



Ft. Lauderdale, FL

FY 2022 Revenue Sufficiency Study

June 15, 2021





Financial Forecasts

General Fund

Airport

Building

Parking

Regional Sewer

Water & Sewer

Stormwater

Sanitation



Source Data & Key Assumptions:

- FY 2020 Audited Financials
- FY 2021 Amended Budget and FY 2022 Preliminary Budget
- FY 2022–FY 2026 Preliminary 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



1. 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:

- Estimates as of June 1 indicate an increase of approximately 7% over FY 2020 final valuation

Covid Budget Impacts:

- The City's proactive budgetary actions in FY2020 and FY 2021 have resulted in greater financial flexibility for FY2022



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	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%



Interactive Model Review



2. Airport Fund



Key Planning Observations & Considerations

Transfer from General Fund to End after FY 2024:

- Loss of \$1.3 million in annual revenue from General Fund

Lease Revenues:

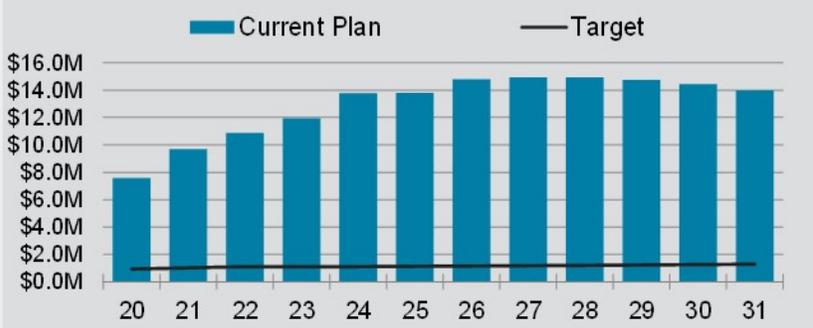
- Provide a stable base of revenues for the enterprise
- New leases are key drivers of additional revenues

Airport FAMS Model

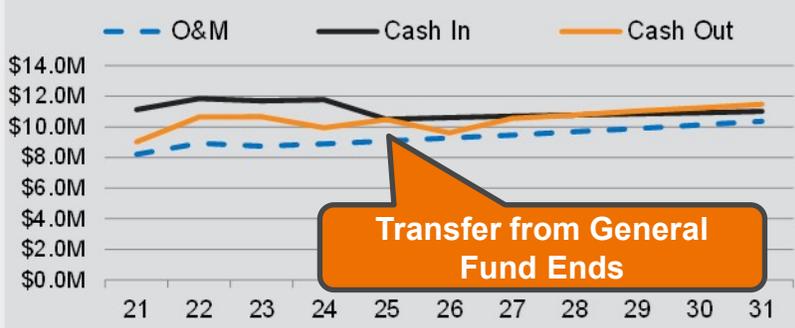
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031		
Net Cash Flow	2.11	1.20	1.04	1.84	0.03	1.00	0.15	(0.01)	(0.18)	(0.32)	(0.45)	Check	-

