

DOCUMENT ROUTING FORM

2 ✓ 1/29/13 L

NAME OF DOCUMENT: Amendment-Burton & Associates

Approved Comm. Mtg. on 12/18/12 Rv-7, 2012 CAR# 12-2634  
Memo

ITEM:  M -  PH -  O -  CR -  R

Routing Origin:  CAO  ENG.  COMM. DEV.  OTHER

Also attached:  copy of CAR  copy of document  ACM Form  # 2 originals

By: ck. forwarded to: \_\_\_\_\_  
Initials

Capital Improvements defined as having a life of at least 10 years and a cost of at least \$50,000 and shall mean improvements to real property (land, buildings, fixtures) that add value and/or extend useful life, inc. major repairs such as roof replacement, etc. Term "Real Property" include: land, real estate, realty, real.

1.) Approved as to Content: [Signature]  
Department Director

Please Check the proper box: CIP FUNDED  YES  NO  
Capital Improvement Projects

2.) Approved as to Funds Available: by (see attached CAM) Date: \_\_\_\_\_  
Finance Director

Amount Required by Contract/Agreement \$ \_\_\_\_\_ Dept./Div. \_\_\_\_\_

FUNDING SOURCE: Index/Sub-object \_\_\_\_\_ Project # \_\_\_\_\_

3.) City Attorney's Office: Approved as to Form # 2 Originals to City Mgr. By: Carriek

Harry A. Stewart \_\_\_\_\_ Cole Copertino \_\_\_\_\_ Robert B. Dunckel \_\_\_\_\_  
Ginger Wald \_\_\_\_\_ D'Wayne Spence \_\_\_\_\_ Paul G. Bangel PGB ←  
Carrie Sarver \_\_\_\_\_ DJ Williams-Persad \_\_\_\_\_

4.) Approved as to content: Assistant City Manager:  
By: \_\_\_\_\_ By: \_\_\_\_\_  
Stanley Hawthorne, Assistant City Manager Susanne Torriente, Assistant City Manager

5.) City Manager: Please sign as indicated and forward # 2 originals to Mayor.

6.) Mayor: Please sign as indicated and forward # 2 originals to Clerk.

7.) To City Clerk for attestation and City seal.

INSTRUCTIONS TO CLERK'S OFFICE

8.) City Clerk: retains one original document and forwards 1 original documents to CARRIEK (x5141)

Copy of document to \_\_\_\_\_  Original Route form to \_\_\_\_\_  
 Attach \_\_\_\_\_ certified copies of Reso. # \_\_\_\_\_  Fill-in date

**SECOND AMENDMENT TO AGREEMENT FOR PUBLIC WORKS FINANCIAL SERVICES  
BETWEEN THE CITY OF FORT LAUDERDALE AND BURTON & ASSOCIATES, INC.**

This Second Amendment to Agreement for Public Works Financial Services, dated this 18th day of ~~December~~ <sup>January</sup> 2013, is by and between the City of Fort Lauderdale, a Florida municipality, ("City"), and Burton & Associates, Inc., a Florida corporation, ("Contractor").

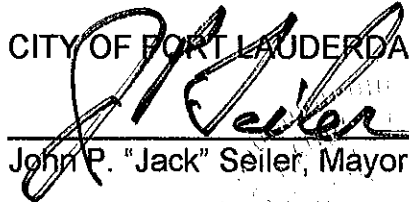
WHEREAS, the City and Contractor entered into Agreement No. 495-10161 for Public Works Financial Services dated April 21, 2009, ("Contract");

NOW, THEREFORE, the City and the Contractor hereby agree to amend the Contract as follows:


Notwithstanding Section 2, Contract Special Conditions of form G-110, Rev 12/00, of the Contract, Contractor shall perform twice yearly update projections in accordance with the quote dated October 8, 2012, which is attached hereto as Exhibit "A" and incorporated herein and in accordance with the terms and conditions of the Contract.

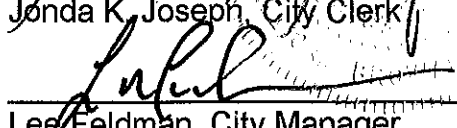
IN WITNESS WHEREOF, the parties execute this Second Amendment to Agreement for Public Works Financial Services as follows:

CITY OF FORT LAUDERDALE:

  
\_\_\_\_\_  
John P. "Jack" Seiler, Mayor

ATTEST:

  
\_\_\_\_\_  
Jonda K. Joseph, City Clerk

  
\_\_\_\_\_  
Lee Feldman, City Manager

Approved as to form:

  
\_\_\_\_\_  
Senior Assistant City Attorney

WITNESSES:

Kate W. Moore

Signature  
Print Name: KATE W. MOORE

Eric Graa

Signature  
Print Name: Eric Graa

(Corporate Seal)

BURTON & ASSOCIATES, INC.

