\$5,611.84	\$67,342.08	4.82%
F1 - C	\$28.29	\$2,715.84	\$5,884.32	\$70,611.84	4.86%
F1 - D	\$29.65	\$2,846.40	\$6,167.20	\$74,006.40	4.81%
F1 - E	\$31.01	\$2,976.96	\$6,450.08	\$77,400.96	4.59%
F1 - F	\$32.59	\$3,128.64	\$6,778.72	\$81,344.64	5.10%
F1 - G	\$34.22	\$3,285.12	\$7,117.76	\$85,413.12	5.00%
F1 - H	\$34.91	\$3,351.36	\$7,261.28	\$87,135.36	2.02%

Definition of 75th Percentile Cost of Living (COLA) adjustment: Article 13, Section 12. Effective the first full pay period in October 2020, the pay ranges shall be adjusted by the percentage necessary to bring the maximum annual rate of the pay range to the 75th percentile of the maximum annual rate for all Broward County public employers (or 25th from the top out of 100 comparators) with the same job classifications as of October 1, 2020. Broward County public employers with the same job classifications with expired/status quo agreements will be included as survey comparators.



Office of Management and Budget

Fraternal Order of Police (FOP) Merit (Steps)

SCHEDULE III

PAY RANGE AMOUNTS EFFECTIVE OCTOBER 4, 2020

FRATERNAL ORDER OF POLICE (614) POLICE OFFICER (CERTIFIED)

PAY RANGE	STEP	HOURLY RATE	BI-WEEKLY RATE	MONTHLY RATE	ANNUAL RATE	Step Increase
P001	A	\$32.06	\$2,564.80	\$5,557.07	\$66,684.80	
P001	B	\$33.39	\$2,671.20	\$5,787.60	\$69,451.20	4.15%
P001	C	\$34.70	\$2,776.00	\$6,014.67	\$72,176.00	3.92%
P001	D	\$36.10	\$2,888.00	\$6,257.33	\$75,088.00	4.03%
P001	E	\$37.40	\$2,992.00	\$6,482.67	\$77,792.00	3.60%
P001	F	\$38.75	\$3,100.00	\$6,716.67	\$80,600.00	3.61%
P001	G	\$40.06	\$3,204.80	\$6,943.73	\$83,324.80	3.38%
P001	H	\$41.41	\$3,312.80	\$7,177.73	\$86,132.80	3.37%
P001	I	\$42.81	\$3,424.80	\$7,420.40	\$89,044.80	3.38%
P001	J	\$44.16	\$3,532.80	\$7,654.40	\$91,852.80	3.15%
P001	K	\$45.49	\$3,639.20	\$7,884.93	\$94,619.20	3.01%
P001	L	\$47.08	\$3,766.40	\$8,160.53	\$97,926.40	3.50%

Definition of 75th Percentile Cost of Living (COLA) adjustment: Article 17, Section 11. Effective the first full pay period of October 2021, the pay ranges shall be further adjusted by the percentage necessary to bring the maximum annual rate of the pay range to the 75th percentile of the maximum annual rate for all Broward County law enforcement agencies, including Broward Sheriff's Office, with the same job classifications (Police Officers and Sergeants). Those law enforcement agencies with expired/status quo agreements as of April 1, 2021 will be excluded as survey comparators.



Office of Management and Budget

Health Insurance Cost Over the Years

	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted Budget	FY 2024 Budget Request
General Fund	\$ 12,002,183	\$ 13,246,146	\$ 13,955,159	\$ 15,892,268	\$ 16,763,713	\$ 17,291,011	\$ 18,331,419	\$ 19,843,687	\$ 22,942,035	\$ 23,181,660
Other Funds	\$ 4,863,558	\$ 5,839,695	\$ 5,795,581	\$ 6,966,366	\$ 7,766,537	\$ 8,527,313	\$ 8,955,526	\$ 9,416,989	\$ 11,318,746	\$ 11,070,765
Total Health Insurance	16,865,741	19,085,841	19,750,740	22,858,635	24,530,250	25,818,324	27,286,945	29,260,676	34,260,781	34,252,425

City Health Contribution per Employee^{1 2 3}	\$ 8,273	\$ 8,459	\$ 8,597	\$ 9,282	\$ 10,076	\$ 10,833	\$ 11,715	\$ 12,813	\$ 13,932	\$ 15,180
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¹Fiscal Years 2014 through 2018 are based on an average City Health Contribution per Employee.

²The City's contribution per Employee is adjusted by the Total Medical and Pharmacy Trend for Plans with a Medium Level of Member Cost sharing plus 2%, as published in the Arthur J. Gallagher & Co. GBS Actuarial Consensus Trend Forecast

³The budgeted contribution for FY 2023 was \$13,905 but the actual contribution is being made based on the final GBS Actuarial Consensus Trend Forecast report.