Positive Cash Flows

Operating Fund



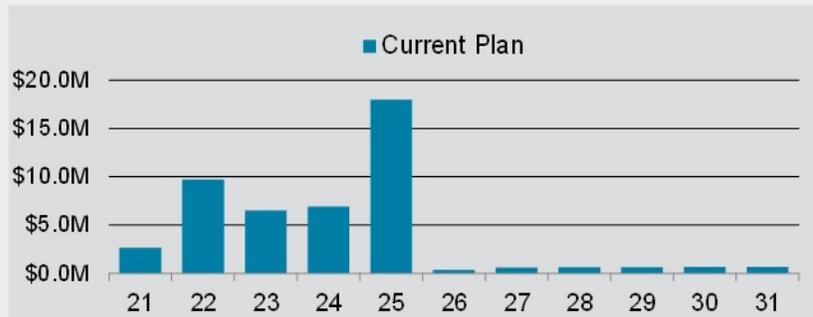
Revenues vs. Expenses



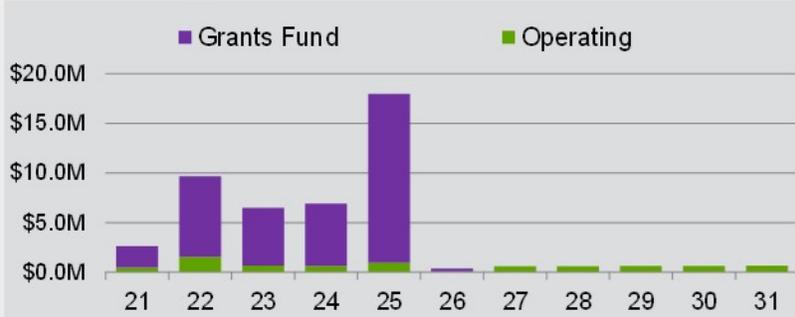
Expenses by Type



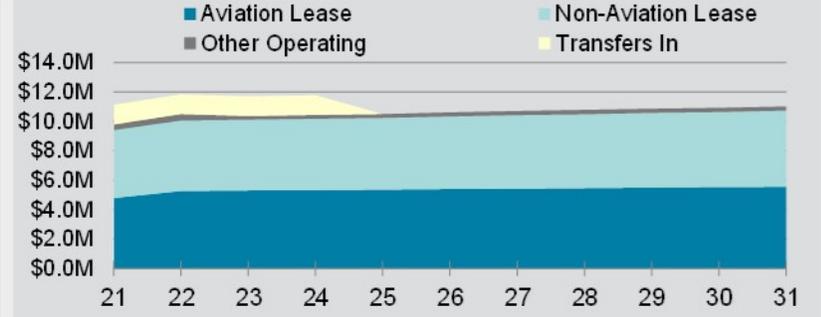
CIP Spending



CIP Funding



Revenues by Type





3. Building Fund



Key Planning Observations & Considerations

Continue to Monitor Fees Periodically and Scale Costs/Resources to Activity Levels

House Bill 447 Put New Limits on Fund Balance:

- May not carry forward an amount exceeding the average of operating budget for the previous 4 fiscal years

FY 2020 Transfer of Building Ownership from General Fund

Purchase of Land from the Sanitation Fund Planned for Additional Parking in FY 2021:

- \$2M use of operating reserves

Joint Government Center:

- \$200K in added costs beginning in FY 2026



Building FAMS Model



FT. LAUDERDALE - BUILDING

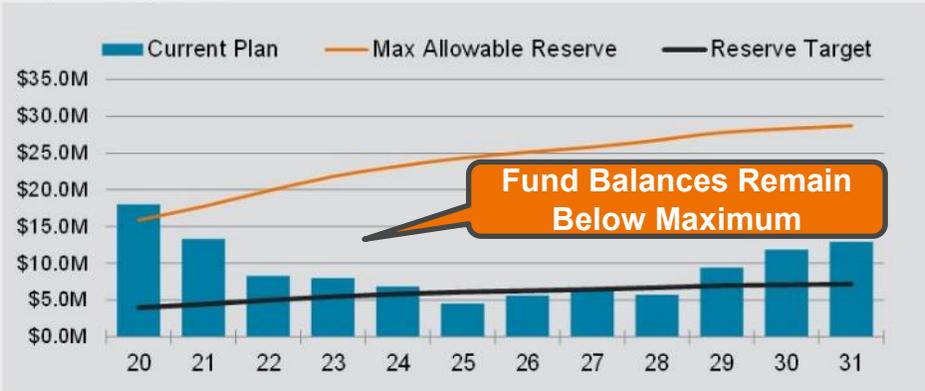
Assumed Fee Realignment Every 3-5 Years



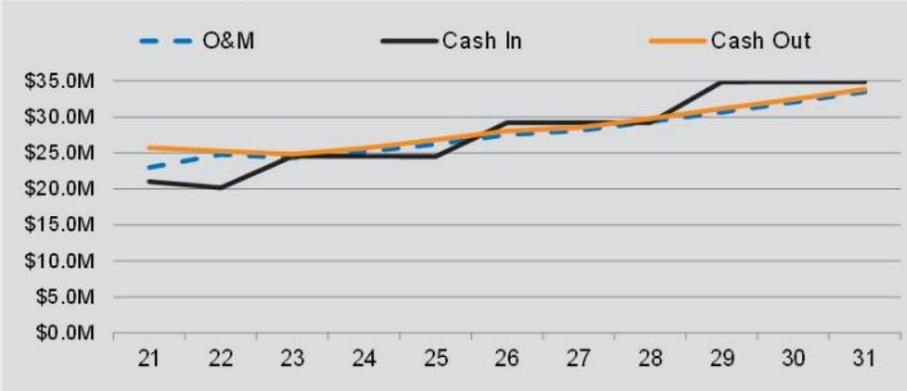
CALC SAVE CTRL LAST OVR

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2026	FY 2031
Building Permits Revenue Plan	0.00%	0.00%	25.00%	0.00%	0.00%	20.00%	0.00%	0.00%	20.00%	0.00%	0.00%	45.00%	65.00%
Other Permits Revenue Plan	0.00%	0.00%	25.00%	0.00%	0.00%	20.00%	0.00%	0.00%	20.00%	0.00%	0.00%	45.00%	65.00%
Reinspections/Penalties Rev. Plan	0.00%	0.00%	25.00%	0.00%	0.00%	20.00%	0.00%	0.00%	20.00%	0.00%	0.00%	45.00%	65.00%
Combined Fund Cash Flow	(4.67)	(5.04)	(0.26)	(1.07)	(2.28)	1.16	0.71	(0.54)	3.75	2.50	1.10	Check	-

Operating Fund



Revenues vs. Expenses



Expenses by Type



Revenues by Type





4. Parking Fund



Key Planning Observations & Considerations

Parking Lot Revenues:

- Parking revenues experienced significant volatility due to Covid
- Revenues are expected to normalize over the next year and appear to be sufficient over the short-term based upon the increased rates implemented in FY 2020
- Projections include uncertainty due to limited experience with reopening of businesses at the new rates

Joint Government Center:

- \$1.3M in added ongoing costs beginning in FY 2026

Federal Courthouse Parking Garage Operational in FY 2026:

- \$140K net revenue impact (revenues - debt service and operations)

CIP Assumes R&R Funding in FY 2021 and Forward

Parking FAMS Model



FT. LAUDERDALE - PARKING



CALC SAVE CTRL LAST OVR

No Rate Increases

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2026	FY 2031
Metered Parking Rate Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Permit Parking Rate Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Citations Rate Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Senior-Lien DSC	0.00	0.00	0.00	0.00	12.59	11.16	11.14	10.78	10.38	9.94	9.45	Scenario Manager	
Net Cash Flow	(3.44)	1.03	(0.37)	(0.01)	1.62	0.55	0.69	0.36	(0.01)	(0.18)	(0.56)	Check	-