Michael E. Burton  
Print Name MICHAEL E. BURTON  
President

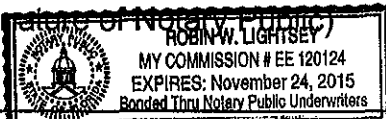
ATTEST:

Cynthia Griffin  
Print Name: Cynthia Griffin  
Secretary

STATE OF Florida:  
COUNTY OF Saint Johns:

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of January, 2012, by Michael E. Burton as president for Burton & Associates, Inc., a Florida corporation.

Robin W. Lightsey  
Notary Public, State of Florida

(Signature of Notary Public)  


(Print, Type, or Stamp Commissioned Name of Notary Public)

Personally Known  OR produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

**BURTON & ASSOCIATES**

October 8, 2012

Mr. Lee R. Feldman, ICMA-CM  
City Manager  
City of Fort Lauderdale  
100 North Andrews Avenue  
Fort Lauderdale, FL 33301

Re: Adjusted Proposal for 1) Quarterly or Twice Yearly Updates of our FAMS-XL© Revenue Sufficiency Forecast Model for Utility Funds and Special Funds and 2) Initiation of a General Fund Revenue Sufficiency Forecast FAMS-XL© Model and Quarterly or Twice Yearly Updates of that Model

Dear Mr. Feldman:

I received a request from Stanley Hawthorne to revisit our proposal with the thought of reducing our Fee. Stanley also suggested we include an alternative for twice yearly updates rather than quarterly updates. Accordingly, we have re-evaluated our proposal and have developed two alternatives for your consideration which are described below.

**Alternative Proposals**

The two alternatives that we are proposing in response to Mr. Hawthorne's request as compared to our initial proposal are as follows, a summary of which is presented in Figure 1 on page 7 of this letter.

**Quarterly Updates:**

1. **Utility and Special Funds** – a) a ten (10) percent reduction in the fee for the one-time task of initialization and a fifteen (15) percent reduction for the one-time task to set-up quarterly updates, resulting in a weighted average reduction for these one-time tasks of thirteen (13) percent for the Utility Funds and eleven (11) percent for the Special Funds compared to our original proposal, and b) a three (3) percent reduction in annual quarterly update fees for all Utility Funds and Special Funds compared to our original proposal, and
2. **General Fund** – a) a ten (10) percent reduction in the fee for the one-time task of initialization/customization and a fifteen (15) percent reduction for the one-time task to set-up quarterly updates, against which the original fifty (50) percent discount is then applied resulting in a weighted average reduction for these one-time tasks of twelve (12) percent compared to our original proposal, and b) a five (5) percent reduction in the annual quarterly update fees for the General Fund model compared to our original proposal.

Burton & Associates

200 Business Park Circle, Suite 101 • St. Augustine, Florida 32095 • Phone (904) 247-0787 • Fax (904) 241-7708  
E-mail: [mburton@burtonandassociates.com](mailto:mburton@burtonandassociates.com)

**Utility Funds:**

1. Water & Sewer (W&S) Fund – 450 (estimated annual revenues of \$110 million)
2. Regional Fund – 451 (estimated annual revenues of \$22 million)
3. Stormwater Fund (estimated annual revenues of \$6 million)
4. Sanitation Fund (estimated annual revenues of \$22 million)

**Special Funds:**

5. Airport Fund (estimated annual revenues of \$7 million)
6. Parking Fund (estimated annual revenues of \$14 million)
7. Building Fund (estimated annual revenues of \$10 million)

For the W&S Fund, Regional Fund and Stormwater Fund, Burton & Associates has already established a Model which can be updated on a quarterly or twice yearly basis. For the Sanitation Fund and all Special Funds, a Model has not been initialized as part of a prior engagement. Therefore, for those Funds for which a Model has not been initialized, it will be necessary to first initialize a Model.

For all Utility and Special Funds, it will then be necessary to adjust the Model functionality for each fund to include spreadsheets for the annual projection of budget versus actual revenues, expenditures and fund balances in the current fiscal year and to “roll up” the quarterly or twice yearly results into the current year of the ten-year forecast in the Model. The initialization of Models for those funds for which a Model has not been initialized and adjustment of the functionality of the Models for all funds to provide for quarterly or twice yearly update capability will be one-time expenses.

Quarterly or twice yearly updates will then be accomplished for each Utility and Special Fund and will include evaluation of actual quarterly or twice yearly results regarding revenues, expenditures and fund balances against budgeted results for the current fiscal year to date and comparison of those results against historical budget versus actual results for the same period (adjusted for explanatory variables which can affect actual results such as weather and water usage restrictions for water and sewer demand, economic conditions, changes in rates, service interruptions, etc.). Based upon that evaluation, the quarterly and twice yearly updates will develop projections of year-end results for the current year that will also reflect input from consultation with City staff regarding current year revenue and expense spending patterns, as well as anticipated revenue and spending projected through the remainder of the year.

The annual projection for the current year based upon the quarterly or twice yearly updates will then be “rolled up” to the current year projection in the ten-year forecast of the Model for each fund. An interactive work session will then be conducted with City staff to review the preliminary results of the quarterly or twice yearly update for each fund and adjustments will be made as appropriate.

