

CITY COMMISSION WORKSHOP WITH BUDGET ADVISORY BOARD

AUGUST 27, 2012

City Commission Present: Mayor John P. "Jack" Seiler
Vice Mayor Bobby B. DuBose
Commissioner Bruce G. Roberts
Commissioner Charlotte E. Rodstrom
Commissioner Romney Rogers

Budget Advisory Board Present: Chairperson June D. Page
Brady Cobb
AJ Cross
Nadine Hankerson
Fred Nesbitt
Drew Saito
Andrew Russo
Bryson Michael Ridgway

Also Present: City Manager Lee R. Feldman
City Auditor John Herbst
City Clerk Jonda K. Joseph
City Attorney Harry A. Stewart

Absent: Anthony Timiraos
Mark Snead

Mayor Seiler called the meeting to order at 7:07 p.m. Introductions were made.

Non-Agenda --- Pension Obligation Bonds; Financing

In follow-up to discussion related to the financing structure of the pension obligation bonds at the August 21, 2012 conference meeting, the City Manager requested the Commission express its consensus to Scenario 2 concerning this matter. There was consensus approval. Vice Mayor Rodstrom and Commissioner DuBose were opposed. In response to Vice Mayor Rodstrom, Ed Stull of FirstSouthwest, City's Financial Advisor, explained the term, wrap-around, indicating it has to do with existing debt of about \$3.9 million.

Remarks by Budget Advisory Board Chair

Chairperson June Page read a prepared statement that is attached to these minutes.

New Business

Fiscal Year	2013	Proposed	Budget	Discussion/Budget	Advisory	Board
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Recommendations

Commissioner Rogers appreciated the Board's independent analysis by department and their finding that the City is operating lean.

Commissioner DuBose drew attention to recent events in the legislature and that there may be some relief to municipalities concerning use of premium tax revenue pursuant to Florida

Statutes, Chapters 175 and 185, for additional benefits. He referred to Hollywood, Coral Springs and Naples. He felt there should be a future discussion on this topic. The City Manager confirmed for Vice Mayor Rodstrom that these revenues are not part of the proposed pension obligation bond issue.

Vice Mayor Rodstrom appreciated the cooperative spirit with City staff and having such a board. In response to her question, Chair Page explained that the Board would have liked to be a part of the millage rate and fire assessment fee setting process. Going forward, the City Manager indicated the intention to move the process to a month earlier so that the proposed budget may be provided to the Board in June before it is provided to the Commission. There was no objection to the request.

The City Attorney responded to Vice Mayor Rodstrom's question about established financial integrity principles, indicating they would be in the form of a resolution, motion or by practice. Vice Mayor Rodstrom stressed that they should be followed. Mr. Cross questioned whether they differ from the suggested policies of the current administration. The City Manager explained the idea is for a little more detail. One example discussed by the Board was a formal revenue estimating process, basically putting some meat on the bones of current policies that are pretty broad. Vice Mayor Rodstrom agreed with information on this topic from the Board provided as Exhibit B. The City Auditor noted page 33 of the proposed budget deals with policies. Commissioner Rogers agreed an earlier budget timeline would be welcomed and provide for more input.

Commissioner Roberts agreed with the Board's recommendations. He felt the City should not make any further cuts which would mean service-related, but look to stabilize and get into a position where it can evaluate what has been done.

Mayor Seiler appreciated the progress made in securing City staff cooperation and the genuine working relationship that has now been developed. Based on the Board's finding that there should not be any further staff cuts, he observed that it appears the City has reached the staffing level needed to operate. Chair Page emphasized the openness of the department directors and attributed it to the Manager's leadership. He agreed with the Chair's second point relating to the dire need for technology upgrades as well as her comment relating to financial integrity principles. He believed the lack of consultation with respect to the millage rate and fire assessment fee had to do with timing and would be corrected. He went on to summarize his thinking as to an increase in the millage rate or fire assessment fee. He recognized that the millage rate may not be sustainable and appreciated the Board highlighting this.

In response to Vice Mayor Rodstrom about future budgeting, the City Manager indicated that some revenue enhancement will be needed. They are not keeping pace with expenditures. He agreed staff will continue working on expense streamlining but this alone will not be enough. One example is to make some capital investment in order to reap electricity savings. Commissioner DuBose agreed with the need for technology infrastructure and also emphasized the need to pay attention to the road system - infrastructure. The City Manager felt the City should be more strategic in how it addresses road improvement projects including identifying those in need of repair before they reach a state that will then mean more money. Commissioner DuBose felt technology will be able to help with putting a system in place for road improvement projects. Practice has been whoever complains.