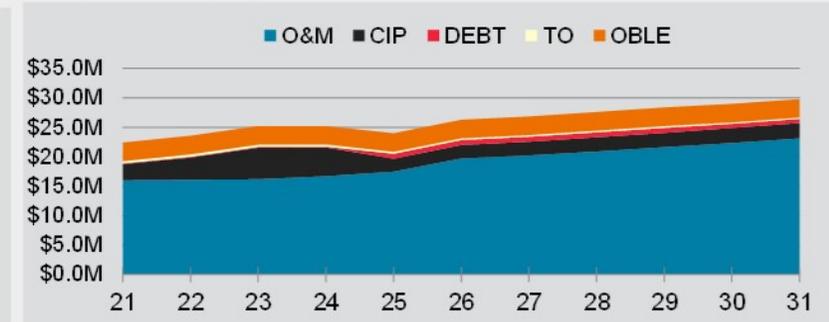
Operating Fund



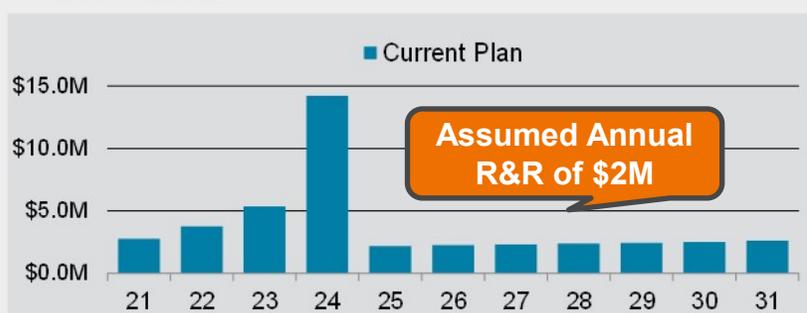
Revenues vs. Expenses



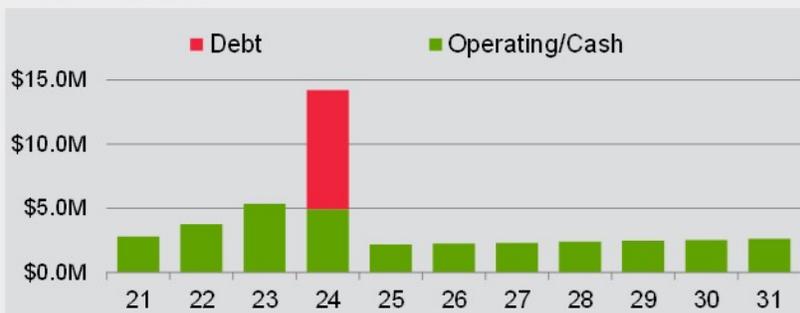
Expenses by Type



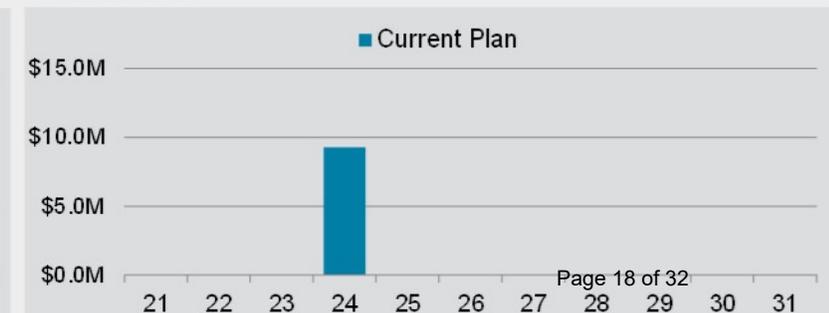
CIP Spending



CIP Funding



Borrowing





5. Regional Sewer Fund



Key Planning Observations & Considerations

This fund is supported by the Large Users based upon agreements with members of the Central Region. The volume rate is estimated with a true-up at year end to actual costs.

Large Users:

- City of Fort Lauderdale - 83%
- Oakland Park - 13%
- Other Users (Wilton Manors, Tamarac, Davie) - 4%

Assuming \$38M Bond Issuance in FY 2023 & \$30M in FY 2028

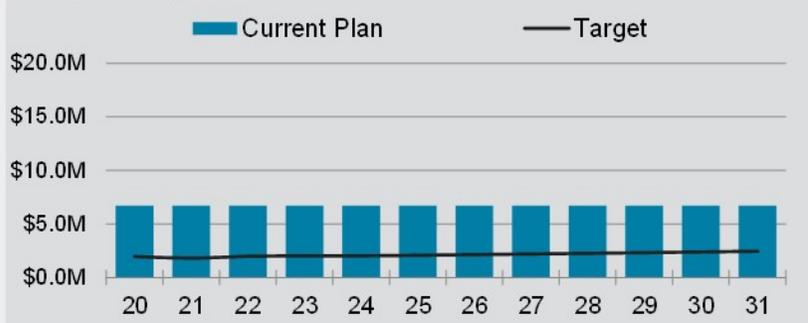
Renewal and Replacement Expense Growth (FY 2017- FY 2022)

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Renewal & Replacement	\$7.8M	\$9.4M	\$14.3M	\$10.6M	\$14.2M	\$15.3M
<i>Cumulative % Change</i>		20.5%	83.3%	35.9%	82.1%	96.2%