Upon completion of the adjustments, the adjusted results of the quarterly or twice yearly updates for each fund will be reviewed in an interactive work session with you and your staff. Adjustments will be made to the quarterly or twice yearly updates as appropriate based upon

financial reports supported by a narrative description of the quarterly or twice yearly update findings.

### **Work Plan and Cost Estimate**

Based upon the above described Scope of Services, we have developed a Work Plan and Cost Estimate for the accomplishment of this Scope of Services.

We developed a Work Plan and Cost Estimate Schedule for quarterly updates of the Water and Sewer Enterprise Fund (for which we have an initialized Model) and used it as a template for the tasks to be accomplished and the cost for quarterly updates for the other Special Funds for which we have an initialized Model (the Regional Fund and the Stormwater Fund). We also developed a Work Plan and Cost Estimate Schedule for the Sanitation Fund and used it as a template for the tasks to be accomplished and the cost of initialization and of quarterly updates for the other Special Funds for which we do not have an initialized Model (Airport, Parking and Building Funds). We also developed a Work Plan and Cost Estimate Schedule for Model initialization, Model modification for quarterly updates, and performance of quarterly updates for the General Fund.

It is important to note that one of the quarterly updates for each fund is larger than the other quarterly updates. This is because once each year, the quarterly update will include a total update of the Model to roll the model one year, input the next fiscal year's budget and updated CIP, and calibrate fund balances to audited year end results. In the case of the General Fund update, this will also include updating the property database in the GF Model with current property data from the Broward County Property Appraiser. This is also true of the twice yearly updates in that alternative proposal which is included herein.

For Special Funds other than the Water and Sewer Fund and the Sanitation Fund, estimates for the level of effort and costs of Model initialization and for Model adjustments for quarterly updates were based upon the Water and Sewer Fund Work Plan and Cost Estimate Schedule and the Sanitation Fund Work Plan and Cost Estimate Schedules. For the Regional Fund and the Stormwater Fund we determined the effort and associated costs for Model set up for, and performance of, quarterly updates as percentages of the Water and Sewer Work Plan and Cost Estimate. For the other special funds we determined the effort and associated costs for Model initialization and Model set up for, and performance of, quarterly updates as percentages of the Sanitization Work Plan and Cost Estimate.

The above referenced Work Plan and Cost Estimate Schedules for the Water and Sewer Fund, Sanitation Fund, and General Fund are enclosed. We have also enclosed a Cost Calculation Schedule which shows the calculation of fees for Model initialization, Model adjustments for quarterly updates, and performance of the quarterly updates for each fund as described above.

In addition to the detailed Work Plan and Cost Estimate Schedules referred to above, we have enclosed a Summary of Fees by Fund table in Figure 1 on the following page which provides a

**Figure 1 - City of Fort Lauderdale**

PROPOSAL FOR UPDATES OF UTILITY FUNDS AND SPECIAL FUNDS AND  
INITIATION AND UPDATES OF A GENERAL FUND REVENUE SUFFICIENCY FORECAST MODEL