Office of Management and Budget

Retirement Plan Comparison

	Police Fire Pension Plan	General Employee Pension Plan (Closed)	401 (a) (Closed)	Florida Retirement System
Eligible	Sworn Police Officers/Certified Firefighters	All other Full-time (FT) employees Hired before 2007	All other FT employees Hired before 12/31/2020	All FT and Part-time employees hired after 12/31/2020
Governed By	Chapters 175/185 of Florida Statutes	City Ordinance	Treasury/IRS Rules	State Statute/Florida Administrative Code
Benefits	Mandatory Subject of Collective Bargaining	Mandatory Subject of Collective Bargaining	Mandatory Subject of Collective Bargaining	Set by State Legislature
Annual Funding	Annual Required Contribution (ARC) determined by Plan Actuary (Approx 28.3% of covered payroll)	Annual Required Contribution (ARC) determined by Plan Actuary (20.49% of compensation in FY 2024)	9% of compensation	11.91% effective 7/1/22 (14.91% estimated for FY 2024) of compensation for regular class.
Plan Investments	Managed by Board Investment Advisor Fund Managers	Managed by Board Investment Advisor Fund Managers	Accounts Managed by Employee	Pension Plan – Managed by State Investment Plan – Managed by Employee



Office of Management and Budget

Pension Costs FY 2015 – FY 2024 (All Funds)

	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted Budget	FY 2024 Projection
General Employee Retirement System Annual Contribution*	\$ 15,501,180	\$ 14,393,012	\$ 14,650,881	\$ 10,459,835	\$ 8,820,804	\$ 8,164,058	\$ 8,940,886	\$ 8,376,770	\$ 6,465,406	\$ 6,783,091
Police and Fire Annual Contribution	\$ 15,599,916	\$ 13,867,934	\$ 17,325,393	\$ 19,328,568	\$ 18,108,528	\$ 17,923,079	\$ 19,348,197	\$ 20,766,864	\$ 21,471,852	\$ 21,471,852
401(a) Defined Contribution Plan	\$ 2,583,362	\$ 3,118,307	\$ 3,752,128	\$ 4,286,354	\$ 5,180,498	\$ 5,524,930	\$ 4,408,592	\$ 3,586,090	\$ 3,768,995	\$ 3,509,767
Debt Service for Pension Obligation Bonds	\$ 26,361,882	\$ 26,358,764	\$ 26,362,004	\$ 26,359,124	\$ 26,493,149	\$ 26,886,309	\$ 26,308,984	\$ 26,310,888	\$ 26,308,035	\$ 24,129,122
Florida Retirement System (FRS)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,595,838	\$ 4,683,049	\$ 4,506,351	\$ 9,110,032
Total City Retirement Contributions	\$60,046,340	\$57,738,017	\$62,090,406	\$60,433,881	\$58,602,979	\$58,498,376	\$61,602,498	\$63,723,661	\$62,520,639	\$65,003,864

*Decrease in FY 2023 General Employee Retirement System Annual Contribution due to favorable investment returns.

**The City has not yet received the actuarial report that outlines the Police and Fire Annual Contribution but expects the amount to increase.



Office of Management and Budget

Pension Plans – Funded Ratios*

Pension Plan	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Police/Fire	92.52%	96.10%	96.31%	93.34%	89.59%	100.24%	TBD
General Employees	93.36%	99.23%	101.39%	96.58%	95.49%	111.24%	90.67%

**Plan Fiduciary Net Position as a Percentage of Total Pension Liability*

Funded ratios include the \$337.8 million Series 2012 Special Obligation Bonds which funded a portion of the unfunded actuarial accrued liability of the Pension Plans



