

MEMORANDUM NO. 09-199

CITY COMMISSION

DATE: August 31, 2009

2009 SEP -1 AM 11: 23

TO: Mayor John P. "Jack" Seiler
Vice-Mayor Bruce G. Roberts
Commissioner Charlotte E. Rodstrom
Commissioner Bobby B. DuBose
Commissioner Romney Rogers
John Herbst, City Auditor
Jonda K. Joseph, City Clerk
Harry A. Stewart, City Attorney

FROM: George Gretsas, City Manager *GG*

VIA: Shonda Singleton-Taylor, Acting Director, Office of Management and Budget *ST*

SUBJECT: FY 2010 Budget Workshop

The agenda for the Budget Workshop is as follows:

- FY 2010 Proposed Budget Presentation
- Budget Advisory Board Recommendations
- City Auditor's Report - Review of the FY 2010 Proposed Budget
- 2010-2014 CIP Discussion

ALL
COMMISSIONERS
RECEIVED

If you have additional questions and/or concerns, please contact Shonda Singleton-Taylor, Acting Director, Office of Management and Budget at 954-828-5894.



BUDGET OUTCOMES

As directed by City Commission:

- Implement City Commission Goals & Objectives
- No property tax increase
- No increase in fire assessment fee
- Maintain adequate reserve funds
- No layoffs
- No reductions in vital city services

BUDGET PROCESS

As directed by City Commission:

ZERO BASED BUDGET

- A method of budgeting where proposed expenditures must be justified for the fiscal year.
- Past expenditures only serve as a guide, not as justification when using zero based budgeting.
- Every dollar must be accounted for in zero based budgeting.
- Zero based budgeting can help an organization save money and improve services.

STATUTORY MILLAGE PROVISIONS

MAXIMUM MILLAGE RATE

- State restricts increases in millage over the rolled-back rate
- "Maximum millage" is highest rate that can be levied with a majority vote.
- Maximum millage rate raises:
 - Same taxes as current year after VAB* reductions
 - Plus taxes generated by new construction
 - Plus percent change in Florida per capita income
- Maximum Millage can be exceeded with super-majority vote:
 - Up to 10% higher requires a two thirds vote
 - More than 10% up to 10 mills with a three fourths vote

*Value Adjustment Board

STATUTORY MILLAGE PROVISIONS

ROLLED-BACK RATE

- State Statute defines “property tax increase” as an increase over “rolled-back” rate.
- Rolled-back rate –
 - Raises same property taxes as current year after VAB* reductions.
 - Plus taxes generated by new construction
- When property values decline the “rolled-back rate “rolls-up” instead”.

*Value Adjustment Board

TAX REFORM

FY 2009/2010 MILLAGE RATES

Current Rate	\$4.1193
Super Majority Vote	\$5.4961
Majority Vote	\$4.9965
Rolled-Back Rate	\$4.5995
City Proposed Rate	\$4.1193

***OUR
CHALLENGES***

Key General Fund Revenues

Challenges

Property Taxes
\$11 Million Loss

Key General Fund Revenues
<i>Challenges</i>
Sales & Half Cent Taxes \$2 Million Loss

Key General Fund Revenues
<i>Challenges</i>
State Shared Revenue \$0.6 Million Loss

Key General Fund Revenues
<i>Challenges</i>
Permit Activity \$2.1 Million Loss

Key General Fund Revenues
<i>Challenges</i>
Interest Income \$ 1.8 Million Loss

Key General Fund Revenues

Challenges

= \$ 17.5 Million Loss

New General Fund Revenue

- Red Light Camera Violations - \$1,800,000
- Fleet Auction Revenue - \$900,000
- Attorney Fees for Confiscation Related Litigation - \$165,000

Non-Discretionary Increases

Contractual Obligations

COLA (Teamsters, Federation of Public Employees)	\$2,985,216
Merit	2,029,903
Worker's Compensation	953,561
Pension	7,056,776
Total	\$13,025,456

Additional Costs

Overtime	1,097,294
OPEB Liability	1,000,000
Planning & Zoning - Housing & Community Development Costs	480,636
Fire Rescue - Banker Gear Replacement	155,454
Fire Rescue - Alerting System Replacement for Fire Station 2	66,750
Public Works - Wave Wall Fiber Optics Lights, Parts, & Materials	50,000
Fire Rescue - Opti-Com Units (10) for New Ambulances (10)	27,500
Fire Rescue - Overhead Increases for Fire Station #29 and #49	25,000
City Clerk - Part-time Temporary Commission Assistant II	21,865
Finance - CAFR (Comprehensive Annual Financial Report) Outsourcing	10,000
TOTAL	\$2,935,199