Chair Page stressed the need for adjusting fees for cost recovery that is at least comparable with other cities. Commissioner Rogers referred to the City's previous examination of fees in the

Building Department. Mayor Seiler pointed out that there have been six new fire stations constructed yet the fire assessment fee has never been adjusted. Commissioner Rogers felt attention was first to be placed on the expense side, then deciding on service level and lastly supportive revenues. Mr. Nesbitt emphasized the need to continue to focus on fee levels and the Board's recommendation to review all fees every two years. The City Manager noted that alternatives to the fire assessment fee are currently being studied. It was noted that a report on the traditional methodology is anticipated within thirty days and enhancements within sixty days. Mr. Nesbitt believed there are some two hundred fees that need to be reviewed every two years.

Millage Rate and Fire Assessment Discussion

In response to Mayor Seiler, Chair Page recalled the Board discussed the fire assessment concept and it was a mixed bag as to whether the rate should be raised. Mr. Cobb had not favored an increase without first looking at all of the departments. He thought there was more cuts that could be achieved. He believed that Fort Lauderdale is perceived to be an expensive area in which to do business. There are efficiencies that could be achieved. One example is payroll processing. Mayor Seiler pointed out that the City's millage rate is lower than every other area city. The fire assessment fee is low. He drew attention to the tax rates of the County, School Board and hospital district and that the City has no control over the overall high rate. Mr. Cobb agreed it is guilt by association. Mr. Ridgway indicated he was not an advocate of raising the fire assessment rate in that it had not been discussed in depth. He agreed with Commissioner Roberts that in the coming months it will be possible to see whether additional cuts could be made. Mr. Nesbitt wanted the Board to be able to take a serious look at the fire assessment rate and cost recovery outside of the budget time period. He commented on how his tax bill has decreased in the past few years, yet services are very good. City staff has been open. He also agreed that an investment in technology will produce quick positive results. This comment led into the following item.

Date for Future Quarterly Joint Workshop: December 10

Mayor Seiler suggested it may be better to change the timeline of the quarterly joint workshops to accommodate incorporating the Board's recommendations in the budget. The City Manager thought there should be at least one workshop after the budget adoption. One example is State revenue projections are not available until the end of July and beginning of August. Mayor Seiler noted Amendment 4 on the upcoming ballot that would give tax breaks to snowbirds and significantly impact revenues.

Commissioner Rogers returned to Mr. Nesbitt's comment about his tax bill decreasing in the past few years. He commented that it was either too high before or not equitable now. The City Manager pointed out that even though the market may be coming back, homesteaded properties are protected with Save Our Homes, therefore it will take perhaps a decade to recover.

Commissioner DuBose suggested scheduling one workshop after the legislative session adjourns.

Pension Obligation Bonds Discussion/Budget Advisory Board Recommendations

In response to Vice Mayor Rodstrom, the City Manager advised that a portion of the \$30 million was the unfunded actuarial accrued liability (UAAL). This portion will be the wrap-around with the pension obligation bonds. Vice Mayor Rodstrom questioned whether an annual payment is now going to be funded over a twenty-year period. The City Manager explained the City makes a retirement contribution annually and will continue to do so, on the principal portion. The UAAL portion is about \$21 million. Seventy-five percent is being discharged or about \$16.1 million which will be funded over twenty years.

Fiscal Year 2013 Proposed Budget Discussion/Budget Advisory Board Recommendations

Commissioner Roberts asked about the Board's motion supporting the balanced budget submitted by the City Manager and recommending adoption of it. Chair Page indicated that this motion was adopted prior to the City Auditor's report. Mr. Nesbitt did not feel any member agreed with the budget but did not feel there was an alternative. He questioned the recommendation to not replace two K-9 dogs in view of the magnitude of the budget overall. He saw this as short-sighted. He also questioned the recommendation to not replace bunker gear. Yet the Commission has indicated that public safety is top priority. Commissioner Roberts was concerned about the recommendation to not replace mobile laptop computers even though it has been recognized that technology improvements are in order.

