

DRAFT
BUDGET ADVISORY BOARD MEETING
CITY OF FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8th FLOOR CONFERENCE ROOM
FORT LAUDERDALE, FLORIDA, 33301
JUNE 21, 2017 – 6:00 P.M.

Board Member	Attendance	10/2016 through 9/2017	
		Cumulative Attendance Present	Absent
June Page, Chair	P	8	0
Drew Saito, Vice Chair	P	6	2
Josias Dewey [Arr. 6:37]	P	2	0
Gregg McKee	P	1	0
James McMullen	P	7	1
Fred Nesbitt	P	8	0
David Orshefsky	P	8	0
Johnnie Smith	A	5	3

Also Attending

Charmaine Crawford, Budget Department and Board Liaison
Stanley Hawthorne, Assistant City Manager
Laura Reece, Budget Manager
John Herbst, City Auditor
Kirk Buffington, Director of Finance
Lee Feldman, City Manager [by phone]
Jason Bowles, Principal Financial Management Analyst
Lian Chan, Prototype Inc.

Communications to the City Commission

None.

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 6:01 p.m.

II. Roll Call

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

III. Approval of Meeting Minutes

1. May 17, 2017

Mr. Orshefsky requested a change to the minutes.

Motion made by Mr. Orshefsky, seconded by Mr. Nesbitt, to approve the minutes of the Board's May 17, 2017 minutes as amended. In a voice vote, motion passed unanimously.

Old Business

A. Canal Dredging Update

Mr. Feldman reported the dredging was "dead at this point" and would not be moving ahead in 2018. Most residents did not believe their canals needed to be dredged or needed to be on a regular schedule.

B. Stormwater Rate Methodology Change Update

Mr. Feldman stated the Commission understood the BAB's position and wanted to have the Infrastructure Task Force look at it.

New Business

**A. Review of FY 2018 Preliminary Budget – Lee Feldman, City Manager
(via phone)**

Mr. Feldman reported they still did not have the State revenue estimates and were relying on the preliminary property assessments, so they were making some big assumptions. He said his priorities for the year included making sure they tackled the issue of health insurance for employees and funding the Nighttime Economy Team. The budget also included providing money to Broward County for beach renourishment, mandated increases to contracted salaries and an increase in the City's Police and Fire pension contribution due to the State mandating the use of new mortality tables. There were also increases due to grant matches for program funds they had already started to receive. Mr. Feldman said they were giving more money from the General Fund to CRAs because their taxable values had increased.

Mr. Feldman drew the Board's attention to the Fiscal Year 2018 Department Budget Modification Requests "funded" column. There were 11 new positions for the Nighttime Economy Team, headed by an Assistant to the City Manager, dealing with nighttime activities in the City, primarily in the five entertainment zones. Mr. Feldman was still considering moving the Special Events Project Manager into this group from Parks and

Recreation for large events that were not run by the City. In the Finance Department, there was one new Accountant II position.

Mr. Nesbitt asked about the two new positions under Homeless Service Improvements that were not funded and Mr. Feldman said he felt they were effective coordinators with existing staff. He said homelessness was also a County issue and the County “got all the money for it,” so he did not want to “send the message to the County that we’re absolving them of their responsibility to provide these service within our City.” He believed Fort Lauderdale already had the largest cadre of individuals of any Broward city who were dedicated to homeless services.

Mr. Feldman was also recommending funding for 10 firefighter/paramedics to provide a third person for some units, which would help decrease response time. He also favored an additional analyst in the Fire Department to help them better understand the data and reduce call volume. He recommended funding the wellness program, with the caveat that they would have mandated fitness standards in the future. Mr. Feldman explained to Mr. Orshefsky that it would take years to see if the wellness program paid for itself, manifesting in fewer Workers’ Compensation claims.

In Parks and Recreation, Mr. Feldman was recommending granting all of their requests, including the enhancement to facility repairs. For the Police Department, he was recommending approval of the body-camera pilot program positions needed to run it. In Public Works, he recommended \$1.4 million in new staffing and equipment to keep the roads in a good state of repair.

