



June 25, 2013

Honorable Mayor and City Commissioners
City of Fort Lauderdale
100 N. Andrews Avenue
Fort Lauderdale, FL 33301

Dear Honorable Mayor and City Commissioners;

The Budget Advisory Board (BAB) held its regularly scheduled meeting on June 19, 2013. The Board passed two motions related to the FY 2014 Proposed Budget. Over the last 5 years the Budget Advisory Board has supported the City Commission's decision to not increase both the fire assessment fee and millage rates. This has helped our residents during difficult economic times. However, given the steadily improving economy, depleted City reserves, and significant on-going infrastructure needs, we believe a change in direction is necessary.

The BAB strongly recommends that the City Commission act to increase fiscal year 2014 revenues through a balanced approach of increases in the fire assessment fee and an increase in the millage rate. These increases would still see Fort Lauderdale ranking as one of the lowest in the county on millage and about average vs. other Broward cities on the assessed fire fee.

Recommendations

Increase Fire Assessment Fee

The BAB made a motion to recommend that the City Commission adopt the maximum Fire Assessment Fee of \$225, which is consistent with the Board's philosophy of 100% cost recovery. The Board further recommended that the revenue generated from this fee be utilized to close the General Fund gap and ensure a structurally balance budget. *Motion passed 5-1.*

Increase Millage Rate and Earmark Revenue for Community Investment Program

In addition to the Fire Assessment Fee recommendation, the BAB made a motion to recommend that the City Commission increase the City's millage rate to 4.5000 and earmark 90% of the increase in the revenue to community investment projects to rebuild the City's infrastructure and further Fort



Lauderdale's Vision 2035 plan. Based on the financial forecast model, this will generate approximately \$195MM over 10 years, assuming a 4.36% increase in property valuations year over year. Even with the .3807 increase in millage, property taxes would still be well below the FY 2008 levels. *Motion passed unanimously.*

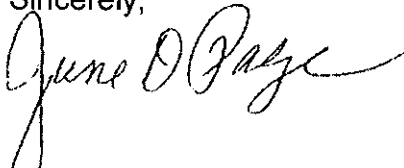
Background

During the month of May, the BAB met with City Staff from all departments on four separate occasions, for a total of twelve hours to review the budget. During these budget review sessions, the BAB had an opportunity to discuss each department's requests, performance indicators, service levels, capital needs, departmental challenges, and potential reductions in services, should they be required. Our recommendations stem from these meetings

Fort Lauderdale is a great place to live, but it only takes a quick trip through the City to observe how unkempt we are looking. We now have a Vision for our future, but this Vision cannot be achieved without spending. We have significant infrastructure improvements that must be made to keep our neighbors and visitors safe. By enacting both of these revenue enhancing measures, we can keep our reserves at acceptable levels, reinvest in our City, and work towards achieving our Vision of Fort Lauderdale in the future.

Thank you for the continued opportunity to serve in this capacity. Please contact me directly should you have any questions or comments.

Sincerely,



June D. Page
Chair
Budget Advisory Board

c: Lee Feldman, City Manager
Jonda K. Joseph, City Clerk
Stanley D. Hawthorne, Assistant City Manager
Emilie Smith, Budget Manager
Budget Advisory Board

ATTENDEE LIST
BUDGET ADVISORY BOARD MEETING
CITY OF FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8th FLOOR CONFERENCE ROOM
FORT LAUDERDALE, FLORIDA, 33301
JUNE 19, 2013 – 6:00 P.M.

Board Member	Attendance	10/2012 through 9/2013	
		Cumulative Attendance Present	Absent
June Page, Chair	P	6	0
Drew Saito, Vice Chair	P	6	0
Nadine Hankerson	A	3	4
James McMullen	P	3	0
Fred Nesbitt	P	6	0
Josias Dewey	P	4	0
Robert Oelke	P	2	0
Bryson Ridgway	A	4	2

Personnel Attending

Lee Feldman, City Manager
Stanley Hawthorne, Assistant City Manager
Emilie Smith, Budget Manager
Kirk Buffington, Deputy Director of Finance
Jeff Justinak, Fire Chief
Paul Vanden Berge, Department Budget Coordinator, Fire Rescue
John Herbst, City Auditor
Charmaine Eccles, Budget Department and Board Liaison
Lisa Edmondson, Prototype Inc.

Communications to the City Commission

See letter dated June 25, 2013 provided by Chair, June Page.

Purpose: To Provide the City with input regarding the taxpayers' perspective in the development of the annual operating budget; to review projections and estimates from the City Manager regarding revenues and expenditures for upcoming fiscal year; to advise the City Commission on service levels and priorities and fiscal solvency; and to submit recommendations to the City Commission no later than August 15 of each year regarding a budget for the upcoming fiscal year.