In response to Mayor Seiler, Mr. Cross did not think it is right to couple the millage rate with the fire assessment fee because they are two separate issues. He spoke generally in favor of the proposed fire assessment fee increase, mentioning that it is low in comparison with most cities, and the need to pay for the high level of quality service that residents now receive. Mayor Seiler commented on the quality of fire-rescue service in this city and that he did not want to jeopardize public safety being first priority. Mr. Russo explained with the reorganization occurring, it was difficult for the Board to determine if more cuts could be made. It is a matter of first seeing what has been done play out. For example, a lot will occur as a result of the five-year Technology Plan. Ultimately, the millage or fees will need to be raised or cuts made in salaries or services. In response to Commissioner Rogers, Mr. Nesbitt highlighted those areas of fire-rescue evaluated by the Board and indicated the equipment was not part of their review. Mr. Cross felt that the Police Department is an example of employees who have learned to do a lot with very little. He spent seven hours in this area. Overall, he felt they need to be furnished with the tools they need to do their job. One example is the need for better care of the horses in the mounted patrol. Mr. Nesbitt felt that both the police and fire-rescue chiefs should be commended for measures they have taken to increase efficiency and save money. In response to Commissioner Rogers, Mr. Nesbitt indicated in discussions it was apparent that technology improvements would be helpful. Mr. Cross added that reporting is done manually in triplicate versus electronically. Mr. Saito commented that cuts in public safety could ultimately impact new development planning and eventually property tax revenue. Commissioner Roberts agreed and emphasized the need for linkage in technology organizationally. The City Manager commented on the time devoted by members of this board and its value.

Pension Obligation Bonds Discussion/Budget Advisory Board Recommendations

In response to Commissioner Roberts and Vice Mayor Rodstrom, the City Manager believed the best solution to the moral hazard issue would be an ordinance requiring full funding of any new pension benefit or benefit increase at the time the benefit is given. The City Attorney confirmed for Vice Mayor Rodstrom that the ordinance could be amended by a future commission. Mayor

Seiler favored an ordinance because two readings would be required to amend it and as such it is very transparent. Vice Mayor Rodstrom pointed out that a future commission could remove such an ordinance whenever they choose to do so. Commissioner Rogers raised the idea of a bond covenant that may be more forceful. The City Attorney advised that a bond covenant would be possible. The question is whether the Commission would want to do so. Commissioner Roberts wanted to put something in-place. Mayor Seiler felt it has to be a pay-as-you-go approach. There was no one opposed to enacting either a bond covenant or ordinance. Mayor Seiler asked that both approaches be examined.

Future Quarterly Joint Workshop – December 10, 2012

Mayor Seiler favored holding the workshop in early November instead of December 10. After a general discussion, Mayor Seiler indicated that scheduling of a date would be looked into and addressed at a conference meeting.

Non-Agenda --- Non-Classified Employee 401(a) Retirement Plan

Mayor Seiler advised the formula established many years ago for the City's contribution rate for twenty-five employees participating in the 401(a) plan provides this year for a thirty percent contribution rate. Some of these employees joined the 401(a) when the current city manager brought staff onboard. Others made the decision to join the 401(a) as far back as 2002. When the program started, the rate was ten percent. When additional contributions had to be made to the General Employees Retirement System and Police and Firefighters Retirement System, the rate skyrocketed to twenty-seven percent and will be thirty percent this year. He felt it needs to be reined into control and preferred to establish a fixed rate. Further something fair needs to be decided for these twenty-five employees. He described a three-tiered approach he brought forward recently. The first tier would be the upper management of the city manager and assistant city managers. These individuals were aware of the rate when they were hired and accepted the job considering this as part of the overall package. The second tier would be professional employees such as auditors and attorneys. The third tier would be clerical/administrative. He had suggested upper management at eighteen percent; professionals at fourteen percent and clerical/administrative at ten percent. All new hires, other than public safety, would be at nine percent. He indicated that the Commission is seeking the Board's guidance on this matter. In response to Chairperson Page, Mayor Seiler referred to Exhibit 2 to the City Manager Memorandum 12-1306 that was provided to the Commission and went on to highlight the benefits provided by other area municipalities. At the Mayor's request, the City Auditor reviewed his Memorandum 11/12-21 that was provided to the Commission showing the contribution rates since 2000. Without the unfunded accrued actuarial liability (UAAL), the current percentage would be 19.8. In response to Vice Mayor Rodstrom, the City Manager explained how the 401(a) works.