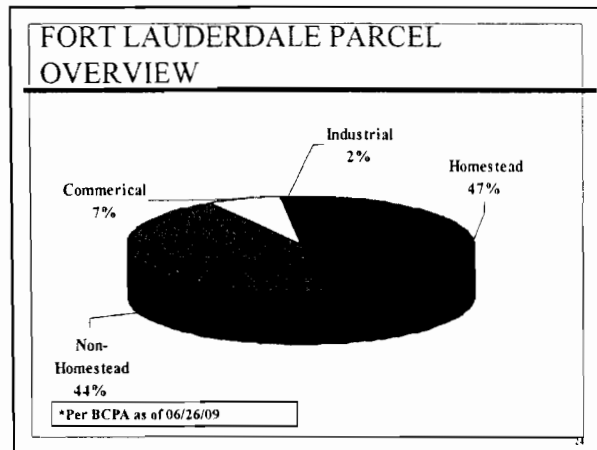
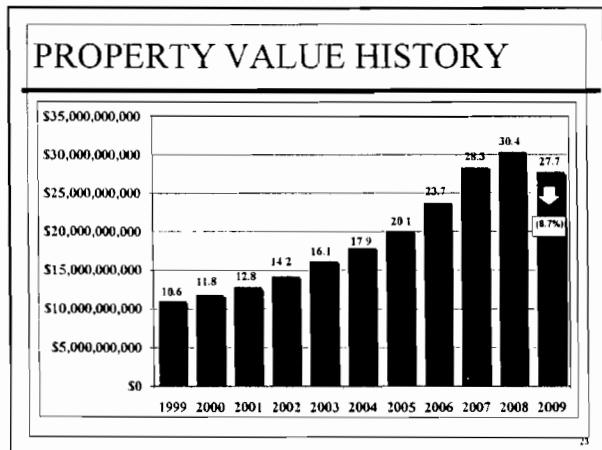
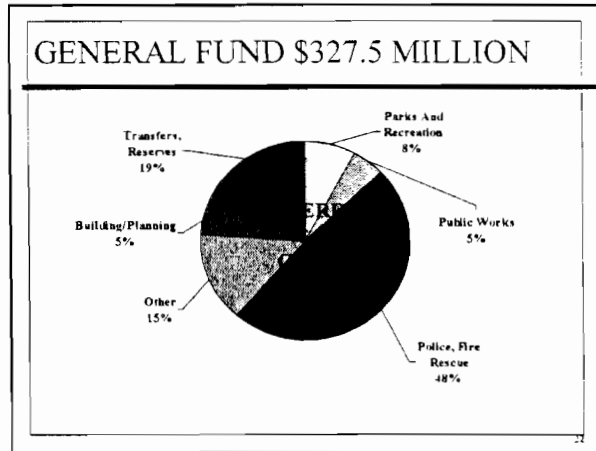
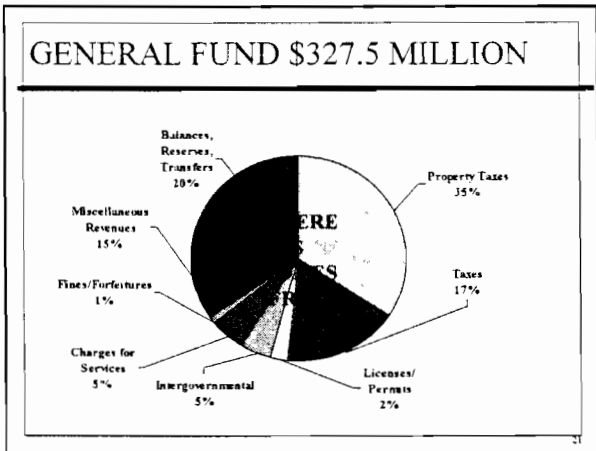
GENERAL FUND SHORTFALL	
Total Revenue	\$258.7
Total Expenditures	<u>288.7</u>
Shortfall	(\$30.0)
Millions	

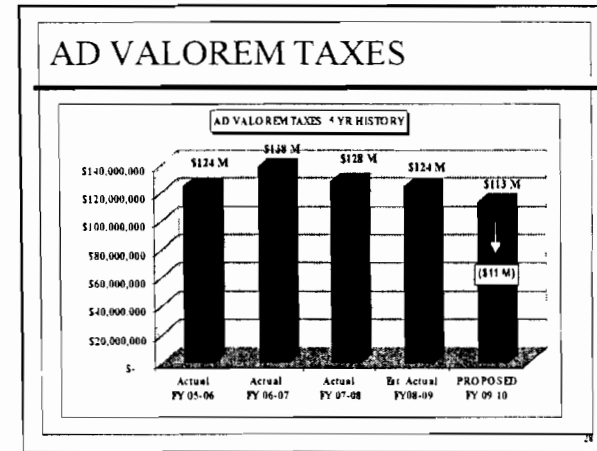
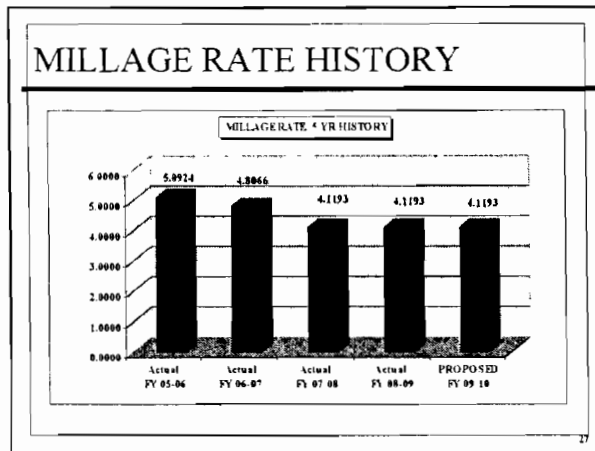
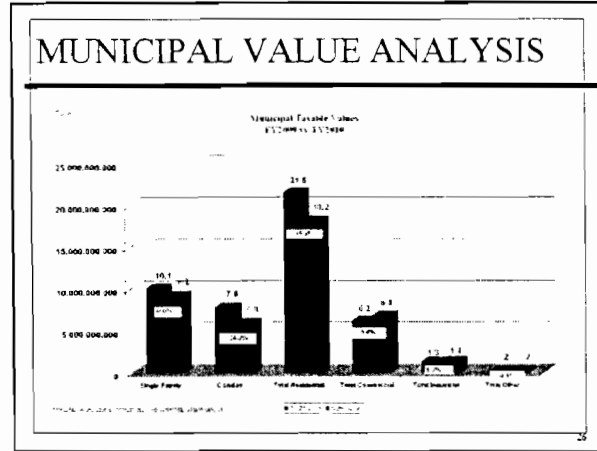
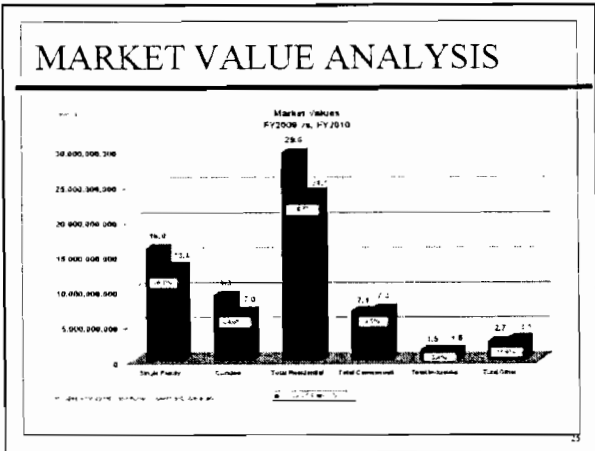
HOW WE BALANCED THE FISCAL YEAR 2010 BUDGET	
Initial funding shortfall (millions)	\$30.0
Solutions	
Froze 68 Vacant Positions	\$3.9
Reduced Part-time Funding	5
Reduced Payroll Funding	2.6
Reduced Vehicle Purchase Plan	2.6
Eliminated Non Mandatory Travel/Conferences	3
Reduced Operating Expenditures	3.6
Retired Excise Debt Service	3.6
Pension Reserve Draw Down (2 nd Payment)	2.9
Fund Balance Draw Down	<u>10.0</u>
Total Solutions	\$30.0