*Summary of Cost by Fund*



| Funds                           | Task Description                                   | Original Quarterly Update Proposal |                              | Discounted Quarterly Update Proposal |                              | Burton & Associates<br>Discounted Twice Yearly Update Proposal |                                 |
|---------------------------------|--|------------------------------------|------------------------------|--------------------------------------|------------------------------|--|---------------------------------|
|                                 |  | One Time Customization Fees        | Annual Quarterly Update Fees | One Time Customization Fees          | Annual Quarterly Update Fees | One Time Customization Fees                                    | Annual Twice Yearly Update Fees |
| W&S - 450                       | Set Up Initial FAMS-XL® Model                      | \$ -                               | NA                           | \$ -                                 | NA                           | \$ -   | NA                              |
|                                 | Adjust FAMS-XL® for Quarterly/Twice Yearly Updates | 9,818                              | NA                           | 8,175                                | NA                           | 6,540  | NA                              |
|                                 | <b>Total</b>                                       | <b>\$ 9,818</b>                    | <b>\$ 34,213</b>             | <b>\$ 8,175</b>                      | <b>\$ 33,187</b>             | <b>\$ 6,540</b>  | <b>\$ 18,263</b>                |
| Regional Fund - 451             | Set Up Initial FAMS-XL® Model                      | \$ -                               | NA                           | \$ -                                 | NA                           | \$ -   | NA                              |
|                                 | Adjust FAMS-XL® for Quarterly Updates              | 2,885                              | NA                           | 2,452                                | NA                           | 1,962  | NA                              |
|                                 | <b>Total</b>                                       | <b>\$ 2,885</b>                    | <b>\$ 23,951</b>             | <b>\$ 2,452</b>                      | <b>\$ 23,232</b>             | <b>\$ 1,962</b>  | <b>\$ 12,778</b>                |
| Stormwater                      | Set Up Initial FAMS-XL® Model                      | \$ -                               | NA                           | \$ -                                 | NA                           | \$ -   | NA                              |
|                                 | Adjust FAMS-XL® for Quarterly/Twice Yearly Updates | 962                                | NA                           | 818                                  | NA                           | 654  | NA                              |
|                                 | <b>Total</b>                                       | <b>\$ 962</b>                      | <b>\$ 17,108</b>             | <b>\$ 818</b>                        | <b>\$ 16,535</b>             | <b>\$ 654</b>  | <b>\$ 9,127</b>                 |
| Sanitation                      | Set Up Initial FAMS-XL® Model                      | \$ 9,450                           | NA                           | \$ 8,505                             | NA                           | \$ 8,505   | NA                              |
|                                 | Adjust FAMS-XL® for Quarterly/Twice Yearly Updates | 4,421                              | NA                           | 3,758                                | NA                           | 3,006  | NA                              |
|                                 | <b>Total</b>                                       | <b>\$ 13,871</b>                   | <b>\$ 28,860</b>             | <b>\$ 12,263</b>                     | <b>\$ 27,985</b>             | <b>\$ 11,511</b>   | <b>\$ 15,391</b>                |
| TOTAL UTILITIES                 | Set Up Initial FAMS-XL® Model                      | \$ 9,450                           | NA                           | \$ 8,505                             | NA                           | \$ 8,505   | NA                              |
|                                 | Adjust FAMS-XL® for Quarterly/Twice Yearly Updates | 17,886                             | NA                           | 15,203                               | NA                           | 12,162   | NA                              |
|                                 | <b>Total</b>                                       | <b>\$ 27,336</b>                   | <b>\$ 104,122</b>            | <b>\$ 23,708</b>                     | <b>\$ 100,999</b>            | <b>\$ 20,667</b>   | <b>\$ 55,549</b>                |
| Discount from Original Proposal |  |                                    |                              | -13%                                 | -3%                          | -24%   | -47%                            |
| Airport                         | Set Up Initial FAMS-XL® Model                      | \$ 6,143                           | NA                           | \$ 5,529                             | NA                           | \$ 5,529   | NA                              |
|                                 | Adjust FAMS-XL® for Quarterly/Twice Yearly Updates | 1,105                              | NA                           | 939                                  | NA                           | 751  | NA                              |
|                                 | <b>Total</b>                                       | <b>\$ 7,248</b>                    | <b>\$ 18,763</b>             | <b>\$ 6,468</b>                      | <b>\$ 18,190</b>             | <b>\$ 6,280</b>  | <b>\$ 10,005</b>                |
| Parking                         | Set Up Initial FAMS-XL® Model                      | \$ 7,560                           | NA                           | \$ 6,804                             | NA                           | \$ 6,804   | NA                              |
|                                 | Adjust FAMS-XL® for Quarterly/Twice Yearly Updates | 1,547                              | NA                           | 1,315                                | NA                           | 1,052  | NA                              |
|                                 | <b>Total</b>                                       | <b>\$ 9,107</b>                    | <b>\$ 23,081</b>             | <b>\$ 8,119</b>                      | <b>\$ 22,389</b>             | <b>\$ 7,856</b>  | <b>\$ 12,314</b>                |
| Building                        | Set Up Initial FAMS-XL® Model                      | \$ 7,960                           | NA                           | \$ 6,804                             | NA                           | \$ 6,804   | NA                              |
|                                 | Adjust FAMS-XL® for Quarterly/Twice Yearly Updates | 1,547                              | NA                           | 1,315                                | NA                           | 1,052  | NA                              |
|                                 | <b>Total</b>                                       | <b>\$ 9,507</b>                    | <b>\$ 23,081</b>             | <b>\$ 8,119</b>                      | <b>\$ 22,389</b>             | <b>\$ 7,856</b>  | <b>\$ 12,314</b>                |
| TOTAL SPECIAL FUNDS             | Set Up Initial FAMS-XL® Model                      | \$ 21,263                          | NA                           | \$ 19,137                            | NA                           | \$ 19,137  | NA                              |
|                                 | Adjust FAMS-XL® for Quarterly/Twice Yearly Updates | 4,189                              | NA                           | 3,569                                | NA                           | 2,855  | NA                              |
|                                 | <b>Total</b>                                       | <b>\$ 25,452</b>                   | <b>\$ 64,915</b>             | <b>\$ 22,706</b>                     | <b>\$ 62,968</b>             | <b>\$ 21,992</b>   | <b>\$ 34,633</b>                |
| Discount from Original Proposal |  |                                    |                              | -11%                                 | -3%                          | -14%   | -47%                            |
| GENERAL FUND                    | Set Up Initial FAMS-XL® Model                      | \$ 28,056                          | NA                           | \$ 25,260                            | NA                           | \$ 25,250  | NA                              |
|                                 | Adjust FAMS-XL® for Quarterly/Twice Yearly Updates | 19,756                             | NA                           | 16,793                               | NA                           | 13,434   | NA                              |
|                                 | <b>Total</b>                                       | <b>\$ 47,812</b>                   | <b>\$ 106,780</b>            | <b>\$ 42,043</b>                     | <b>\$ 101,422</b>            | <b>\$ 38,684</b>   | <b>\$ 65,924</b>                |
|                                 | Less: Discount on GF Customization @ 50%           | \$ (23,806)                        | NA                           | \$ (21,022)                          | NA                           | \$ (19,342)  | NA                              |
|                                 | <b>Discounted Total General Fund</b>               | <b>\$ 23,956</b>                   | <b>\$ 106,780</b>            | <b>\$ 21,021</b>                     | <b>\$ 101,422</b>            | <b>\$ 19,342</b>   | <b>\$ 65,924</b>                |
| Discount from Original Proposal |  |                                    |                              | -12%                                 | -5%                          | -19%   | -38%                            |
| <b>Total Proposal</b>           |  | <b>\$ 76,704</b>                   | <b>\$ 275,797</b>            | <b>\$ 67,435</b>                     | <b>\$ 265,389</b>            | <b>\$ 62,001</b>   | <b>\$ 156,106</b>               |
| Discount from Original Proposal |  |                                    |                              | -12%                                 | -4%                          | -19%   | -43%                            |