Mayor Seiler indicated that this matter needs to be addressed for the 2013 fiscal year, October 1. He reiterated that all new hire general employees should receive nine percent. A general discussion followed as to some of the circumstances that existed when employees in this group of twenty-five chose the 401(a) and reasoning why they elected 401(a) when some had the option for the pension. The City Attorney noted that the 401(a) has always been tied to the cost of the General Employees Retirement System (GERS) pension, which is a five-year rolling smoothing average. For six of his employees, three chose the 401(a) at the time and three were hired when the GERS had been closed. He felt if this was going to be taken away from the three employees who could have joined the GERS when they were hired, they should be given the option to decide again whether to join the GERS. When he made job offers, they took

into account that they would earn more on the retirement side. He believed this was a commitment that the City made. It would be tied to the cost of the GERS as noted by the City Auditor. The City Manager was concerned about singling out these employees when discussions were held about the 401(a) when they were hired and total compensation was considered before people came onboard. The City Attorney was concerned about trying to resolve the City's financial issues on the backs of one percent of the workforce. Mayor Seiler felt the retirement benefit is too high although he recognized that adjustments need to be made because of the equity arguments that have been made. He did not think the contribution should be higher than nine percent ever again. Salary could be higher. The City Attorney pointed out it would treating one percent of the workforce different because they were tied to the GERS cost. He believed everyone realizes it must be capped, but it is a question of where. Vice Mayor Rodstrom commented that she had been unaware of this. By having lower salaries along with this retirement benefit, it makes the budget appear to be lower than it is. She questioned how many of these employees are also receiving merit increases. Perhaps the nineteen percent could be reduced by five percent each year to some number. She also questioned how many new hires as a result of the Bonus Incentive Retirement Program are participating in the 401(a) plan. The City Manager advised that all new employees other than police and fire are automatically in the 401(a) plan. Classified employees are receiving nine percent. Today, there are twenty-four employees receiving the higher percentage under discussion. New employees are being hired under the rules set by the Commission, which is not the currently seated commission. Commissioner Roberts agreed that the percentage is too high and cannot be tied to the GERS, but the individuals onboard accepted employment based on what was offered and with an understanding about the percentage rate. Further these individuals are the City's top executive management. In private industry, there are many options in the total compensation package, such as stock options. He pointed out there with the 401(a) there is no future pension obligation, that is, no unfunded liability.

Mayor Seiler raised the idea of referring this matter to the Board for a recommendation. Commissioner DuBose emphasized that this is a fairness issue. He agreed it is too high, but completely disagrees with varying tiers; it should be holistically. All employees are important. He wanted to use past experience to avoid there being a group of employees that may have concerns. Commissioner Rogers felt it is agreed that pension reform must be addressed. Fairness and history must also be considered. Each individual was hired under different circumstances. He understood the ordinance linking this group of employees to the GERS was adopted in 1996. The percentage was around ten, eleven percent for perhaps ten years. Then the reality was that the five-year smoothing dropped out, the market was not doing well and the unfunded liability started cranking. He would not object to dividing the group into the levels in which they were hired: managers, professionals and general staff. Based on conversations when individuals were hired, he would consider a salary adjustment. Pension reform was started with the last police and fire contract. This is the next step with another group of employees. He did not think expected to get a percentage of twenty-eight or thirty-two percent pension every year. He felt Miramar's approach of combining a 401(a) with a 457 makes sense in that it encourages people to save more. Mayor Seiler asked the Board to make a recommendation on this group of employees as well as all non-classified new hires. Vice Mayor Rodstrom felt there should be consideration toward an employee match.

Mr. Cross felt benefits in their entirety as well as salary ranges should be visited in order to be proactive. Mayor Seiler agreed, but wanted to address this specific item in order for an October 1 effective date. Commissioner Roberts agreed and added it would be helpful to also make a comparison to private sector. He preferred to have fewer employees that are better trained, equipped and paid. He concluded by agreeing with Mayor Seiler that this needs to be

addressed by October 1. Vice Mayor Rodstrom also wanted it corrected by October 1. In response to Mr. Nesbitt, Mayor Seiler indicated he would not ever support a rate above the teens. Some discussion followed about salary adjustments that would be fair as a result of reducing the 401(a) contribution rate. Mr. Cobb felt Miramar's plan is similar to the private sector. It seems that cities in the higher range are also those in real fiscal trouble (Exhibit 2 to Memorandum 12-1306). He thought at some point there should be common sense with respect to the rate.

