

City of Fort Lauderdale

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Meeting Minutes

Tuesday, May 2, 2023

11:30 AM

Joint Workshop with Budget Advisory Board

The Parker

707 Northeast 8th Street, Fort Lauderdale, FL 33304

CITY COMMISSION WORKSHOP

FORT LAUDERDALE CITY COMMISSION

DEAN J. TRANTALIS Mayor

PAM BEASLEY-PITTMAN Vice Mayor - Commissioner - District III

JOHN C. HERBST Commissioner - District I

STEVEN GLASSMAN Commissioner - District II

WARREN STURMAN Commissioner - District IV

GREG CHAVARRIA, City Manager

DAVID R. SOLOMAN, City Clerk

D'WAYNE M. SPENCE, Interim City Attorney

PATRICK REILLY, City Auditor

CALL TO ORDER

Mayor Trantalis called the meeting to order at 11:47 a.m.

ROLL CALL

Commission Members Present: Commissioner John Herbst, Commissioner Steven Glassman, Vice Mayor Pamela Beasley-Pittman, Commissioner Warren Sturman, and Mayor Dean J. Trantalis

Budget Advisory Board Members Present: Chair Brian Donaldson, Vice Chair Jeff Lowe, William Brown, Michael Marshall, Prabhuling Patel, and John Rodstrom III

Budget Advisory Board Members Not Present: Ross Cammarata and Carlos Martin (Christian) Macellari

QUORUM ESTABLISHED

Also Present: Assistant City Manager Susan Grant, City Clerk David R. Soloman, Interim City Attorney D'Wayne M. Spence, and City Auditor Patrick Reilly

OLD/NEW BUSINESS**BUS-1** [23-0445](#)

Business Updates / FY 2024 Budget Development - (Commission Districts 1, 2, 3 and 4)

Brian Donaldson, Budget Advisory Board (BAB) Chair, provided an overview of their upcoming work with Department Directors to develop the 2024 Fiscal Year Budget (2024 Budget). He will provide the Commission with an idea of projections of existing expenses based upon inflation, the City's current contractual obligations, and additional dollars based upon an assumption of where the property appraiser will set the new value. The June 2023 Workshop will require critical decisions to determine the ad valorem rate.

In response to Mayor Trantalis' question, City Manager Chavarria said information from the Property Appraiser's Office regarding anticipated revenue is expected to be received mid-May or early June 2023.

Chair Donaldson explained the BAB is calculating a seven percent (7%) increase in property value revenue, including new construction and an increase in property valuation. Based upon a flat ad valorem tax rate of 4.1193, this would net an additional \$14,000,000 in new revenue. In

2023, the City received \$20,000,000 from the America Cares Act that went into the General Fund. Replicating this funding would require a ten percent (10%) increase in property value tax revenue. The City has maintained the current 4.1193 ad valorem tax rate for sixteen (16) years. Chair Donaldson expounded on additional budget-related details. Today's discussion will focus on FY 2024 budget efforts to support the General Fund.

Chair Donaldson reviewed staffing levels over the past five (5) years, and explained related details. The City has a healthy twenty-eight percent (28%) Fund Balance. He remarked on the need to address costs associated with the recent Flood Emergency until the City receives reimbursement from the Federal Emergency Management Agency (FEMA).

Chair Donaldson remarked on the importance of a healthy Fund Balance and the positive impact of the City's AAA bond rating that will prove favorable in leveraging approximately \$1,000,000,000 in new bonds. Chair Donaldson expounded on details regarding the ad valorem rate of other Broward County municipalities and commented on related information.

Chair Donaldson discussed projected increases to the General Fund and cautioned that the City could not continue the same path taken over the past five (5) years regarding personnel increases. Union agreements still need to be finalized, and current estimates indicate personnel costs are projected to increase by \$20,000,000. The City has experienced increases in built-in expenses that need to be accounted for in the Budget, including increases in CIP projects, insurance for City buildings, and increases to Parks and Recreation costs.

Chair Donaldson discussed his viewpoint regarding other cost increases, including health insurance costs for employees. He commented on questions to consider when the BAB meets with Department Directors.

