

FY 2025 TENTATIVE BUDGET



OVERVIEW

- Changes to the Proposed Budget
- FY 2025 Projected Fund Balance Discussion
- Discussion of Items Not Currently Built into the Budget
 - Unfunded/Underfunded CIP Projects
 - General Employee Retirement System (GERS) Cost of Living Adjustment



Changes to the Proposed Budget

Revenues	Expenditures
\$1,597,981 Ad Valorem Revenue Based on Updated Property Appraiser Estimates	\$1,251,000 Infrastructure Enhancements
\$(343,519) Updated Revenue Estimates (State Estimates & Programmatic Revenue)	\$375,336 Community Programming and Staffing Adjustments
\$915,238 Appropriation of Fund Balance to Offset One-time Capital Expense	\$543,364 Transfers and Operating Adjustments*

*Transfers and Operating Adjustments:

- Space Rental and Audiovisual Services for Commission Meetings
- Police Department Recruitment Office Rent
- Fire Rescue Public Information Officer Vehicle
- Updated Transfers to the Community Redevelopment Agency

Community Planning Enhancements

\$676,000

Railroad Crossing Elimination Grant Program Local Match in Partnership with the Broward MPO

Effort to retain the Quiet Zone (no train horns) by providing additional safety elements to the FEC corridor

\$375,000

Reconnecting Communities Grant Local Match in Partnership with the Broward MPO

Planning efforts to create underpasses on major roadways at the FEC tracks

\$100,000

South Regional Activity Center (SRAC) Code Update

Adopting new zoning regulations for the remaining portions of SRAC that were not codified as part of the South Andrews Avenue Master Plan and subsequent zoning amendments

\$100,000

Traffic Calming Program Funding Enhancement

Increase in annual speed cushions installation funding to \$200,000





Community Programming and Staffing Adjustments

Expenditure Adjustments

General Fund Salary and Benefit Adjustments

Highlights include:

- Two Weeks of Paid Parental Leave – Pending Negotiation with Represented Groups
- Reprioritization of Positions to Address Homelessness

\$234,301

24/7 Lobby Receptionists for the New Police Headquarters – Funded as of September 2025