Chairperson Page indicated the matter could be addressed by the Board on September 12. She asked that the City Auditor provide background including how the rate has fluctuated through the years. The City Auditor advised that the rate has increased steadily since its inception and will continue to do so for the foreseeable future. The Bonus Incentive Retirement Program artificially added 4 or 5 percent to the rate, however as a result of the pension obligation bonds, the rate will probably fall to twenty-two percent. He elaborated upon the two components to the rate: normal cost and past debt payment (amortization of UAAL). The normal cost will probably remain about the same because it is based on all of the assumptions that are in the plan today. Mr. Cross was concerned about communication lines and timeliness of knowing what actions the Commission takes. During discussion of the timing of changing the rate, the City Attorney advised that it could be changed after October 1 and the higher rate would only be in-place for that short period of time. In response to Vice Mayor Rodstrom concerning assistant city managers, the City Manager explained that in order to recruit the desired talent, he must be competitive. The pay ranges do not extend far enough to include the 29 percent 401(a) contribution rate in the form of salary. The current assistant city managers are being paid one grade below the maximum. The City Auditor did not think the benefit could have been withheld in that it is provided for in the ordinance.

The City Auditor noted a news article that notes some 284 Fortune 500 companies that offer defined benefit plans to their senior executive management, constituting thirteen percent of their total compensation. Mr. Ridgway did not think Fortune 500 companies are not the scope of all corporations throughout the United States. The City Auditor agreed, but explained there is no way to get data for private sector, privately held companies. Commissioner Rogers pointed out that eighty percent of businesses in the United States are small. The City Auditor indicated from his experience with Price Waterhouse, Fort Lauderdale would be classified as middle-market.

In closing, Mayor Seiler thanked the Board and staff. He hoped the Commission could receive their feedback in time for their next meeting.

Old Business - None

The meeting adjourned at 9:32 p.m.

BUDGET WORKSHOP AUGUST 27, 2013

GOOD EVENING.

LET ME START BY SAYING THAT, AS A BOARD, WE CONTINUE TO LEARN AND GROW. THE LEVEL OF OUR UNDERSTANDING OF THE CITY'S BUDGET AND THE BUDGET PROCESSES HAS IMPROVED DRAMATICALLY. IN LARGE PART, THIS IS DUE TO THE BOARD'S IMPROVED RELATIONSHIP WITH OUR NEW CITY MANAGEMENT AND STAFF. WE ARE RECEIVING SUPERIOR LEVELS OF COOPERATION, WHICH DID NOT PREVIOUSLY EXIST. WE OWE SPECIAL THANKS TO LEE FELDMAN, STANLEY HAWTHORNE, EMILIE SMITH AND JOHN HERBST. THEIR DEGREE OF OPENESS, TRANSPARENCY, AND COLLABORATION IS UNPRECEDENTED.

AT THIS TIME, WE OFFER THE FOLLOWING SEVEN FINDINGS AND RECOMMENDATIONS.

FIRST, THE BOARD HAS MET ON NUMEROUS OCCASIONS OVER THE LAST 6 WEEKS. WE HAVE HAD THE OPPORTUNITY TO EXAMINE THE PROPOSED FY 2013 BUDGET IN DEPTH. SPECIFICALLY, MEMBERS OF THE BOARD WERE GRANTED ACCESS TO EVERY CITY DEPARTMENT. WE ALL FELT WE HAD FAIR AND OPEN DIALOGS WITH DEPARTMENT HEADS, THEIR BUDGET STAFF AND DIVISION CHIEFS.

WE FOUND, WITHOUT EXCEPTION, THAT THESE DEPARTMENTS ARE RUNNING VERY LEAN FROM A STAFFING PRESPECTIVE. IT IS OUR UNANIMOUS OPINION THAT FURTHER STAFF REDUCTIONS WILL RESULT IN REDUCED SERVICE LEVELS. GIVEN THE COMMISSIONS' PRIORITY OF NOT CUTTING CITY SERVICES, WE DO NOT RECOMMEND FURTHER EXTENSIVE DOWNSIZING OF PERSONNEL LEVELS IN ANY DEPARTMEN.