- ### LONG TERM BUDGET STRATEGIES
- Protect key services the public depends on.
 - Employ more efficient ways of doing business.
 - Continue with vital infrastructure improvements.
 - Maintain adequate reserves.
 - Strategically shrink the size of city government.

FY 2010 OVERVIEW

	FY 2009 Adopted	FY 2010 Proposed	% Increase/ (Decrease)
APPROPRIATIONS (Millions)			
➤ General Fund*	\$348.2	\$327.5	(5.9%)
*Includes Fund Balance, Reserves, & Transfers			
➤ All Funds Budget*	\$602.7	\$601.4	(.2%)
*Includes Fund Balance, Reserves, & Transfers			
MILLAGE			
➤ Operating	\$4,119.3	\$4,119.3	0.0%
➤ Total Operating Plus Debt	\$4,249.5	\$4,253.6	0.1%
MILLAGE REVENUE (Millions)			
➤ Total Operating Plus Debt	\$123.4	\$112.1	(9.2%)





PROPERTY TAX IMPACT

Average Homeowner Tax Bill

Homestead

- Single Family Assessed Value \$301,591
- Property Tax Decrease (\$118.18)

Non Homestead

- Single Family Assessed Value \$386,782
- Property Tax Decrease (\$323.76)

Homestead

- Condo Assessed Value \$237,696
- Property Tax Decrease (\$213.10)

Non Homestead

- Condo Assessed Value \$258,500
- Property Tax Decrease (\$262.60)

Proposed Millage 4.2536
(Operating Plus Debt)

CITY MILLAGE RATE ONLY 22% OF THE TOTAL BILL

BROWARD COUNTY 15.2% HOSPITAL DISTRICT 0.8% CHILDREN'S SERVICES 1.9%

SCHOOL BOARD 18.1% CITY OF FORT LAUDERDALE 22% SOUTH FLORIDA WATER MANAGEMENT DISTRICT 1.7%

FLORIDA INLAND NAVIGATION DISTRICT 2%

TUESDAY, AUGUST 18, 2009 BROWARD COUNTY CITY MILLAGE

HOME VALUES FALL, BUT TAX RATES RISE

Four Broward cities propose increases of 25 percent
Cities fear higher tax bills may force more foreclosures

By Bruce Oppen

Four Broward cities — Davie, Plantation, Sunrise and Weston — are proposing to raise their millage rates by 25 percent starting in 2010. The cities are among the few in the county that have not already raised their rates in recent years.

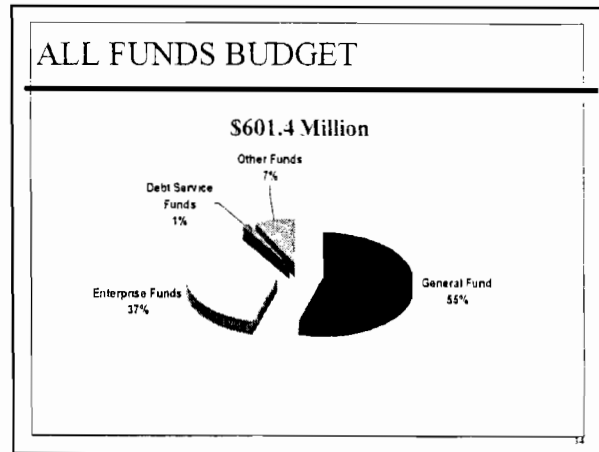
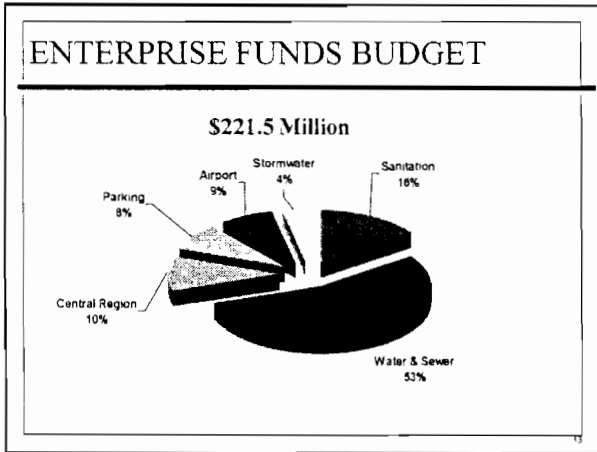
The cities are also among the few in the county that have not already raised their rates in recent years.