\$37,635

Mobile School Pantry Nonprofit Funding

\$36,000

Riverwalk Activation Funding Enhanced to \$300,600

\$27,400

Early Learning Coalition of Broward County – Funding Enhancement to \$100,000

\$25,000

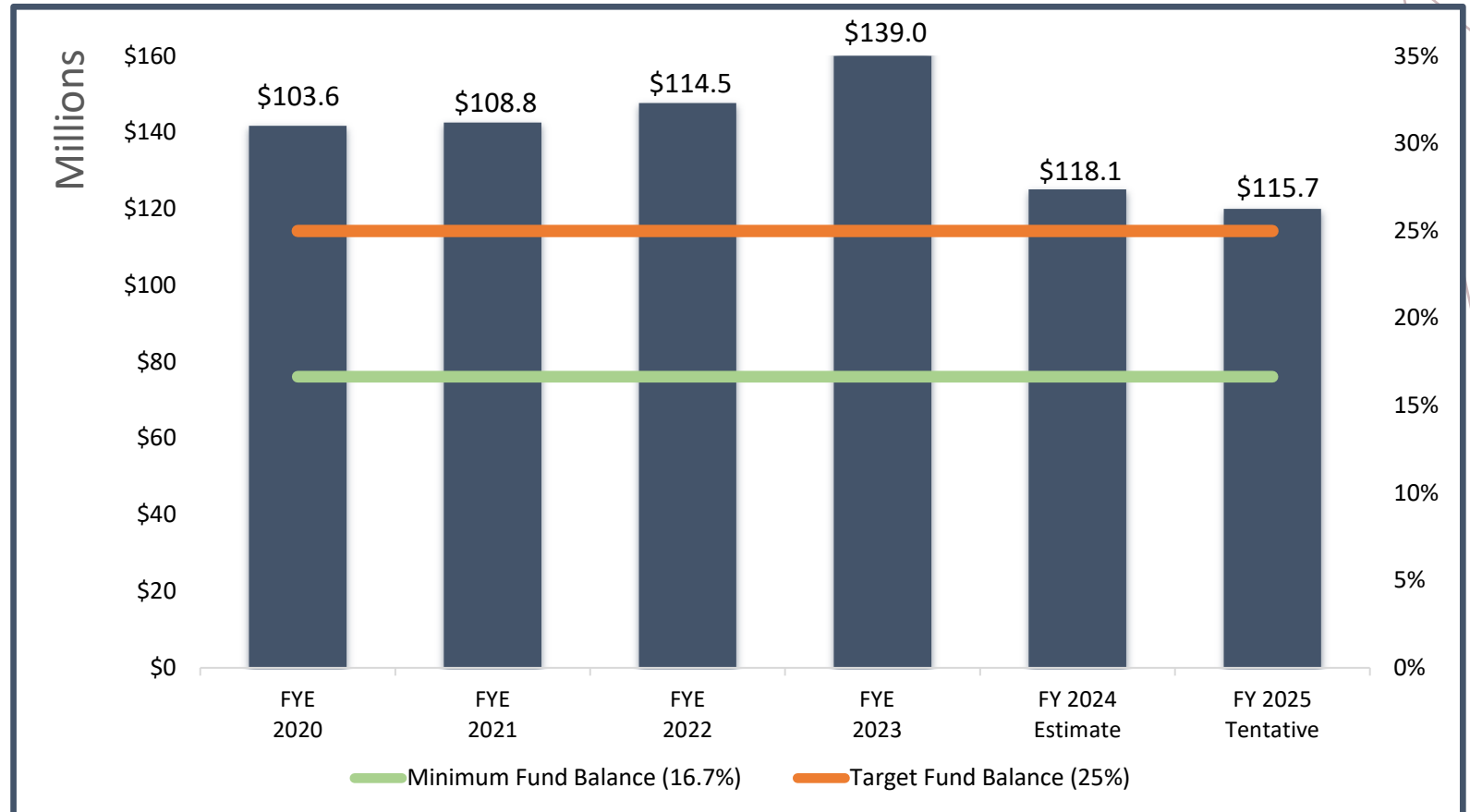
Galt Ocean Art Events

\$15,000

FY 2025 Projected Fund Balance

\$5.5 Million

Amount Over the
25% Fund Balance Target
(Based on FY 2024
Estimate and FY 2025
Use of Fund Balance)



**The growth in the FY 2023 Fund Balance is primarily related to the delay in the settlement of the City's public safety collective bargaining agreements. Retroactive payouts for these contract settlements occurred in FY 2024.*

Fund Balance Uses and Recent Examples

Fund Balance is used to:

- Respond to Unexpected Emergencies such as Hurricanes, Floods and Pandemics
- Serve as a Capital Project Inflationary Contingency
- Leverage Grant Opportunities
- Secure Favorable Bond Ratings
 - The City's maintenance of health reserves was highlighted in City's last Moody's GO Bond rating
 - Available fund balance has a 20% weight in Moody's "scorecard" and the top score goes to municipalities with an available fund balance of 35% or greater

\$3.8M

April 2023
Flood Event
Including City
Hall Demolition

\$600K

COPS Hiring
Grant Match

\$2.9M

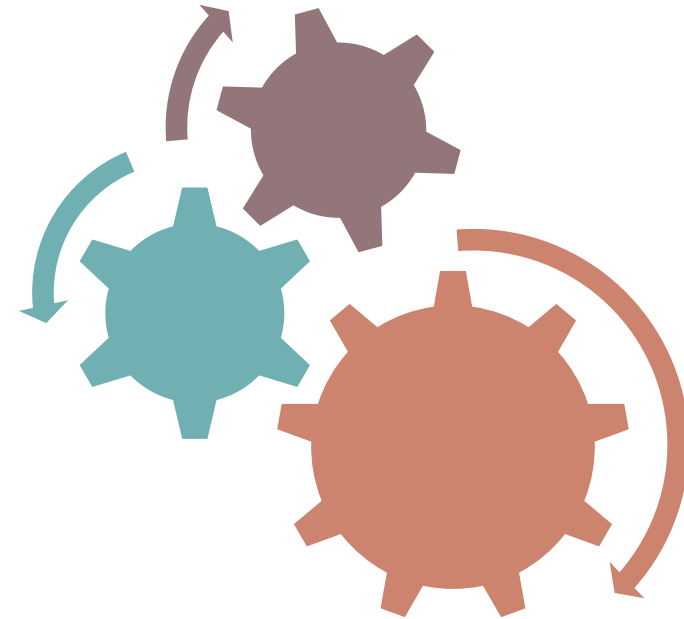
Replacement of
City Owned
Seawall Near
Las Olas
Marina