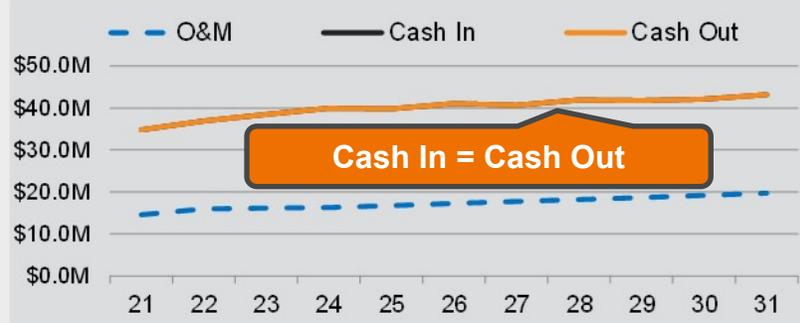
Regional FAMS Model

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2025	FY 2030
Bulk Wastewater Rate Plan	0.00%	5.28%	6.28%	3.67%	-0.33%	3.32%	-1.01%	3.00%	-0.29%	0.70%	2.60%	19.40%	25.42%
Bulk Wastewater Rate	\$2.48	\$2.61	\$2.77	\$2.88	\$2.87	\$2.96	\$2.93	\$3.02	\$3.01	\$3.03	\$3.11	Refunding	Yes
Net Cash Flow	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		

Operating Fund



Revenues vs. Expenses



Expense by Type



CIP Spending



CIP Funding



Borrowing





6. Water & Sewer Fund





Key Planning Observations & Considerations

Minimum Reserve Level:

- Target 3 months of operations and maintenance

Capital Investments:

- Targeting \$20M cash funded capital annually
- \$162M bond in FY 2023 & \$170M bond in FY 2028

Joint Government Center:

- \$1.5M added in ongoing costs beginning in FY 2026

Debt Refinancing:

- \$.5M in savings beginning in FY 2022



Key Planning Observations & Considerations

Water Plant Option (Not Included in Revenue Sufficiency Model):

- \$432M bonded in FY 2026 (includes annual debt service estimate \$26M)
- Conceptual annual operation and maintenance cost increase of \$16.7M in FY 2029

Advanced Metering Infrastructure (AMI) Costs:

- \$30M borrowing in FY 2022 (includes annual debt service estimate \$2.5M)
- \$250k in contractual savings starting in FY 2024



Interactive Model Review



7. Stormwater Fund



Key Planning Observations & Considerations

Non-ad Valorem Assessment:

- Implemented in FY 2021

Stormwater Bond:

- FY 2022 - \$200M (\$98M WIFIA loan & \$102M revenue bond)
- FY 2027 - \$200M
- Assumes interim financing in FY 2020 – FY 2021 for \$70M until bonds are issued

Operations and Maintenance Cost:

- New investments expected to lead to increased O&M
 - Approximately \$850K added each year as a placeholder for each issuance
- Joint Government Center \$100K in added annual costs beginning in FY 2026

Capital Investments:

- Targeting \$4M cash funded capital annually

Stormwater FAMS Model



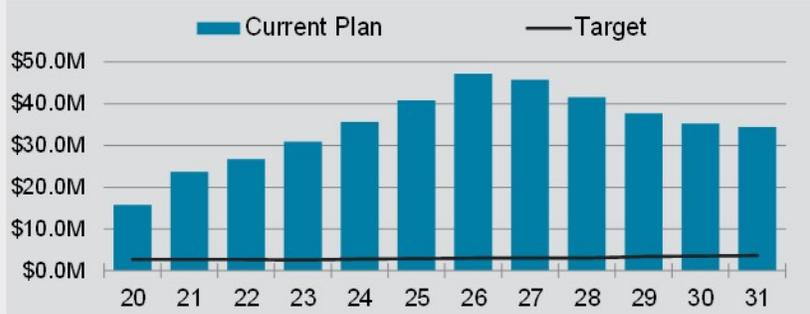
FT. LAUDERDALE STORMWATER



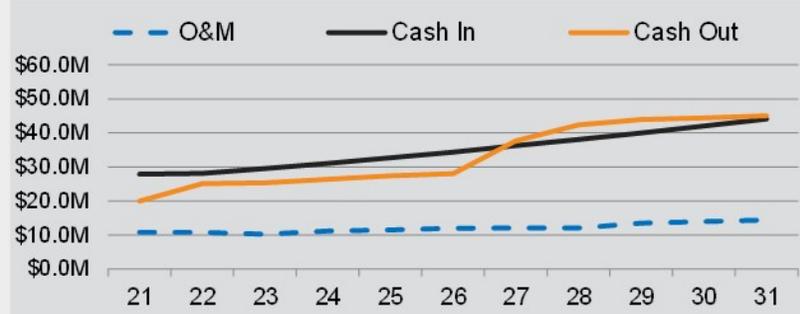
CALC SAVE CTRL LAST OVR

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2026	FY 2031
Stormwater Revenue Plan	0.00%	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	21.54%	55.11%
Senior-Lien DSC	0.00	1.78	2.01	2.08	2.21	2.34	1.23	1.08	1.10	1.16	1.23	Scenario Manager	
Residential Assessment	\$258.26	\$258.26	\$271.19	\$284.74	\$298.97	\$313.90	\$329.55	\$346.06	\$363.36	\$381.49	\$400.58	WIFIA	Yes
Net Cash Flow	7.95	3.02	4.19	4.69	5.27	6.38	(1.44)	(4.22)	(3.89)	(2.40)	(0.88)		

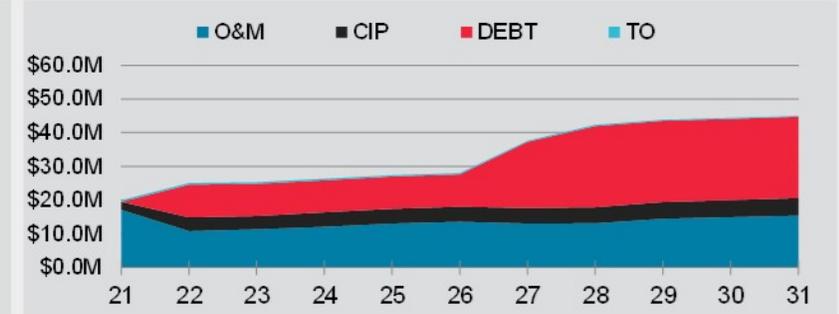
Operating Fund



Revenues vs. Expenses



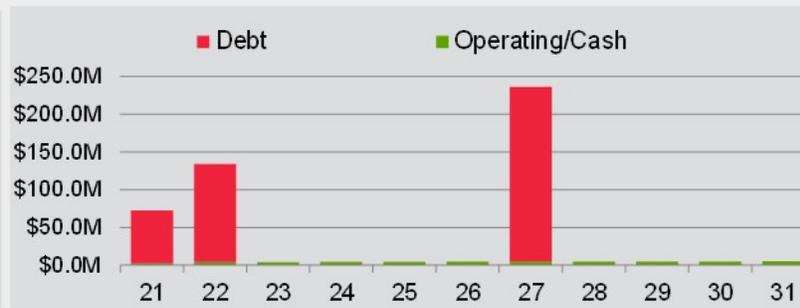
Expenses by Type



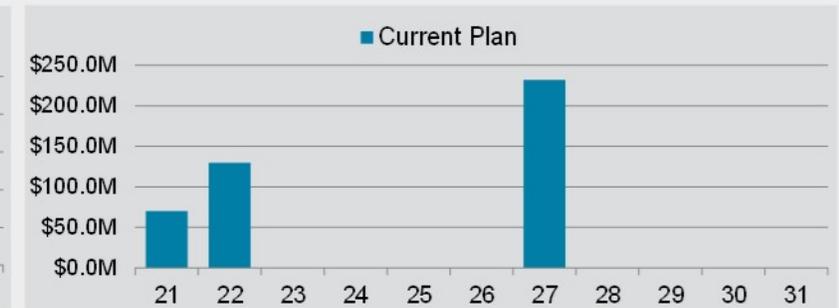
CIP Spending



CIP Funding



Borrowing





8. Sanitation Fund



Key Planning Observations & Considerations

Sanitation Rates:

- 4% annual increase included in ordinance through FY 2024

Sale of Land to Building Fund:

- \$2M in proceeds in FY 2021 from sale of land

Hauler Contracts:

- FY 2023 will include contract negotiations

Reserve Target:

- Currently minimum is 1.5 months of operating costs
- The City's Target is 3 months (included in projections)

Joint Government Center:

- \$100K in additional annual costs beginning in FY 2026

Plant A Remediation Cost of \$900K in FY 2021

- Expenditure is subject to the sale of the Plant A property

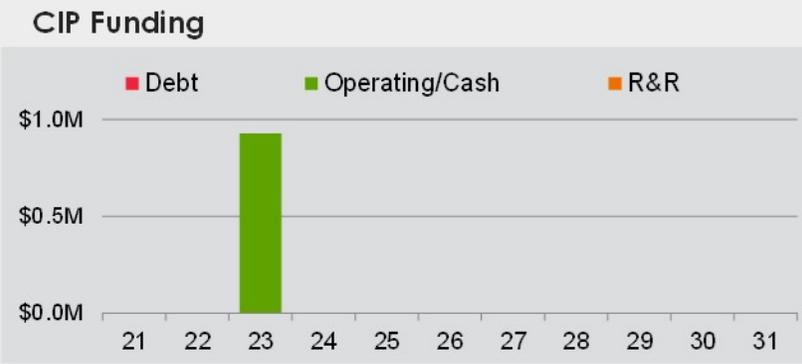
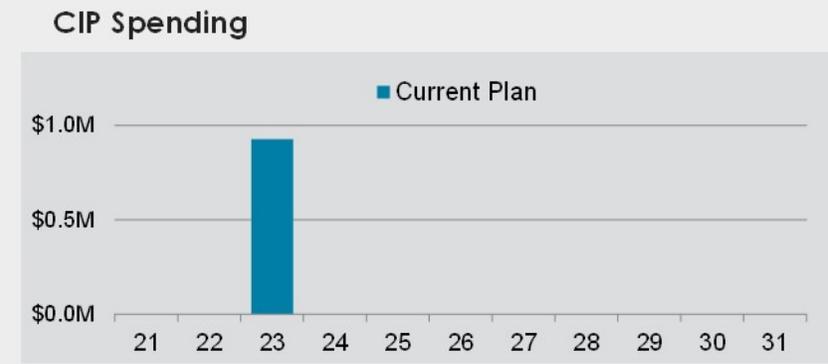
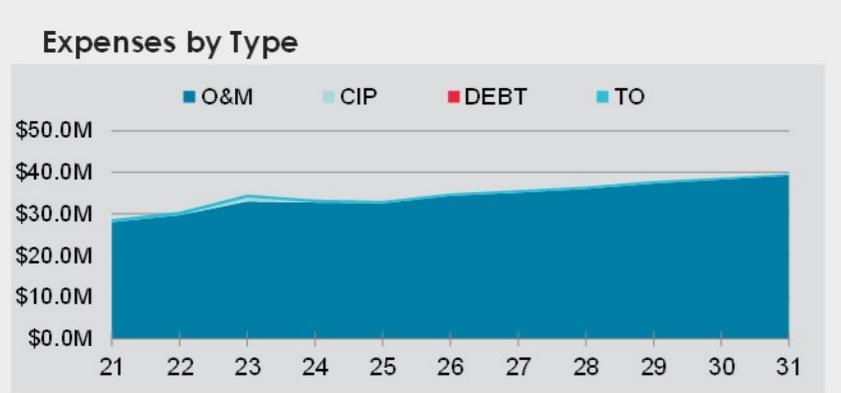
Sanitation FAMS Model

FAMS | FT. LAUDERDALE SANITATION FUND
 Financial Analysis & Management System | By Stantec

Stantec

CALC SAVE CTRL LAST OVR

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2026	FY 2031
Rate Plan	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	21.67%	48.02%
Single Family Sanitation Bill	\$42.33	\$44.02	\$45.78	\$47.61	\$49.52	\$51.50	\$53.56	\$55.70	\$57.93	\$60.24	\$62.65	Gov. Center	Yes
Net Cash Flow	1.83	(0.65)	(3.74)	(1.38)	0.10	(0.43)	0.08	0.57	0.61	1.32	1.95		





Questions?