Burton & Associates

200 Business Park Circle, Suite 101 • St. Augustine, Florida 32095 • Phone (904) 247-0787 • Fax (904) 241-7708

E-mail: mburton@burtonandassociates.com



**City of Fort Lauderdale**  
 FY 2013 WATER AND WASTEWATER QUARTERLY REVENUE SUFFICIENCY ANALYSIS UPDATES  
**PROJECT WORK PLAN & COST ESTIMATE**

**BURTON & ASSOCIATES**

| PROJECT TASKS  | ESTIMATED MAN-HOURS              |                  |                    |          | Total Project |
|--|----------------------------------|------------------|--------------------|----------|---------------|
|  | Project Principal                | Project Director | Project Consultant | Clerical |               |
|  | \$195                            | \$185            | \$190              | \$40     |               |
| <ul style="list-style-type: none"> <li>- Spend down limits (minimum reserve requirements) by fund</li> <li>- Beginning and ending funds balances by fund by year</li> <li>o Analysis of prior and current year performance versus criteria in ordinance</li> </ul> |                                  |                  |                    |          |               |
| 2.2 Review preliminary output with consulting team.  | 1                                | 1                | 1                  | 0        | 3             |
| 2.3 Make adjustments and re-run FAMS XL @.   | 0                                | 1                | 2                  | 0        | 3             |
| 2.4 Conduct an interactive review session with City staff to review the preliminary results of the ten year projection of revenue sufficiency of the water and wastewater enterprise fund.   | 1                                | 2                | 2                  | 0        | 5             |
| 2.5 Make adjustments based upon input from City staff and prepare quarterly reports.   | 0                                | 1                | 2                  | 0        | 3             |
| 2.6 Conduct a second interactive review session via Go-to-Meeting with City staff to review the adjusted results of the ten year projection of revenue sufficiency of the water and wastewater enterprise fund and make any final adjustments.                     |                                  |                  |                    |          |               |
|  | -- At Hourly Rate as Required -- |                  |                    |          |               |
| <b>Task 4</b> <u>Present results to City Management (all quarters, including initial analysis)</u>   |                                  |                  |                    |          |               |
| 4.1 Present the results of the Study to City Management in an interactive review session.  | 2                                | 2                | 2                  | 0        | 6             |
| 4.2 Make adjustments as required based upon the review with City Management in the prior subtask.  | 0                                | 1                | 2                  | 0        | 3             |
| <b>Task 5</b> <u>Document the results in a Technical Memorandum.</u>   |                                  |                  |                    |          |               |
| 5.1 Prepare final quarterly reports and document in a Draft Technical Memorandum (TM).   | 0.5                              | 1.5              | 3                  | 0.5      | 5.5           |
|  | -- At Hourly Rate as Required -- |                  |                    |          |               |
| <b>TOTAL ESTIMATED MAN-HOURS - TASK GROUP II</b>   | 5.5                              | 13.5             | 26                 | 0.5      | 45.5          |
| <b>TOTAL ESTIMATED CONSULTING FEE - TASK GROUP II</b>  | \$1,073                          | \$2,498          | \$3,900            | \$20     | \$7,490       |
| <b>ESTIMATED EXPENSES - TASK GROUP II</b> 5.00%  |                                  |                  |                    |          | \$375         |
| <b>TOTAL ESTIMATED COST - TASK GROUP II</b>  |                                  |                  |                    |          | \$7,865       |





**City of Fort Lauderdale**  
 FY 2013 SANITATION QUARTERLY REVENUE SUFFICIENCY ANALYSIS UPDATES  
PROJECT WORK PLAN & COST ESTIMATE