In Transportation and Mobility, Mr. Feldman said the City Commission wanted to be sure they had adequate staff to pursue grants and to coordinate with Broward County and FDOT. Chair Page said the BAB was not “completely on board” with the additional staff members and this was not well thought-out. Mr. Feldman stated they needed to determine where problems existed and develop appropriate solutions and agreed to have further discussions with the BAB. Chair Page argued that some BAB members felt that giving Transportation and Mobility more money was “throwing good money after bad” because they did not seem to have performance measures or measured outcomes. She said traffic was getting worse and “a lot of it was because of the projects that they do.” Mr. Nesbitt remarked that the department could not answer questions about sites for pedestrian traffic fatalities and traffic calming. He said they did not have data to support their activities. Mr. Feldman felt this was true in some case but not all. He agreed they needed to do a better job and have further discussions regarding specific items in the request.

Mr. Feldman informed the Board that the Building Fund, the Airport Fund and the Water and Sewer fund had been granted their requests.

Ms. Reece stated it would cost the City approximately \$700,000 per year for the eight officers that were now being funded by the COPS grant after it was gone.

Mr. Saito thought that new technology should allow the City to employ fewer people but they seemed to be going in the opposite direction. He noted they were hiring four more IT people this year and he did not understand why the department kept growing. Mr. Feldman explained that a lot of what they were implementing was better technology, not necessarily with fewer people. Also, cybersecurity was their biggest concern.

Ms. Reece informed the Board that the CIP contribution would be \$24.6 million in 2018. Mr. Feldman stated this included \$13 million for the sale of property.

IV. Floor Open for Neighbor Input

None

V. Old Business

A. Canal Dredging Update

Discussed earlier.

B. Stormwater Rate Methodology Change Update

Discussed earlier.

C. Infrastructure Task Force Update

Mr. Orshefsky reported the Infrastructure Task Force's July meeting would be held on June 26 due to the July 4 holiday. The discussion at that meeting would center on funding mechanisms and special assessments. He said some of the infrastructure requirements that the task force would discuss would be parsed between general obligation bonds and revenue bonds.

VI. New Business

A. Review of FY 2018 Preliminary Budget – Lee Feldman, City Manager (via phone)

Discussed earlier.

B. FY 2018 Budget Advisory Board Top Five Budget Modification Priorities

Mr. Saito's four priorities were: 10 additional firefighters, the City-wide repairs request from Parks and Recreation, Police bodycams and the request from the mounted and K-9 division.

Mr. Orshefsky was in favor of IT requests for any department, but he wanted the Commission to pay close attention to back office costs, which could balloon. Mr. Orshefsky also wanted the City Commission to set a specific percentage for the minimum annual contribution from the general revenue to the CIP (higher than the 2.5%

the BAB had recommended). Mr. Nesbitt agreed that the BAB should discuss this as a policy and make a recommendation.

Mr. McMullen wished to add metrics to measure the effectiveness of the Vision Zero plan before granting the \$600,000 request for the program. Chair Page also objected to \$450,000 for new employees in Transportation and Mobility because the department could not “be bothered to answer the most basic business questions.” Mr. McMullen wanted to communicate to the City Commission that some BAB members were not happy with the way the department was run and its ability to demonstrate the success of its operations. Mr. Dewey was unsure that denying funding was the right approach and felt someone should be fired.

Mr. Hawthorne remarked that based upon the neighbor surveys, transportation was the “one functionality of government in this City that there’s something less than satisfaction with.” At the May planning session with the City Commission, Mr. Hawthorne said Commissioners had expressed the same concerns and this was why Mr. Feldman had come back with a potential “fix” by supplementing Transportation and Mobility’s funding. Mr. Hawthorne said Mr. Feldman’s thinking about how to address the problem was still evolving.

Mr. Dewey wanted an independent group to assess the IT Department and suggest different approaches. He agreed with the Fire Rescue and Finance Department’s requests.