SECOND, IN EVERY DEPARTMENT, WE FOUND THE CITY TO BE IN DIRE NEED OF TECHNOLOGY UPGRADES. OUTDATED TECHNOLOGY OR THE LACK THEREOF HAMPERS THE EFFICIENT AND EFFECTIVE OPERATIONS OF CITY DEPARTMENTS. THE CITY NEEDS TO MAKE SIGNIFICANT CAPITAL INVESTMENTS IN UPDATING AND EXPANDING TECHNOLOGY. WE ALSO RECOMMEND THAT THESE UPGRADES SHOULD BE COMPATIBLE ACROSS ALL DEPARTMENTS

THIRD, WE HAVE ALSO SPENT A GOOD DEAL OF TIME DISCUSSING FINANCIAL INTEGRITY PRINCIPALS WITH CITY MANAGEMENT. TONIGHT WE HOPE TO BEGIN A DISCUSSION WITH YOU ON THAT TOPIC.

OUR FOURTH RECOMMENDATION TO YOU TONIGHT REFLECTS ON A NEGATIVE SITUATION. WE ARE UNANIMOUSLY DISAPPOINTED AND

DISHEARTENED THAT THE COMMISSION CHOSE TO MAKE A DECISION ON MILLAGE RATES AND THE FIRE ASSESMENT FEE WITHOUT DISCUSSION WITH OR INPUT FROM THIS BOARD. WE HOPE THAT YOUR FAILURE TO CONSULT WITH YOUR BUDGET ADVISORY BOARD ON SUCH IMPORTANT ISSUES DOES NOT RECUR. WE ARE YOUR BUDGET ADVISORY BOARD. ALLOW US TO ADVISE ON IMPORTANT BUDGETARY MATTERS.

FIFTH, ON AUGUST 15TH, PRIOR TO THE AUDIT BY MR. HERBST OF THE PROPOSED FY13 BUDGET WE DID, AFTER MUCH DISCUSSION, RECOMMEND IT'S ADOPTION. THAT SAID, OVER THE LAST SEVERAL YEARS, WE HAVE CONSISTANTLY URGED THE COMMISSION TO BUILD AND ADOPT ONLY STRUCTURALLY BALANCED BUDGETS. BY DEFINITION, CURRENT RECURRING REVENUES SHOULD EQUAL CURRENT, ONGOING EXPENSES. REVENUES FROM THE RESERVE SHOULD BE USED TO FUND TRULY ONE TIME EXPENSES. SO, ONCE AGAIN, WE HAVE A BUDGET THAT IS NOT STRUCTURALLY BALANCED. IT IS OUR UNANIMOUS OPINION THAT THIS COURSE IS NOT SUSTAINABLE, EVEN FOR ONE MORE YEAR.

SIXTH, OF GREAT CONCERN TO THE ENTIRE BOARD, IN ORDER TO BALANCE THE BUDGET, CITY MANAGEMENT IS AGAIN BEING FORCED TO DEFER IMPORTANT REPAIRS, MAINTENANCE AND IMPROVEMENTS TO OUR INFRASTRUCTURE. THIS CREATES A CONDITION WHICH IS UNSUSTAINABLE.

AS MR. HERBST SAYS IN HIS AUDIT ANALYSIS 'MAINTAINCE CANNOT BE DEFERRED INDEFINATELY. THE UNDER INVESTMENT TODAY WILL NEGATIVELY IMPACT FUTURE BUDGETS.'

LASTLY (7TH), WE UNDERSTAND THE POLITICAL PRESSURES UNDER WHICH YOU OPERATE. HOWEVER, IN THIS RESPECT YOU ARE EXCHANGING SHORT TERM GAINS FOR INEVITABLE BUT MORE DAMAGING LONG TERM LIABILITIES. IN THAT REGARD, WE HOPE TO DISCUSS WITH YOU TONIGHT OUR MOTION THAT THE COMMISSION SHOULD PROACTIVELY, AND AS SOON AS POSSIBLE, ADOPT AN ORDINANCE REQUIRING FUTURE BUDGETS TO BE STRUCTURALLY BALANCED.

THANK YOU FOR YOUR CONSIDERATION.