

City of Fort Lauderdale

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



Meeting Minutes

Tuesday, March 3, 2020

11:30 AM

Joint Workshop with Budget Advisory Board

City Commission Conference Room

CITY COMMISSION WORKSHOP

FORT LAUDERDALE CITY COMMISSION

DEAN J. TRANTALIS Mayor

ROBERT L. McKINZIE Vice Mayor - Commissioner - District III

HEATHER MORAITIS Commissioner - District I

STEVEN GLASSMAN Commissioner - District II

BEN SORENSEN Commissioner - District IV

CHRIS LAGERBLOOM, City Manager

JOHN HERBST, City Auditor

JEFFREY A. MODARELLI, City Clerk

ALAIN E. BOILEAU, City Attorney

CALL TO ORDER

Mayor Trantalis called the meeting to order at 11:38 p.m.

ROLL CALL

Commission Members Present: Commissioner Heather Moraitis, Commissioner Steven Glassman, Vice Mayor Robert L. McKinzie, Commissioner Ben Sorensen and Mayor Dean J. Trantalis

Budget Advisory Board Members Present: Chair Brian Donaldson, Vice Chair Johnnie Smith, Ross Cammarata, Jeff Lowe, Michael Marshall, Robert McGrath, Prabhuling Patel, Adam Sabin and Christopher Williams

Budget Advisory Board Member Not Present: John Xanthos

QUORUM ESTABLISHED**BUSINESS UPDATES****OLD/NEW BUSINESS****BUS-1** [20-0253](#)

Budget Advisory Board - Business Updates Provided by the Budget Advisory Board - (Commission Districts 1, 2, 3 and 4)

Mayor Trantalis gave a brief overview of Workshop goals and objectives, thanking members of the Budget Advisory Board (BAB) for their effort.

Mayor Trantalis recognized BAB Chair Brian Donaldson. Chair Donaldson explained the purpose of the meeting is to receive Commission direction regarding what BAB should be looking over in the next three (3) months. BAB would present recommendations at a Joint Workshop with the Commission on June 16, 2020 for the maximum rate for July 2020.

The primary topic of BAB discussions to date has been addressing infrastructure. Input from new BAB members include raising taxes for infrastructure needs. Chair Donaldson noted ad valorem taxes do not typically fund water and sewer infrastructure needs. Service ratepayers and bonds fund infrastructure needs. He explained related details, including phasing out Return on Investment (ROI) transfers from the Water and Sewer Fund to the General Fund.

In response to Chair Donaldson's question regarding phasing out ROI in an expedited manner, City Manager Lagerbloom reviewed related details for the current fiscal year and moving forward. There will be a budget amendment at the March 17, 2020 Commission Regular Meeting recommending how ROI could be removed in the current fiscal year. In response to Mayor Trantalis' question, City Manager Lagerbloom confirmed the budget recommendation would eliminate all future ROI funding to the General Fund.

In response to Commissioner Sorensen's question, City Manager Lagerbloom reconfirmed implementing the proposed budget amendment recommendation would ensure that ROI would not be transferred out to the General Fund in Fiscal Year 2020. Further comment and discussion ensued.

Chair Donaldson remarked on the challenge this budget amendment presents in the Fiscal Year 2021 Budget and the Commission's proposed action to include stormwater-related infrastructure costs on property tax bills in October 2020. He inquired about additional infrastructure needs not related to stormwater or water and sewer infrastructure, i.e., bridges, utilities, sidewalks, etc. (Other Infrastructure). Chair Donaldson suggested being proactive and addressing ad valorem taxes in Fiscal Year 2022 to fund Other Infrastructure Capital Improvement Projects (CIPs). BAB would be looking at strategic reductions in the Fiscal Year 2021 Budget to make up for the elimination of ROI funding to the General Fund.

In response to Commissioner Moraitis' question regarding possible future revenue streams from the Broward County Transportation Surtax, Chair Donaldson confirmed these items are scheduled for BAB review during April 2020 Budget Staff meetings. City Manager Lagerbloom confirmed, expounding on details related to distributions from the Broward County Metropolitan Planning Organization. Further comment and discussion ensued.

Commissioner Moraitis discussed proposed State legislation to fully fund School Resource Officers (SROs), inquiring if Staff had an update. Police Chief Rick Maglione provided an update, confirming the proposed State legislation would allow the Broward County School Board to raise its millage rate point five percent (.5%), expounding on related details and noting this is not anticipated to take effect until Fiscal Year 2023. Further comment and discussion ensued.

In response to Mayor Trantalis' question, Chief Maglione explained why the School Board is not making an effort to be the entity responsible for

all aspects of SROs, confirming the School Board is funding one-third of SRO costs. Further comment and discussion ensued.

In response to Commissioner Sorensen's question, Chief Maglione explained details regarding the Broward County Sheriff's Office responsibilities relating to School Guardians, including training, communications and firearms. Further comment and discussion ensued.

