

City of Fort Lauderdale

*City Hall
100 North Andrews Avenue
Fort Lauderdale, FL 33301
www.fortlauderdale.gov*



Meeting Minutes

Tuesday, March 6, 2018

2:30 PM

**OR AS SOON THEREAFTER AS POSSIBLE
City Commission Conference Room**

COMMUNITY REDEVELOPMENT AGENCY BOARD

***FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY BOARD OF
COMMISSIONERS***

***JOHN P. "JACK" SEILER - Chair
BRUCE G. ROBERTS - Vice Chair
DEAN J. TRANTALIS - Commissioner - District II
ROBERT L. McKINZIE Commissioner - District III
ROMNEY ROGERS Commissioner - District IV***

***LEE R. FELDMAN, Executive Director
JOHN HERBST, City Auditor
JEFFREY A. MODARELLI, Secretary
CYNTHIA A. EVERETT, General Counsel***

CALL TO ORDER

Chair Seiler called the Community Redevelopment Agency (CRA) Board Meeting to order at 3:37 p.m.

ROLL CALL

Present 5 - Commissioner Romney Rogers, Vice Chair Bruce G. Roberts, Commissioner Dean J. Trantalis, Commissioner Robert L. McKinzie, and Chair John P. "Jack" Seiler

QUORUM ESTABLISHED

Also Present: Executive Director Lee R. Feldman, Secretary Jeffrey A. Modarelli, General Counsel Cynthia A. Everett, City Auditor John Herbst, and Sergeant at Arms Keven Dupree

No e-comments were submitted for this meeting.

MOTIONS

- M-1** [18-0270](#) Motion to Approve Minutes for February 6, 2018 Community Redevelopment Agency Board Meeting
- Commissioner Rogers made a motion to approve this item and was seconded by Commissioner Trantalis.
- APPROVED**
- Aye:** 5 - Commissioner Rogers, Vice Chair Roberts, Commissioner Trantalis, Commissioner McKinzie and Chair Seiler
-
- M-2** [18-0218](#) Motion to Approve Funding for a Florida Inland Navigation District (FIND) Grant Match for the Bahia Mar Yachting Center Dredging Project Phase II in the Amount of \$567,105
- In response to Commissioner Trantalis' question regarding the Florida Inland Navigation District (FIND) Grant Match for the Bahia Mar Yachting Center Dredging Project Phase II (Grant) funding currently allocated for D.C. Alexander Park (Park), Executive Director Feldman explained that this funding will be reallocated to the Park in next year's budget. The work for the Park is not planned to begin until Fiscal Year (FY) 2019. The Grant Match funds are required to be in place when the Grant is accepted. He confirmed there are sufficient funds in the FY 2019 CRA Budget to be reallocated to the Park. Executive Director Feldman clarified that the Five-Year Capital Improvement Project (CIP) includes

\$500,000 for the FIND Grant Match.

Vice Chair Roberts made a motion to approve this item and was seconded by Commissioner Rogers.

APPROVED

Aye: 5 - Commissioner Rogers, Vice Chair Roberts, Commissioner Trantalis, Commissioner McKinzie and Chair Seiler

M-3 [18-0228](#)

Acceptance of Fort Lauderdale Community Redevelopment Agency (FLCRA) Annual Report and Audit Report and Authorization to Transmit to Taxing Districts

In response to Chair Seiler's question, Linda Logan-Short, Acting Director of Finance, confirmed the presentation she distributed to the Board was the 2017 Fiscal Year-End Community Redevelopment Agency (CRA) Annual Audit Report (Audit Report) prepared by the auditors, Crowe Horwath LLP.

Chair Seiler recognized Don Morris, Economic and Beach Redevelopment Area Manager. Mr. Morris explained that this Audit Report is provided to four taxing agencies: Broward County; North Broward Hospital District; Children's Services Council; and the City of Fort Lauderdale. The Audit Report gives an overview of Fiscal Year 2017 activities and finances of the Northwest Progresso Flagler Heights (NWPFH), the Central Beach, and the Central City CRAs.

In response to Commissioner Rogers' question about pro forma budget percentage increases, Mr. Morris explained that these projections were taken at the direction of the Budget Office and can be adjusted. Commissioner Rogers commented on CRA timelines and the need to utilize all available funding prior to sunseting, recommending reevaluation of current projections. Further discussions ensued on increasing property valuations in the NWPFH and Central Beach CRAs.