Check your city

Look on the city website for the proposed millage rate in Broward County. Page 8

FY10 Proposed Millage Rates Broward County Cities

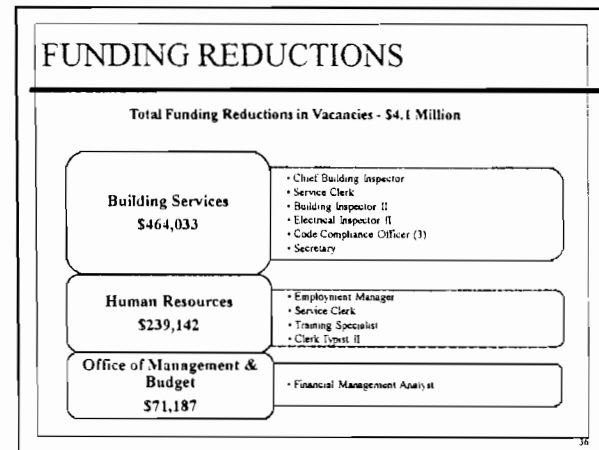
CITY	Operating		FY10 Proposed		Bond
	NUMBER	BOND	% Change	Estimation	
Pembroke Park	8 2000	1		10 161	27
West Park	8 3564	2	26%	13 861	23
Margate	7 7500	3	1%	14 180	14
Sea Ranch Lakes	7 5000	4		732	10
North Lauderdale	8 9185	3	1%	42 287	16
Alhambra	8 9000	4	28%	11 260	5
Hollywood	8 2487	7	20%	14 212	3
Lauderhill Lakes	8 3500	8	1%	32 219	19
Tamarac	6 3752	9	20%	19 855	13
Sunrise	6 0543	10	11%	92 081	4
Davie	6 0243	11	1%	28 425	21
Oakland Park	5 8848	12	2%	43 241	17
Hialeah Beach	5 3710	13	20%	38 232	18
Lauderhill	5 9374	14	8%	84 635	11
Wilton Manors	5 4000	15	38%	14 929	24
Coconut Creek	5 6837	16	1%	44 113	15
Pembroke Pines	4 4374	17	27%	151 143	3
Deerfield Beach	4 4500	18	1%	73 227	10
Davie	4 8393	19	4%	92 201	7
Louper City	4 7008	20	1%	10 047	20
Plantation	4 3142	21	-0%	45 683	4
Lady Lake	4 2779	22	1%	41	31
Midland	4 1532	23	27%	23 315	23
Fort Lauderdale	4 1377	24	1%	189 094	1
Homestead Beach	4 0432	25	27%	99 815	6
Lauderdale Bv-The-Sea	3 9990	26	1%	5 812	28
Southwest Ranches	3 8400	27	7%	8 449	24
Coral Springs	3 8464	28	1%	128 110	1
Lighthouse Point	3 6158	29	-0%	11 030	23
Hialeah Beach	3 3922	30	20%	2 224	29
Weston	1 9427	31	-2%	63 383	12

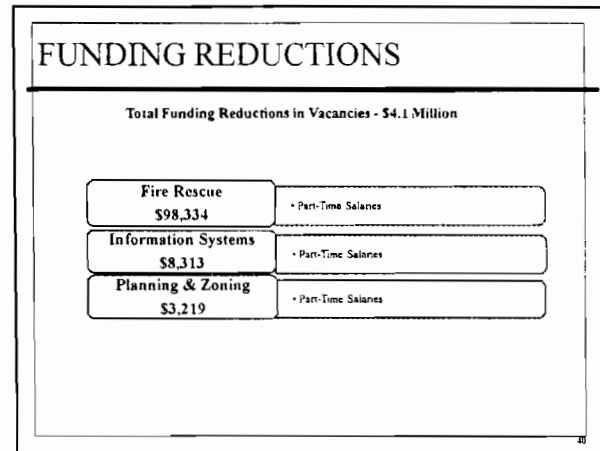
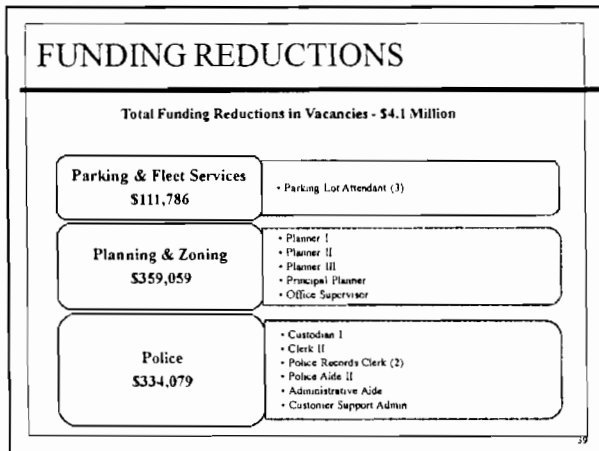
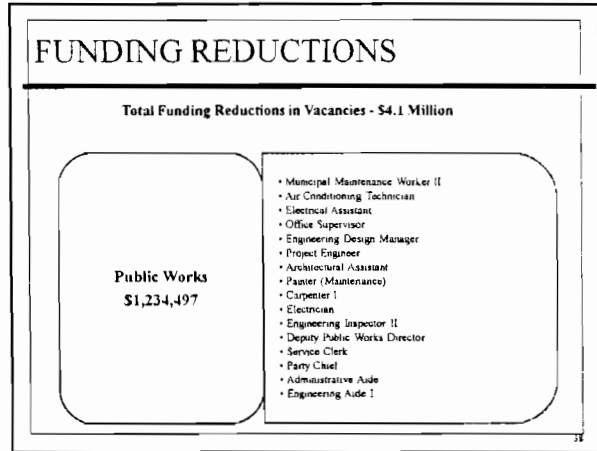
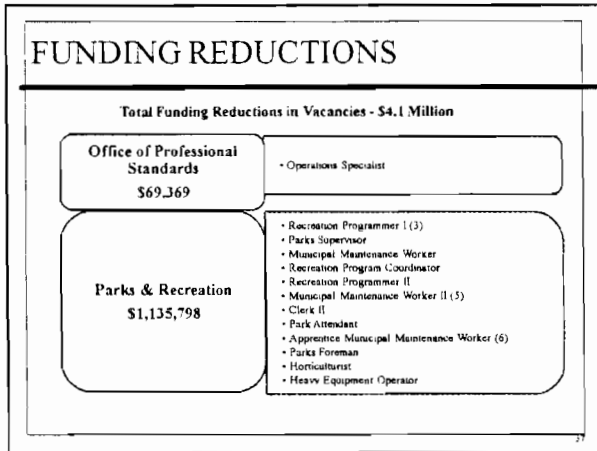