Chair Donaldson reviewed BAB's Fiscal Year 2021 Workplan, commenting on details and the process moving forward. He remarked on the budget challenges, stating that funding for new budget items would be funded by the elimination of budget items and overtime funding would be addressed. Chair Donaldson requested the Commission contribute feedback when department heads submit budgets to BAB.

A copy of the BAB's Fiscal Year 2021 Workplan can be found in the backup to this Agenda item.

In response to Vice Mayor McKinzie's question regarding addressing increases to water and sewer ratepayer bills, Chair Donaldson noted previous efforts regarding delinquent water bill collection from landlords. Anticipated rate increases could move forward due to accelerated bond funding for infrastructure needs. Vice Mayor McKinzie expounded on his perspective. Further comment and discussion ensued.

In response to Mayor Trantalis' question regarding expenditures for the initial \$200,000,000 bond issuance, City Manager Lagerbloom explained approximately \$40,000,000 has been spent, \$100,000,000 had been encumbered and \$60,000,000 in projects have been identified over the next five (5) years. Mayor Trantalis noted this bond funding was intended to cover items in the Consent Order between the Florida Department of Environmental Protection and the City. City Manager Lagerbloom confirmed, explaining related details.

In response to Vice Mayor McKinzie's question, City Auditor John Herbst explained details regarding the issuance of bond debt to address infrastructure needs, the need to raise revenue to support new debt and the increasing cost of doing business.

In response to Commissioner Moraitis' question regarding BAB's consideration of the Parks Bond funding for Park items in the Fiscal Year 2021 Budget, Chair Donaldson confirmed.

Chair Donaldson reviewed and commented on the Commission's top six (6) priorities:

- Infrastructure: BAB does not anticipate increasing Fiscal Year 2021 General Fund amounts due to bond funding. Comment and discussion ensued on future funding for Other Infrastructure CIPs in Fiscal Year 2022 from other sources, i.e., grants. Chair Donaldson commented on possible future neighbor participation incentives for items such as sidewalks. Comment and discussion ensued.
- Transportation and Traffic: This is not under the purview of BAB.
- Affordable Housing and Homelessness: This amount would remain the same as Fiscal Year 2020 until Commission feedback is received.
- Downtown Masterplan and Comprehensive Plan Implementation: This is not under the purview of BAB.
- Water Quality of Waterways: Budget funds are needed for testing, purification and another dump station. BAB will request Staff input.
- Sea-Level Rise and Resiliency: Items related to these topics are CIPs. Mayor Trantalis noted this is an overarching philosophy on multiple levels, i.e., best practices moving forward. Commissioner Moraitis commented on efforts towards having future CIPs funded through the Army Corps of Engineers. Further comment and discussion ensued on resiliency as it relates to stormwater projects.

In response to Mayor Trantalis' question, City Manager Lagerbloom explained resiliency plans going forward for the seven initial adaptation neighborhoods that are being funded through a line of credit. Line of credit costs will be reimbursed from the upcoming \$200,000,000 bond issuance.

In response to Commissioner Glassman's question, City Manager Lagerbloom confirmed the anticipated date for the next bond issuance would be in 2022. Comment and discussion ensued on bond ratings and related debt issuance.

In response to Commissioner Sorensen's questions, Susan Grant, Director of Finance, explained that based upon the City's AAA rating for its General Obligation Bond, it is anticipated that the bond market would be favorable for the next tranch of water and sewer bonds. She

commented on upcoming discussions regarding refinancing Pension Obligation Bonds and related details.

Ms. Grant confirmed favorable interest rates had been locked in for the Public Facilities Safety Bond (2.45 percent) and the first tranch of the Parks Bond (2.41 percent). There would be a separate bond rating for non-General Obligation Bonds. The interest rate for the Water and Sewer Bond issued two years ago was 3.78 percent.

Chair Donaldson commented on some of the remaining Commission priorities:

- Streetscape and Tree Enhancement: There has been limited funding in the past and going forward.
- Uptown Master Plan: Budget Director Laura Reece explained the Department of Sustainable Development would prepare a Budget Modification Package for funding.
- Airport Workplace Training Facility: City Manager Lagerbloom explained Chief Education Officer Zoie Saunders is the contact person to provide and develop workforce training facility information in conjunction with Broward County Schools and Atlantic Technical College. Mayor Trantalis explained details are yet to be worked out.
- Joint City/County Government Center: Mayor Trantalis said there would have no fiscal impact in the Fiscal Year 2021 Budget.

Brief comment ensued on the balance of the Commission priorities.

Mayor Trantalis noted the preliminary nature of this meeting, thanking BAB for its contribution to the budget process. There were no additional questions from members of the BAB or the Commission.

ADJOURNMENT

Mayor Trantalis adjourned the meeting at 12:37 p.m.