**BURTON & ASSOCIATES**

| PROJECT TASKS  | ESTIMATED MAN-HOURS        |                           |                                |                  | Total Project  |
|--|----------------------------|---------------------------|--------------------------------|------------------|----------------|
|  | Project Principal<br>\$185 | Project Director<br>\$185 | Project Consultant<br>\$150    | Clerical<br>\$40 |                |
| <b>TASK GROUP II: PERFORM QUARTERLY UPDATES (HOURS AND COSTS ARE PER QUARTER)</b>  |                            |                           |                                |                  |                |
| <b>Task 3</b><br><u>Perform a quarterly update of the revenue sufficiency analysis for this fund</u>   |                            |                           |                                |                  |                |
| 3.1 Obtain, verify and input monthly and/or quarterly financial and other data into Burton & Associates' proprietary FAMS XL® model, project year end results for the current year and run the model and produce preliminary output for identified scenarios, including a ten year financial management program that will include the following: | 0.25                       | 3                         | 8                              | 0                | 11.25          |
| o Capital Improvements Program (10 year)   |                            |                           |                                |                  |                |
| - Project listing by year (including alternative Master Plan/CIP scenarios)  |                            |                           |                                |                  |                |
| - Identification of funding source by project by year for each scenario  |                            |                           |                                |                  |                |
| o Borrowing Program (for each Master Plan/CIP scenario)  |                            |                           |                                |                  |                |
| - Borrowing required (by source) to fund CIP projects not funded by other sources to include but not necessarily be limited to revenue bonds and State or other programs.  |                            |                           |                                |                  |                |
| - Timing of bond issue(s)/loan(s) to provide required borrowed funds   |                            |                           |                                |                  |                |
| - Annual debt service of bond issue(s)/loan(s)   |                            |                           |                                |                  |                |
| o Revenue Sufficiency Analysis   |                            |                           |                                |                  |                |
| - Annual revenue projections   |                            |                           |                                |                  |                |
| - Annual rate plan to provide sufficient revenues for each scenario evaluated  |                            |                           |                                |                  |                |
| o Sources and Uses of Funds Analysis   |                            |                           |                                |                  |                |
| o Funds Analysis   |                            |                           |                                |                  |                |
| - Spend down limits (minimum reserve requirements) by fund   |                            |                           |                                |                  |                |
| - Beginning and ending funds balances by fund by year  |                            |                           |                                |                  |                |
| o Analysis of prior and current year performance versus criteria in ordinance  |                            |                           |                                |                  |                |
| 3.3 Review preliminary output with consulting team.  | 1                          | 1                         | 1                              | 0                | 3              |
| 3.3 Make adjustments and re-run FAMS XL®.  | 0                          | 1                         | 2                              | 0                | 3              |
| 3.4 Conduct an interactive review session with City staff to review the preliminary results of the ten year projection of revenue sufficiency of the sanitation enterprise fund.   | 1                          | 2                         | 2                              | 0                | 5              |
| 3.5 Make adjustments based upon input from City staff and prepare preliminary quarterly reports.   | 0                          | 1                         | 2                              | 0                | 3              |
| 3.6 Conduct a second interactive review session via Go-to-Meeting with City staff to review the adjusted results of the ten year projection of revenue sufficiency of the enterprise fund and make any final adjustments.  |                            |                           |                                |                  |                |
|  |                            |                           | — At Hourly Rate as Required — |                  |                |
| <b>Task 4</b><br><u>Present results to City Management (all quarters, including initial analysis)</u>  |                            |                           |                                |                  |                |
| 4.1 Present the results of the Study to City Management in an interactive review session.  | 2                          | 2                         | 2                              | 0                | 6              |
| 4.2 Make adjustments as required based upon the review with City Management in the prior subtask.  | 0                          | 1                         | 2                              | 0                | 3              |
| <b>Task 5</b><br><u>Document the results in a Technical Memorandum</u>   |                            |                           |                                |                  |                |
| 5.1 Prepare final quarterly reports and document in a Draft Technical Memorandum (TM).   | 0.5                        | 1                         | 2                              | 0.5              | 4              |
| <b>Task 6</b><br><u>Follow-up Rate and Financial Sensitivity Analyses, Data Updates, Scenario Modeling, and Industry Research/Surveying</u>  |                            |                           |                                |                  |                |
|  |                            |                           |                                |                  |                |
|  |                            |                           | — At Hourly Rate as Required — |                  |                |
| <b>TOTAL ESTIMATED MAN-HOURS - TASK GROUP II</b>   | <b>4.75</b>                | <b>12</b>                 | <b>21</b>                      | <b>0.5</b>       | <b>38.25</b>   |
| <b>TOTAL ESTIMATED CONSULTING FEE - TASK GROUP I</b>   | <b>\$926</b>               | <b>\$2,220</b>            | <b>\$3,150</b>                 | <b>\$20</b>      | <b>\$6,316</b> |
| <b>ESTIMATED EXPENSES - TASK GROUP I</b>   |                            |                           |                                |                  | <b>\$316</b>   |
| <b>TOTAL ESTIMATED COST - TASK GROUP II</b>  |                            |                           |                                |                  | <b>\$6,632</b> |