Office of Management and Budget

General Fund Salary Growth - \$9.7 Million**

Department	FY 2020 Amended	FY 2021 Amended	FY 2022 Amended	FY 2023 Adopted	FY 2024 Projection	FY 2024 Projection vs. FY 2023 Adopted	FY 2024 Projection vs. FY 2023 Adopted
Charter Offices*	\$ 10,337,464	\$ 10,889,708	\$ 11,684,048	\$ 12,123,233	\$ 13,037,223	\$ 913,990	7.54%
Community Redevelopment Agency	\$ 1,587,330	\$ 1,028,355	\$ 1,083,415	\$ 1,065,055	\$ 1,159,269	\$ 94,214	8.85%
Development Services	\$ 6,870,785	\$ 6,938,244	\$ 7,355,274	\$ 7,906,043	\$ 8,304,969	\$ 398,926	5.05%
Finance	\$ 3,855,586	\$ 3,822,900	\$ 3,685,280	\$ 3,811,591	\$ 3,954,064	\$ 142,473	3.74%
Fire Rescue	\$ 43,754,772	\$ 45,550,510	\$ 43,868,997	\$ 45,892,072	\$ 48,704,912	\$ 2,812,840	6.13%
Human Resources	\$ 2,165,986	\$ 2,172,187	\$ 2,384,939	\$ 2,464,510	\$ 2,548,061	\$ 83,551	3.39%
Parks & Recreation	\$ 18,006,203	\$ 18,269,513	\$ 14,005,979	\$ 15,204,105	\$ 15,990,029	\$ 785,924	5.17%
Police	\$ 65,934,274	\$ 67,519,303	\$ 64,767,761	\$ 68,393,225	\$ 72,611,864	\$ 4,218,639	6.17%
Public Works	\$ 1,546,143	\$ 1,672,278	\$ 1,740,814	\$ 1,952,243	\$ 2,047,961	\$ 95,718	4.90%
Transportation & Mobility	\$ 766,014	\$ 1,006,230	\$ 995,767	\$ 1,224,564	\$ 1,369,855	\$ 145,291	11.86%
Total	\$ 154,824,557	\$ 158,869,228	\$ 151,572,274	\$ 160,036,641	\$ 169,728,207	\$ 9,691,566	6.06%

*The Charter Office includes the City Auditor's Office, City Attorney's Office, City Clerk's Office, City Manager's Office, Office of Management and Budget and the Office of the Mayor and City Commission

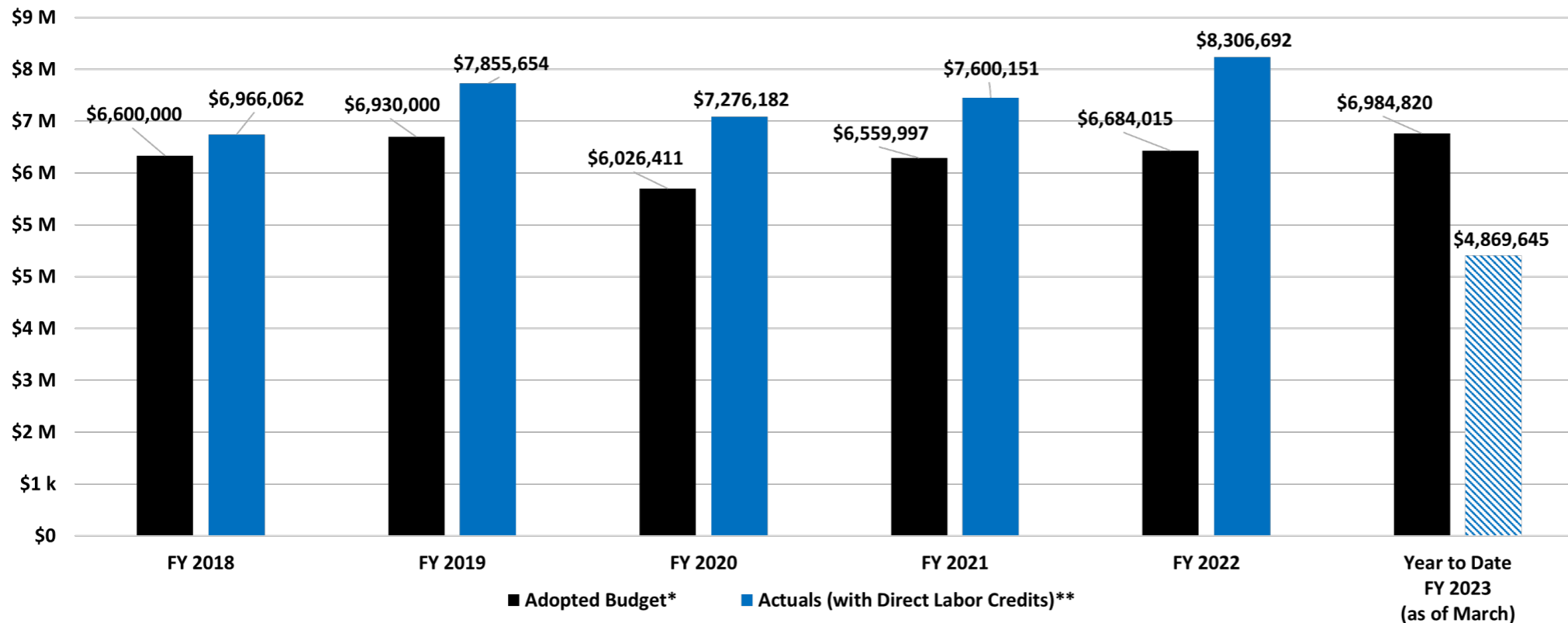
**This estimate only represents the salary portion of FY 2024 employee compensation.