Chair Donaldson said that if the ad valorem is increased to 5.1, it will result in an \$50,000,000 in property tax revenue. If it were raised by .25, the City would gain \$12,500,000 additional revenue, and the ad valorem rate would remain among the lowest in Broward County. He expounded on details related to discussions with Department Directors regarding developing the Budget and requested Commission direction.

Commissioner Herbst provided his input and explained his perspective regarding the importance of adhering to a posture of fiscal

conservativeness. He confirmed the importance of public safety. Commissioner Herbst said that he is not inclined to raise the millage rate and recommended controlling costs.

Vice Mayor Beasley-Pittman said public safety is her priority and remarked on finding a balance to ensure the City thrives. Vice Mayor Beasley-Pittman confirmed that following a review of details related to the Budget and the related process, she would provide additional insight.

Commissioner Glassman agreed with many of the previous comments by Commissioner Herbst and Vice Mayor Beasley-Pittman. The information that will be received prior to the next Joint Workshop with the BAB on June 20, 2023, will provide additional guidance when making budgetary decisions. He confirmed the need for a sense of cautiousness related to rising costs for residents.

In response to Commissioner Sturman's question regarding public safety personnel, Chair Donaldson clarified that there are five hundred fifty (550) sworn officers and a total staff of seven hundred forty-seven (747). There are currently thirty-two (32) vacancies. Further comment and discussion ensued. Chair Donaldson confirmed the total number of Fire-Rescue personnel is five hundred and eight (508), and sixteen (16) positions were added to the Fiscal Year 2023 Budget.

Commissioner Sturman confirmed he concurred with Commissioner Herbst's comments regarding the Budget.

Mayor Trantalis remarked on his viewpoint and the need to find cost efficiencies. He noted that unfilled public safety positions are included in the Budget, and remarked on similar challenges in other cities around the country regarding the ability to fill police vacancies.

Mayor Trantalis discussed his perspective regarding the Police Department's law enforcement efforts and policing methodologies. He requested the Police Department provide the Commission with a presentation regarding community policing efforts. Mayor Trantalis remarked on the need for the community to feel engaged with the police, which should be a factor in fulfilling the City's law enforcement responsibility.

Mayor Trantalis said that should the City cut or trim department personnel or reduce expenses, it would not interfere with any City infrastructure projects. Chair Donaldson explained the funding sources. Other CIP projects are funded by the General Fund. In response to Mayor Trantalis' comment, Chair Donaldson confirmed that all planned infrastructure

projects would continue to move forward. Mayor Trantalis commented on the need for the Budget to include plans associated with City Hall.

Commissioner Sturman remarked on discussions with City Manager Chavarria and area business leaders who support implementing a fourth police district covering the downtown area. He remarked on details regarding police coverage, budgeting and inquired about its feasibility. Further comment and discussion ensued.

Chair Donaldson summarized the BAB would be focused on strategic reductions and challenge each Department Director to determine cost savings. At the Joint Workshop in June, the BAB will provide Budget scenarios based upon numbers received from the County Property Appraiser and input from the Commission regarding increases to funding for public safety, and maintaining event and non-profit funding.

Chair Donaldson reiterated the need for Departments to be strategic with reductions. Any additional budget items need to reflect related cost savings and City enhancement.

Commissioner Herbst discussed the need to be aware of concluding negotiations with the police and fire unions, some of which are eighteen (18) months in arrears, which will have a significant financial impact on the Budget and add to the structure of expenses. He reiterated that public safety is his priority and should be fully funded. Further comment and discussion ensued.

In response to Mayor Trantalis' questions, Commissioner Herbst noted the need to continue negotiations with police and fire unions and provide effective compensation packages to attract new hires. He expounded on his viewpoint regarding challenges related to adequate police staffing and the limited pool of applicants. Further comment and discussion ensued.

In response to Mayor Trantalis' question, City Manager Chavarria confirmed his understanding of Commission direction. Staff will ensure that public safety is amply funded and challenge Department Directors to attain strategic reductions.

In response to Mayor Trantalis' question, Laura Reece, Office of Management and Budget Department Director, confirmed the need for a ninety (90) minute Joint Workshop on June 20, 2023, which will include a presentation from Stantec to discuss rate modeling for the next ten (10) years.

ADJOURNMENT

Mayor Trantalis adjourned the meeting at 12:49 p.m.