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**City of Fort Lauderdale**  
 FY 2013 GENERAL FUND SET UP, INITIAL ANALYSIS AND QUARTERLY REVENUE SUFFICIENCY ANALYSIS UPDATES  
PROJECT WORK PLAN & COST ESTIMATE

**BURTON & ASSOCIATES**

| PROJECT TASKS   |  | ESTIMATED MAN-HOURS |                  |                    |          | Total Project |  |
|---|--|---------------------|------------------|--------------------|----------|---------------|--|
|   |  | Project Principal   | Project Director | Project Consultant | Clerical |               |  |
|   |  | Hourly rate >       | \$185            | \$185              | \$150    | \$40          |  |
| 2.3   | Review the adjusted FAMS-XL® functionality with City staff.  | 4                   | 4                | 4                  | 0        | 12            |  |
| 2.4   | Make adjustments as necessary based upon input from City staff in the prior sub-task.  | 1                   | 6                | 12                 | 0        | 19            |  |
| TOTAL ESTIMATED MAN-HOURS - TASK 2  |  | 15                  | 34               | 64                 | 0        | 113           |  |
| TOTAL ESTIMATED CONSULTING FEE - TASK 2   |  | \$2,925             | \$6,290          | \$9,600            | \$0      | \$18,815      |  |
| ESTIMATED EXPENSES - TASK 2   |  | 5.00%               |                  |                    |          | \$941         |  |
| TOTAL ESTIMATED COST - TASK 2   |  |                     |                  |                    |          | \$19,756      |  |
| TOTAL ESTIMATED MAN-HOURS - TASK GROUP 1  |  | 44                  | 83               | 144                | 0        | 271           |  |
| TOTAL ESTIMATED CONSULTING FEE - TASK GROUP 1                                     |  | \$8,580             | \$15,355         | \$21,600           | \$0      | \$45,535      |  |
| ESTIMATED EXPENSES - TASK GROUP 1   |  | 5.00%               |                  |                    |          | \$2,277       |  |
| TOTAL ESTIMATED COST - TASK GROUP 1   |  |                     |                  |                    |          | \$47,812      |  |
| <b>TASK GROUP #1: PERFORM QUARTERLY UPDATES (HOURS AND COSTS ARE PER QUARTER)</b> |  |                     |                  |                    |          |               |  |
| <b>Task 3</b>   | <b><u>Perform a quarterly update of the revenue sufficiency analysis for this fund</u></b>   |                     |                  |                    |          |               |  |
| 3.1   | Obtain, verify and input monthly and/or quarterly financial and other data into Burton & Associates' proprietary FAMS XL® model, project year end results for the current year and run the model and produce preliminary output for identified scenarios, including a ten year financial management program that will include the following: | 4                   | 10               | 32                 | 0        | 46            |  |
|   | o Property data base by parcel   |                     |                  |                    |          |               |  |
|   | - Complete data base of all parcels in the City with relevant information such as taxable value, exemptions, current tax, etc., including adjustment factors for each parcel, or parcels by property classes, for future years.  |                     |                  |                    |          |               |  |
|   | - Above referenced property data base integrated so that changes in assumptions for future years are linked to the calculation algorithms of the model.  |                     |                  |                    |          |               |  |
|   | o Operations and Maintenance (O&M) Budget and projections  |                     |                  |                    |          |               |  |
|   | - O&M budget categories, initial year budget and projections of budget in future years.  |                     |                  |                    |          |               |  |
|   | - Inflation factors for each O&M budget cost category.   |                     |                  |                    |          |               |  |
|   | o Capital Improvements Program (10 year)   |                     |                  |                    |          |               |  |
|   | - Project listing by year (including alternative Master Plan/CIP scenarios)  |                     |                  |                    |          |               |  |
|   | - Identification of funding source by project by year for each scenario  |                     |                  |                    |          |               |  |
|   | o Borrowing Program (for each Master Plan/CIP scenario)  |                     |                  |                    |          |               |  |
|   | - Borrowing required (by source) to fund CIP projects not funded by other sources to include but not necessarily be limited to revenue bonds and State or other programs.  |                     |                  |                    |          |               |  |
|   | - Timing of bond issue(s)/loan(s) to provide required borrowed funds   |                     |                  |                    |          |               |  |
|   | - Annual debt service of bond issue(s)/loan(s)   |                     |                  |                    |          |               |  |
|   | o Revenue Sufficiency Analysis   |                     |                  |                    |          |               |  |
|   | - Annual revenue projections for all GF revenue sources, including variable annual adjustment factors for each revenue source.   |                     |                  |                    |          |               |  |
|   | - Annual plan to provide sufficient revenues for each scenario evaluated through adjustments to O&M costs, capital costs, millage rates, etc.  |                     |                  |                    |          |               |  |
|   | o Sources and Uses of Funds Analysis   |                     |                  |                    |          |               |  |
|   | o Funds Analysis   |                     |                  |                    |          |               |  |