FY 2010 ALL FUNDS OVERVIEW

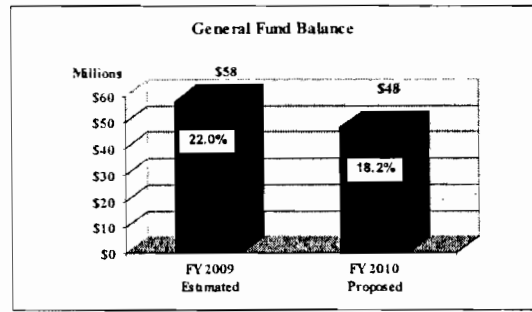
(in millions)	FY 2010	% of Total
General Fund	\$327.5	54.5%
Enterprise Funds	221.5	36.8
Cemetery Perpetual Care Fund*	15.9	2.6
Community Redevelopment	14.4	2.4
Housing & Urban Development/SHIP Grants	11.0	1.8
Debt Service Funds	8.3	1.4
Arts & Science District Garage - PACA*	2.1	.4
Other (Sunrise Key & Beach Business Improvement District)	.7	.1
Total	\$601.4	100%

*New Budgeted Funds





FUND BALANCE



GFOA guidelines 5 - 15%

ALL FUNDS STAFFING LEVELS

Permanent Full-time	2,494.0
Temporary Full-time	13.0
Temporary Part-time	149.3
<u>New Proposed (FTEs)</u>	<u>0.5</u>
FTEs	2,656.8
<u>Vacant Funding Level Reductions</u>	<u>(68.0)</u>
Total FTEs	2,588.8

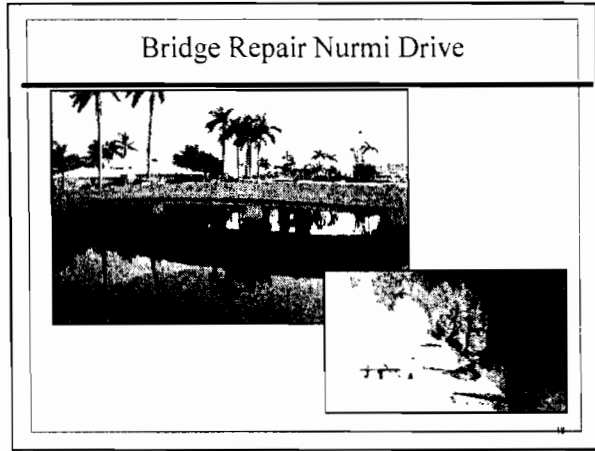
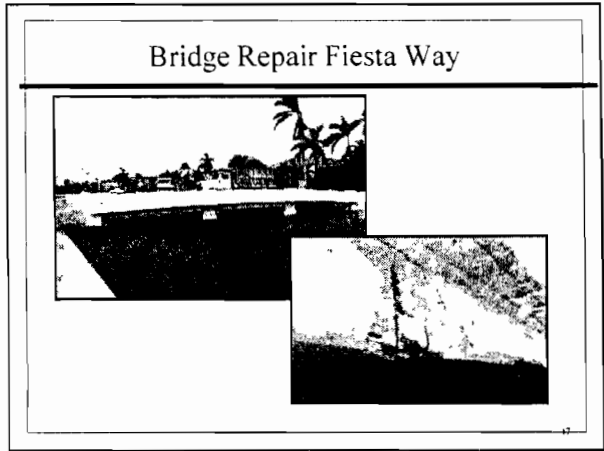
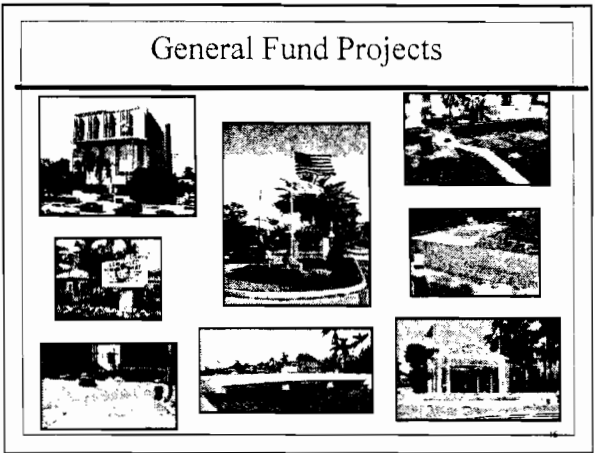
FY 2010 FLEET PLAN SUMMARY

Original Fleet Plan	177 Vehicles	\$6.8 Million
<u>Revised Fleet Plan</u>	<u>106 Vehicles</u>	<u>\$3.5 Million</u>
Net Savings	71 Vehicles	\$3.3 Million

2010-2014

CAPITAL IMPROVEMENT PROJECTS

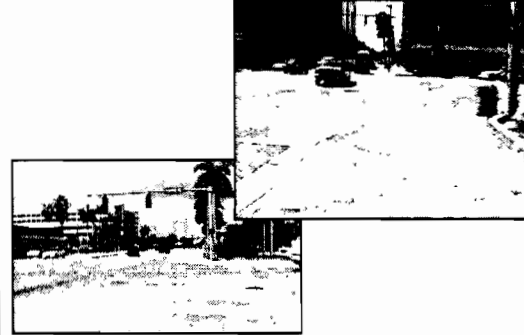
2010-2014 APPROPRIATION SUMMARY	
General Projects	\$29.5
Enterprise Funds	59.8
Airport	5.8
Parking	.6
Vehicle Rental Operations	.3
Water & Sewer Operations	51.8
Stormwater	<u>1.3</u>
Total	\$89.3



Bill Keith Preserve



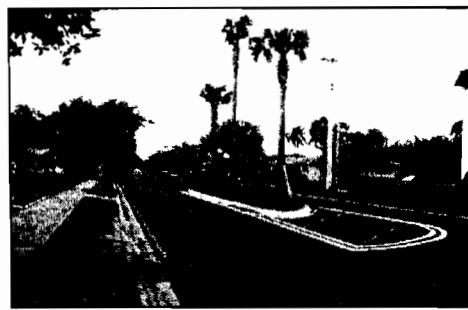
Broward Blvd. Improvements / Repay
County