\$5.2M

Settlement of
Collective
Bargaining
Agreements

Items Not Currently Built into the FY 2025 Tentative Budget

- Unfunded/Underfunded CIP Projects
 - Sunrise Lane District Streetscapes (\$3M)
 - Renew Lauderdale Funding As Presented by Public Works in January 2024
- Cost-of-Living Adjustment Funding for General Employee Retirement System (GERS) Retirees



Renew Lauderdale

Roads \$86M



- 564 miles of roadway within City jurisdiction
- ~180 miles rated lower than satisfactory in the based on the most recent (2019) Pavement Condition Index (PCI)

Sidewalks \$23M



- Reduce potential liability claims
- Improve sidewalk connectivity for better mobility experience
- Repair or replace all damaged sidewalks

Bridges \$92M



- 53 City owned bridges
- 22 bridges, that serve as the single point of ingress/egress, need replacement
- 3 bridges need rehabilitation

Mobility \$195M



- 300 miles of sidewalks are missing (no connectivity)
- Traffic calming: roundabouts, raising intersections/crosswalk, speed control devices

Waterfront \$236M



- 25 seawalls need replacement
- 200 tidal valves needed
- 15.6 miles of canals need to be dredged

Financial Impact of Cost-of-Living Adjustment Funding for General Employee Retirement System Retirees

Fund	Allocation	7 Years	5 Years	Lump Sum
General Fund	49.5%	\$ 1,065,718	\$ 1,403,623	\$ 6,184,951
Building Fund	4.1%	87,371	115,075	507,067
Sanitation Fund	3.4%	73,811	97,214	428,367
Cemetery System	0.9%	18,472	24,329	107,202
Water and Sewer	24.1%	519,884	684,722	3,017,172
Central Regional	1.3%	28,801	37,933	167,149
Parking System	3.2%	69,099	91,009	401,022
Airport	1.7%	36,179	47,650	209,966
Stormwater Fund	4.6%	98,595	129,856	572,200
Project Management Fund	2.5%	53,592	70,584	311,021
City Property and Casualty Insurance	0.5%	10,781	14,199	62,567
Central Services (Information Technology Services)	3.8%	82,573	108,754	479,214
Unified Customer Service Fund	0.4%	8,102	10,671	47,021
Total		\$ 2,152,978	\$ 2,835,619	\$ 12,494,919

Funding Strategies for a **One-time Payment** for the General Employee Retirement System Retirees COLA

Fund	Lump Sum	Funding Strategy	Considerations
General Fund	\$ 6,184,951	Utilize Fund Balance	<ul style="list-style-type: none"> • Would reduce reserves below the <u>target</u> of 3-months of operating expenses. • Reserves would remain above the <u>minimum</u> of 2-months of operating expenses. • May impact bond ratings and increase the cost of borrowing. • Limits the ability to cash fund capital such as the over \$600M in unfunded needs identified for streets, sidewalks, bridges, and seawalls throughout the City.
Water and Sewer Fund	3,017,172	Delay the planned \$3M Comprehensive Water & Sewer Master Plan Update	The comprehensive plan evaluates the entirety of the City's water and wastewater systems, identifying necessary actions to maintain and improve system condition, capacity, performance, efficiency and service quality, while planning for current and future demands.
Stormwater Fund	572,200	Utilize Fund Balance	Would reduce funding available to cash fund smaller neighborhood projects.

Traditional Uses of Fund Balance: Respond to unexpected emergencies such as hurricanes, cash flow reserves, capital project inflationary contingency, and leverage grant opportunities. Any amount above 25% target to fund capital projects.

Funding Strategies for **Seven Years**

General Employee Retirement System Retirees COLA

Fund	Annual Amount	Funding Strategy	Considerations
General Fund	\$ 1,065,718	Reduce Transfer to the Community Investment Plan	Spread the Reduction Across Projects Funded Annually: <ul style="list-style-type: none"> Facilities Assessments – HVAC, Roofing, Interior and Exterior Repairs Citywide - (\$2M Annual Funding) Annual Concrete and Paver (Sidewalk) Repairs – (\$1.5M Annual Funding) Annual Asphalt (Street) Repairs – (\$1.5M Annual Funding)
Water and Sewer Fund	519,884	Reduce Funding for Cash Funded Capital Projects	Project Funded Annually: Inflow and infiltration (I&I) Program Management (~\$15M Annual Funding)
Stormwater Fund	98,595	Utilize Fund Balance	Would reduce funding available to cash fund smaller neighborhood projects. (~\$9M Annual Funding)



DISCUSSION