Office of Management and Budget

Police Overtime Funding Snapshot

Police Department Overtime by Fiscal Year



* The FY 2018, 2019, 2020, and 2022 budgets were amended to ensure overtime expenditures remained within budget.

**FY 2020 and FY 2021 overtime actuals are reduced by \$641,838 and \$34,678 respectively from direct labor credits associated with federal COVID relief funding.

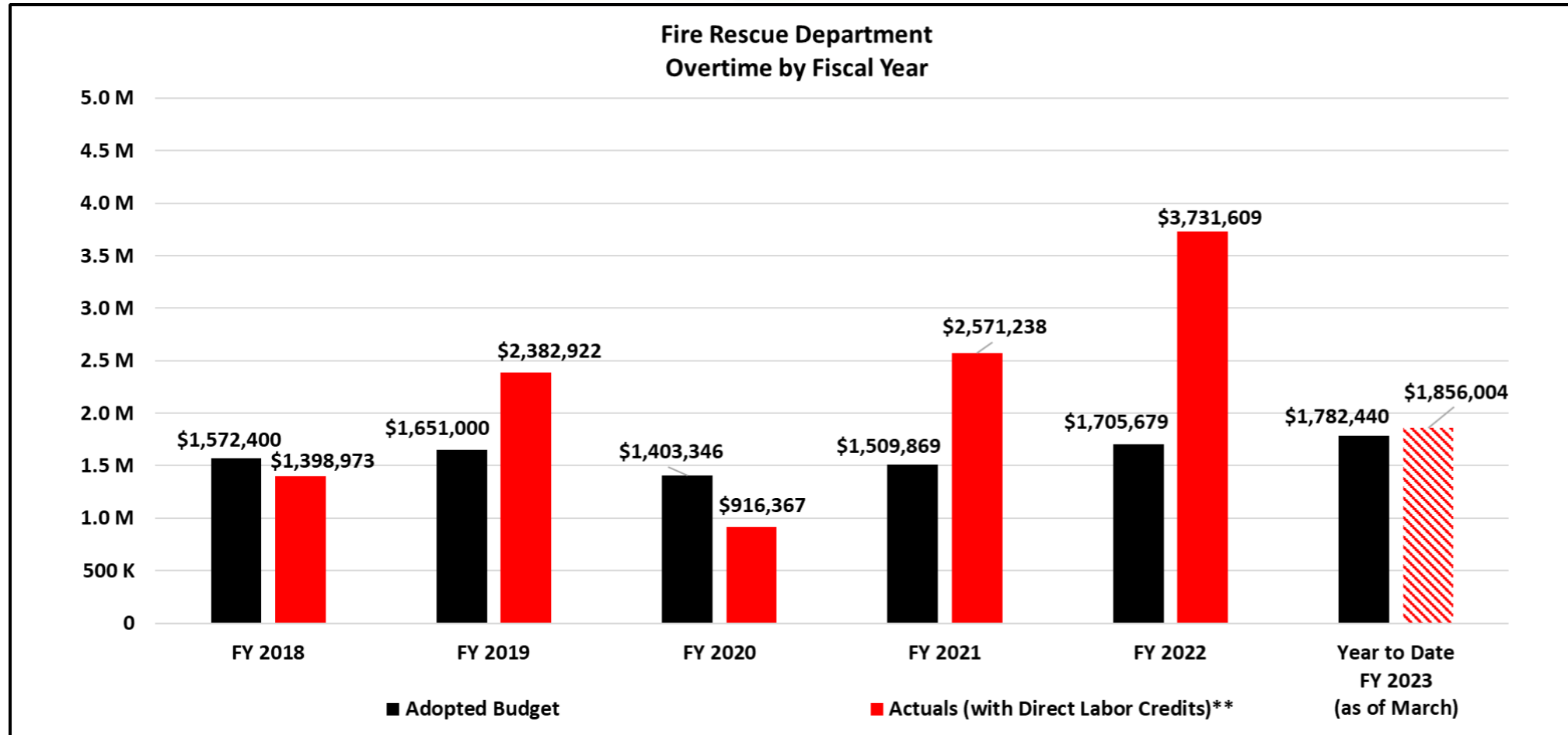
**FY 2024
Budget
\$7,543,603**
(FY 2023 x 8%)

The Police Department has historically used salary savings to offset overtime overages.



Office of Management and Budget

Fire Rescue Overtime Funding Snapshot



**FY 2024
Budget
\$1,925,035**
(FY 2023 x 8%)

The Fire Rescue Department's budget was amended each year in FY 2018 through FY 2022 to obtain approval from the City Commission to increase the overtime budget.

**FY 2020 and FY 2021 overtime actuals are reduced by \$947,045 and \$1,941,321 respectively from direct labor credits associated with federal COVID relief



Thank You!