Chair Seiler recognized Michelle Blackstock, Audit Senior Manager with Crowe Horwath LLP. Ms. Blackstock gave the Audit Report presentation that included Crowe Horwath Deliverables, Financial Highlights, Financial Statement Audit Reports and Observations.

A copy of this presentation is attached to these minutes.

In response to Commissioner Trantalis' question on increased governmental expenses, Ms. Logan-Short explained that part of the CRA Plan includes operating dollars expended by the Business Incentive Program and is accounted for as a governmental expense. City Auditor

Herbst expounded on the need to appropriately account for these expenses, noting the program is not a capital expense.

In response to Commissioner Rogers' question on the Tax Incremental Revenue Decrease, Ms. Logan-Short explained that principal payments were paid down. Ms. Blackstock's final remarks confirmed that the Audit Report was a "clean" audit. City Auditor confirmed his review of the Report and his conversations with Crowe Horwath LLP, agreeing with the Audit Report's findings.

In response to Commissioner McKinzie's question about what the Board can do to improve functioning and expediting CRA projects, D'Wayne Spence, Esq., CRA Department Director and NWPFH CRA Manager, confirmed his plans to present a revised incentive program approval process to the Board. This revised incentive program has been presented to the NWPFH CRA Advisory Board. He gave a brief overview of the current administrative approval process for facades and the proposal for an expansion to include property, business, and streetscape improvements. Mr. Spence commented on lag time between project approval, agreements being fully executed and procurement of services. He recommended having a dedicated legal counsel responsible for all CRA agreements. This is in addition to hiring a CRA Staff person responsible for providing all details relating to CRA project terms and a dedicated legal counsel. Further discussions ensued on efforts to address this concern.


Commissioner McKinzie made a motion to approve this item and was seconded by Commissioner Rogers.

APPROVED

Aye: 5 - Commissioner Rogers, Vice Chair Roberts, Commissioner Trantalis, Commissioner McKinzie and Chair Seiler


ADJOURNMENT

Chair Seiler adjourned the Community Redevelopment Agency Board Meeting of February 20, 2018 at 4:05 p.m.



Dean J. Trantalis
Chair

ATTEST:



Jeffrey A. Modarelli
CRA Secretary



Smart decisions. Lasting value.™

Fort Lauderdale Community Redevelopment Agency

Board Presentation

March 6, 2018

Agenda

- Deliverables
- Financial Highlights
- Financial Statement Audit Reports and Observations

The accompanying information should be read in conjunction with the audited financial statements and is intended solely for the information and use of the Mayor, Board, management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Deliverables

- Independent Auditor's Report
- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
- Letter to Those Charged with Governance

Financial Highlights

- The CRA's total assets exceeded its liabilities at September 30, 2017 by \$103.5 million (net position).
- The CRA's revenues for governmental activities totaled \$19.2 million, a 21.3% or \$3.4 million increase from FY2016. Operating grants and contributions increased by \$7.8 million. Expenses for governmental activities increased by \$3.0 million or 60.5% to \$8 million.

Financial Highlights

- The CRA Trust Funds balance at September 30, 2017 was \$78.3 million, an increase of \$6.0 million from the prior year balance of \$72.3 million.
- The Special Revenue Fund is used to account for the operating activities of the Agency. Operating revenues for FY2017 totaled \$17.8 million and operating expenditures totaled \$4.1 million.
- The CRA's tax increment revenue notes decreased by \$628 thousand to \$6.6 million.

Financial Statement Audit Reports and Observations

- Financial Statements - Unmodified Auditor's Report Issued
- Internal Control Over Financial Reporting

Those Charged With Governance Communication

- Auditor's Responsibility Under Auditing Standards Generally Accepted In The United States Of America
- Auditor's Responsibility Under Government Auditing Standards
- Significant Accounting Policies And Management Judgments and Accounting Estimates
 - Significant Accounting Policies
 - Management's Judgments And Accounting Estimates
- Auditor's Judgments About Qualitative Aspects of Significant Accounting Practices

Those Charged With Governance Communication

- Corrected And Uncorrected Misstatements
- Other Communications
 - Other Information in Documents Containing Audited Financial Statements
 - Significant Difficulties Encountered During the Audit
 - Disagreements with Management
 - Consultations with Other Accountants
 - Representations the Auditor is Requesting from Management
 - Significant Issues Discussed, or Subject to Correspondence, with Management
 - Other Finding or Issues We Find Relevant or Significant



Thank you

3/6/2018 CRA

M-3

Provided by
Linda-Legum-Short



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Thank you