Cooley's Landing Boat Ramp
Replacement



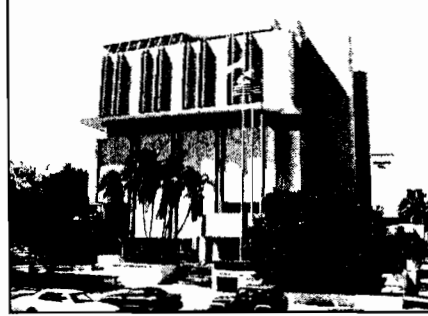
Sunrise Blvd. & NE 15th Ave Safety
Improvements



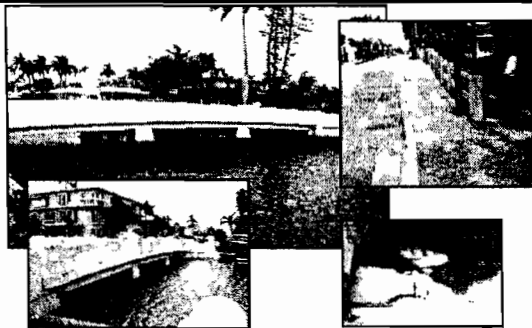
FEC RR Crossing Various Locations
Maintenance



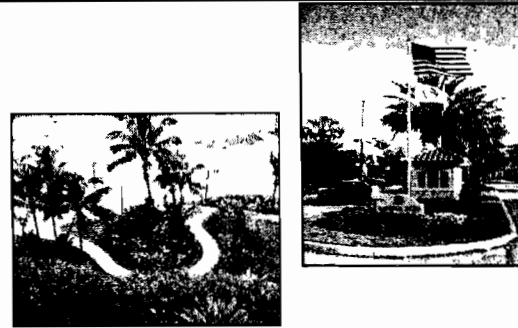
City Hall Wind Retrofit



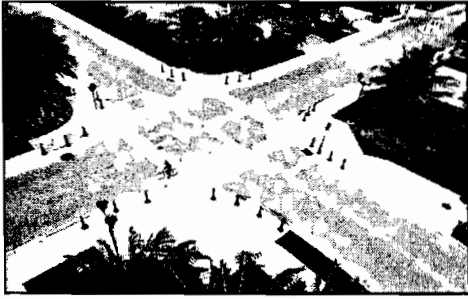
Bridge Repairs at Several Locations



Neighborhood Capital Improvement Program



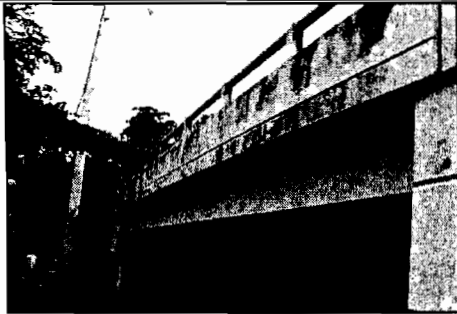
Business Capital Improvement Program



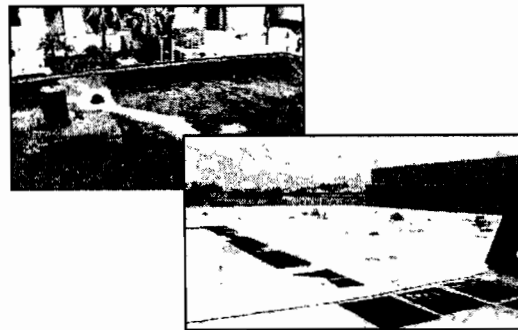
Street Lights



Bridge Painting



Annual Roof Repairs



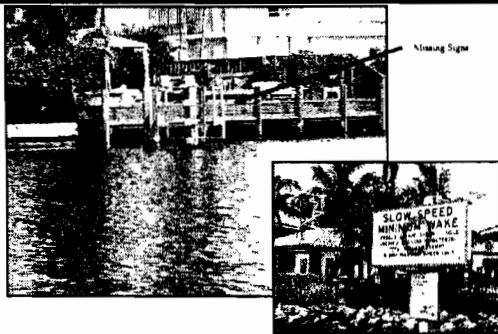
Sidewalks



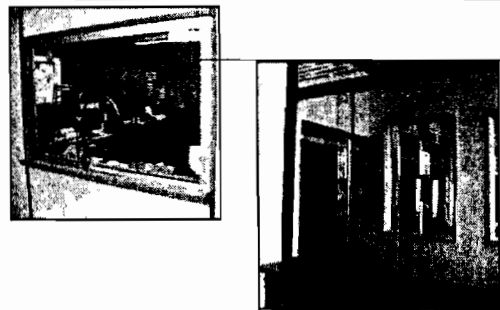
Riverwalk Improvements

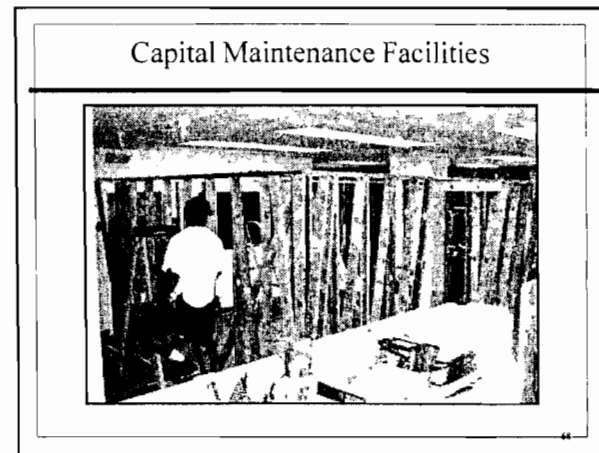
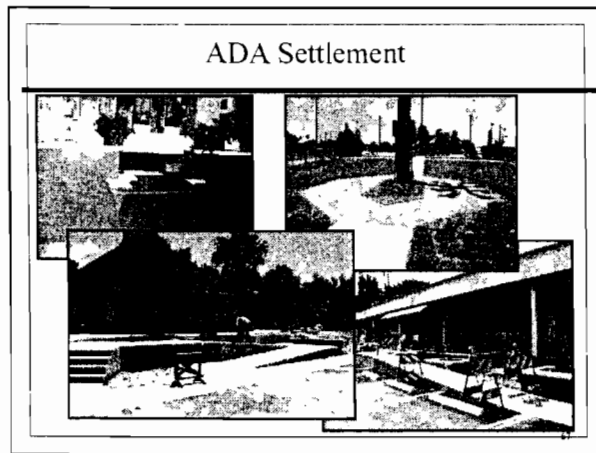
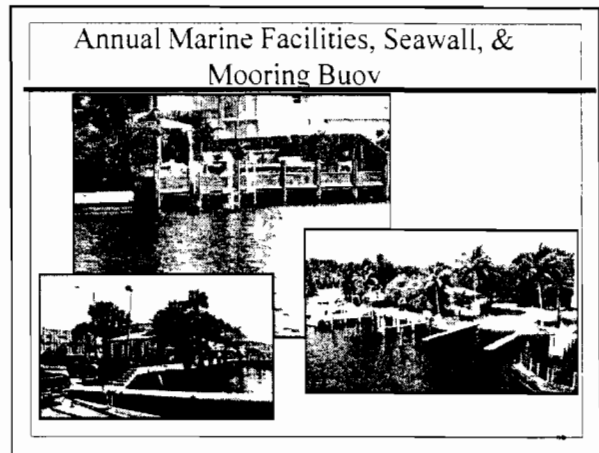
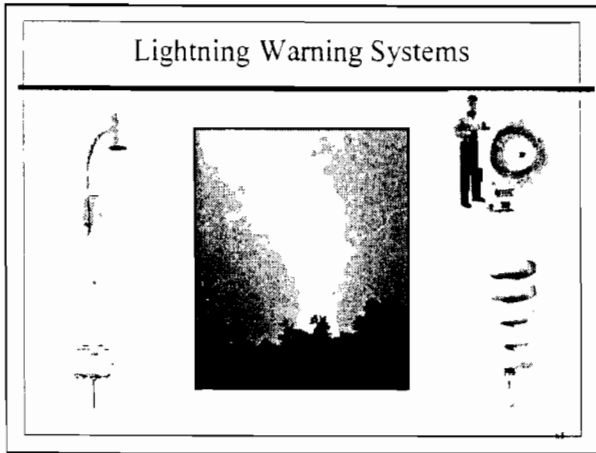