Mr. Saito liked Mr. Dewey’s idea of an independent group assessing IT, and wondered who was “fact checking” Mike Maier, IT Director, Chief Tech Officer and validating his opinion about the best software. Mr. Hawthorne said the City had brought in a consultant for cybersecurity. Mr. Herbst explained that the City used an IT governance committee, comprising department heads, that ensured that software across departments could coordinate and operate within the network structure. Mr. Herbst added that the City was at a great disadvantage because municipalities could not offer salaries that competed with the private sector. In response to Mr. Saito’s suggestion that they “massively outsource IT functions,” Mr. Herbst said this would be even more expensive. Mr. Saito said, “More expensive is not always like a bad thing; as long as it’s done very well, you get what you pay for.”

Chair Page stated her top five priorities were the 10 additional firefighters, the body camera pilot program, the animals for mounted patrol and K9 units, the road maintenance program, additional funding for Parks and Recreation maintenance City-wide, and funding for new technologies City-wide to promote efficiencies and better service.

C. Updated Budget Advisory Board Recommendation Matrix

Chair Page said Board members had expressed concern that the City was becoming decentralized, with departments hiring more people when it could be centralized in one department. She said one of their top priorities was figuring out what to do about Transportation and Mobility. Mr. Nesbitt was concerned about the high turnover and positions left open for long periods of time in Public Works and Sustainable Development.

D. Pros and Cons of FY 2018 Department Budget Packets and Meeting Format

~ Identification of changes for FY 2019

Ms. Reece recalled that the Board had wanted the format to focus more on the neighbor survey and the CAP. Mr. Orshefsky stated he wanted a sense of the City Commission's policy/strategy they set up each year with the Community Action Plan and the neighborhood surveys, which were intended to steer the budget. He agreed to discuss this with Mr. Smith and then inform Ms. Reece about the elements he would like to see included. The Board agreed to defer discussion on this until the fall.

E. City Commission Compensation

1. Should the City Commission compensation be changed?

2. What should it be changed to?

Mr. Nesbitt agreed that the BAB should make a recommendation but did not agree with Mr. Feldman that the salaries should be tied to the median income of City residents. He wanted the BAB to review the salaries every three years and make recommendations to the City Commission.

Motion made by Mr. Nesbitt, seconded by Mr. Dewey: The Budget Advisory Board recommends to the City Commission that the salary of the Mayor be increased from \$35,000 to \$50,000, the salary of commissioners be increased from \$30,000 to \$45,000, and that the Budget Advisory Board review the salaries every three years and make recommendations for adjustments to the City Commission.

Mr. Orshefsky said the Commission's current salaries were consistent with other municipalities and he had trouble justifying an increase. Chair Page agreed.

Mr. Saito said that in the private sector, larger companies offered larger compensation, and Fort Lauderdale was larger than other municipalities, both in number of residents and budget.

Mr. Dewey felt that even the amounts suggested by Mr. Nesbitt were not enough to attract qualified candidates.

Chair Page suggested the Board could recommend the Commission members receive raises, but not specify how much.

Mr. Bowles said the City had done a study of part-time salaries for Broward County, Miami-Dade County and Palm Beach County and that was how they had arrived at this figure.

Mr. Herbst said Commissioners had expressed concern that only someone who could afford to serve because he/she owned a business would run for office. Raising the salaries increased the chances of others running for office.

Mr. McMullen said the Board could also decline to make a recommendation on this. Mr. Orshefsky and Chair Page agreed, but Mr. Nesbitt reminded the Board that the Commission had requested their advice and he felt they should give it.

In a voice vote, **motion passed** with 4 members in favor and 3 having no opinion.

F. Finalize Joint City Commission Workshop Preparation and Agenda

No discussion.

Other Items and Board Discussion

None

VII. Joint City Commission Budget Workshop Dates @ 6:30pm

A. Thursday, June 29, 2017

B. Tuesday, August 29, 2017

VIII. Communications to/from the City Commission

None.

IX. Board Member Comments

None.

X. Adjourn

Upon motion duly made and seconded, the meeting was adjourned at 8:19 p.m.

[Minutes prepared by J. Opperlee, ProtoType Inc.]