City of Fort Lauderdale

Special Funds and General Fund FAMS-XL® Model Initialization and Quarterly Update Proposal - Cost Calculation Schedule



**BURTON & ASSOCIATES**

Special Funds

|   | W&S - 450 |                    | Regional Fund - 451 |                      | Stormwater |                      | Sanitation |                    | Airport         |                      | Parking         |                      | Building        |                      |
|---|-----------|--------------------|---------------------|----------------------|------------|----------------------|------------|--------------------|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|
|   | NA        | Amount - From Wksh | % of W&S            | Amt - From % to Left | % of W&S   | Amt - From % to Left | NA         | Amount - From Wksh | % of Sanitation | Amt - From % to Left | % of Sanitation | Amt - From % to Left | % of Sanitation | Amt - From % to Left |
| <b>1 One Time Set-up Costs:</b>   |           |                    |                     |                      |            |                      |            |                    |                 |                      |                 |                      |                 |                      |
| 2 Set up initial FAMS-XL® Model with fund categories and initial data                       | NA        | \$0                | 25%                 | \$0                  | 25%        | \$0                  | NA         | \$9,450            | 65%             | \$6,143              | 80%             | \$7,560              | 80%             | \$7,560              |
| 3 Adjust the FAMS-XL® Model Structure for Quarterly Updates                                 | NA        | \$9,618            | 30%                 | \$2,885              | 10%        | \$962                | NA         | \$4,421            | 25%             | \$1,105              | 35%             | \$1,547              | 35%             | \$1,547              |
| <b>4 Total One Time Set-up Cost</b>   |           | <b>\$9,618</b>     |                     | <b>\$2,885</b>       |            | <b>\$962</b>         |            | <b>\$13,871</b>    |                 | <b>\$7,248</b>       |                 | <b>\$9,107</b>       |                 | <b>\$9,107</b>       |
|   |           |                    |                     |                      |            |                      |            |                    |                 |                      |                 |                      |                 |                      |
| <b>5 Annual Costs:</b>  |           |                    |                     |                      |            |                      |            |                    |                 |                      |                 |                      |                 |                      |
| 6 Perform update for 1st quarter results (Major Update, Roll the Model and update all data) | 135%      | \$10,618           | 70%                 | \$7,433              | 50%        | \$5,309              | 135%       | \$8,954            | 65%             | \$5,820              | 80%             | \$7,163              | 80%             | \$7,163              |
| 7 Perform update for 2nd quarter results  | NA        | \$7,865            | 70%                 | \$5,506              | 50%        | \$3,933              | NA         | \$6,632            | 65%             | \$4,311              | 80%             | \$5,306              | 80%             | \$5,306              |
| 8 Perform update for 3rd quarter results  | NA        | \$7,865            | 70%                 | \$5,506              | 50%        | \$3,933              | NA         | \$6,632            | 65%             | \$4,311              | 80%             | \$5,306              | 80%             | \$5,306              |
| 9 Perform update for 4th quarter results  | NA        | \$7,865            | 70%                 | \$5,506              | 50%        | \$3,933              | NA         | \$6,632            | 65%             | \$4,311              | 80%             | \$5,306              | 80%             | \$5,306              |
| <b>10 Total Annual Cost</b>   |           | <b>\$34,213</b>    |                     | <b>\$23,951</b>      |            | <b>\$17,108</b>      |            | <b>\$28,850</b>    |                 | <b>\$18,753</b>      |                 | <b>\$23,081</b>      |                 | <b>\$23,081</b>      |
| <b>11 FY 2013 Revenue (1,000,000s)</b>  |           | <b>\$ 110.00</b>   |                     | <b>\$ 22.00</b>      |            | <b>\$ 6.00</b>       |            | <b>\$ 22.00</b>    |                 | <b>\$ 7.00</b>       |                 | <b>\$ 14.00</b>      |                 | <b>\$ 10.00</b>      |
| <b>12 Annual cost as a percent of revenues</b>  |           | <b>0.031%</b>      |                     | <b>0.109%</b>        |            | <b>0.285%</b>        |            | <b>0.131%</b>      |                 | <b>0.268%</b>        |                 | <b>0.165%</b>        |                 | <b>0.231%</b>        |

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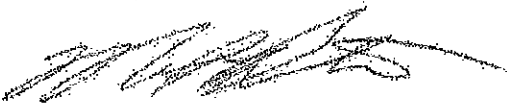
**Schedule**

We estimate that the one-time Model initialization (for funds where that is required) and the set-up for quarterly or twice yearly reporting for each of the Utility and Special Funds and for the General Fund can be accomplished by the end of this calendar year if a notice to proceed is issued by the end of October. Quarterly or twice yearly updates will be accomplished throughout the fiscal year as quarterly or twice yearly financial data is available.

Again, we appreciate the opportunity to present this adjusted proposal, and we look forward to continuing to be of service to the City in its financial planning and management activities.

I would be happy to meet to discuss this proposal with you at your convenience.

Very truly yours



Michael E. Burton  
President