Annual Navigational Sign Repairs

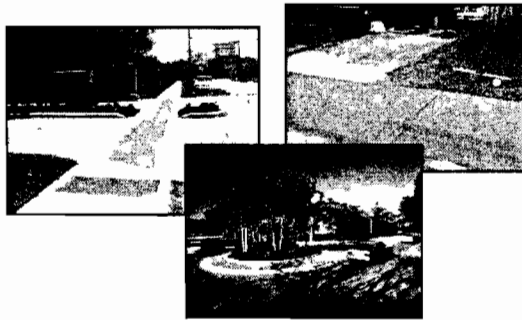


Records Counter Security / Bulletproof Glass

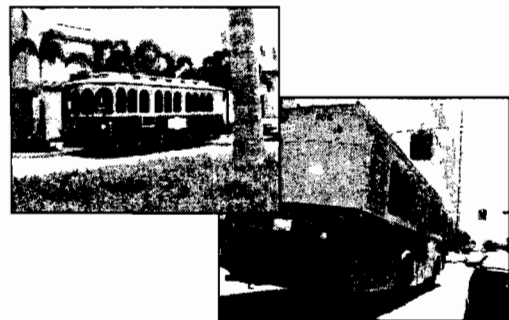




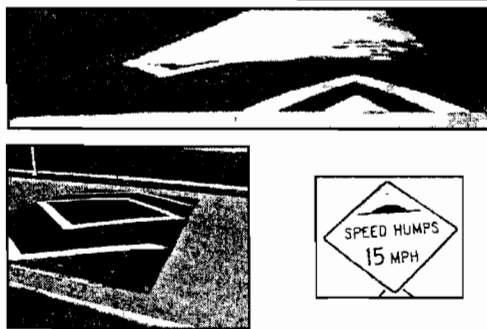
Concrete Repair & Paver Maintenance



Transportation Enhancement Projects



Annual Speed Humps



Galt Ocean Mile Landscaping



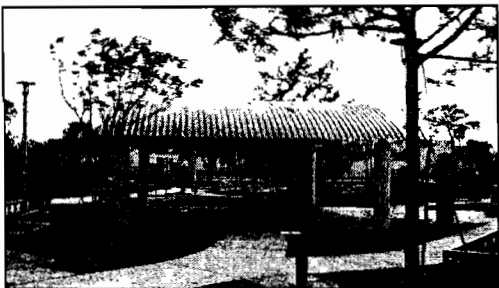
Beach Renourishment



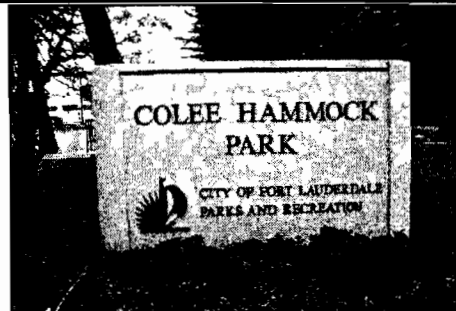
Senior Centers



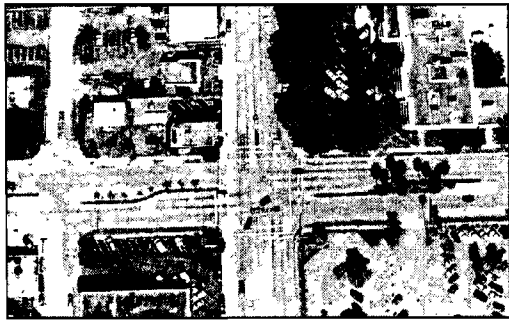
Riverland Park Pavilion



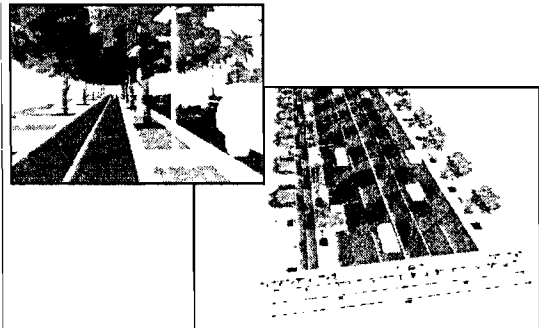
Colee Hammock Park



SE 17th St at Andrews Ave Lane Extension



AIA Northern City Limit
Streetscape Improvements



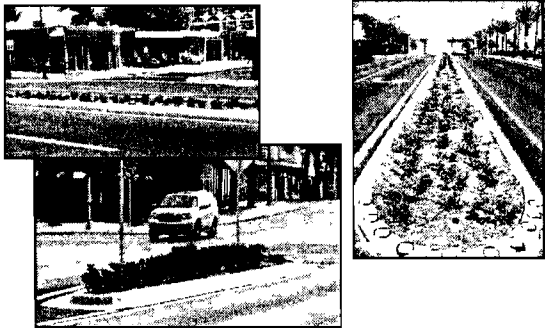
Riverwalk Seawall Replacement – North Side



Carter Park Renovations



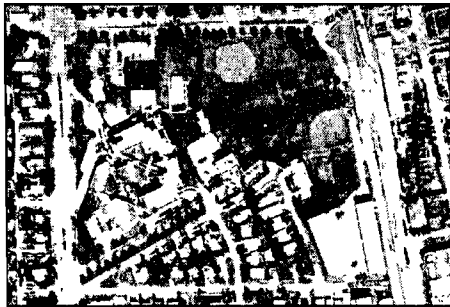
Las Olas Medians



George English Improvements

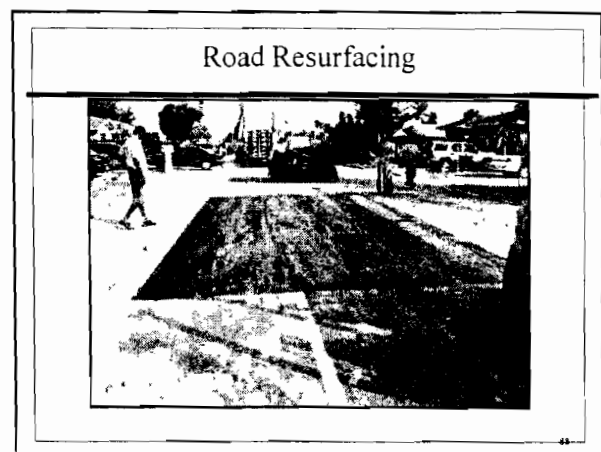
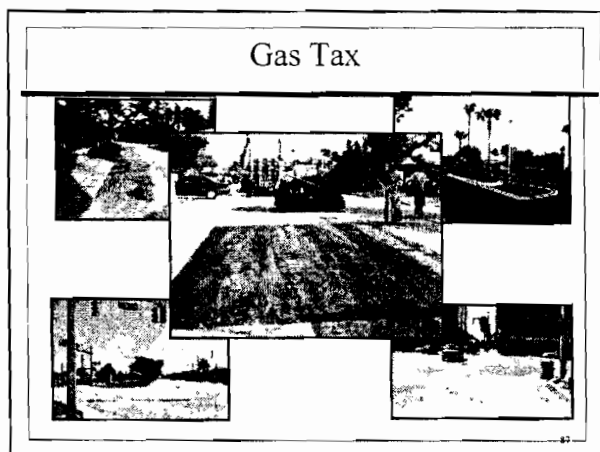
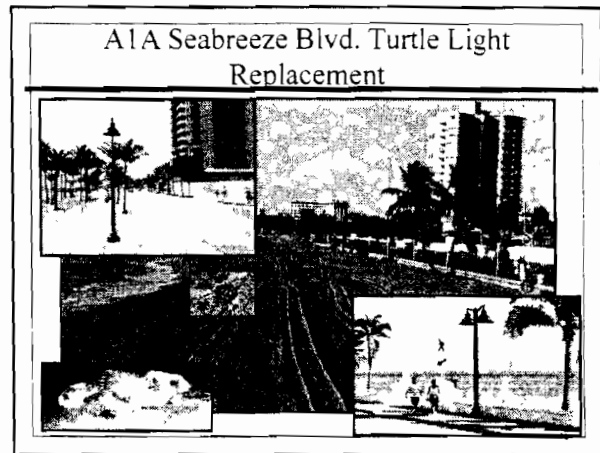
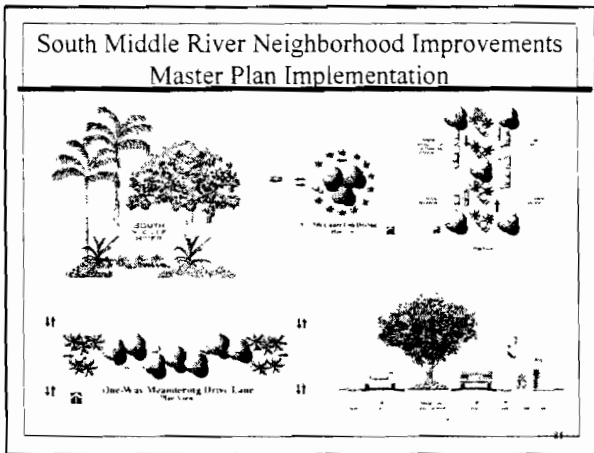


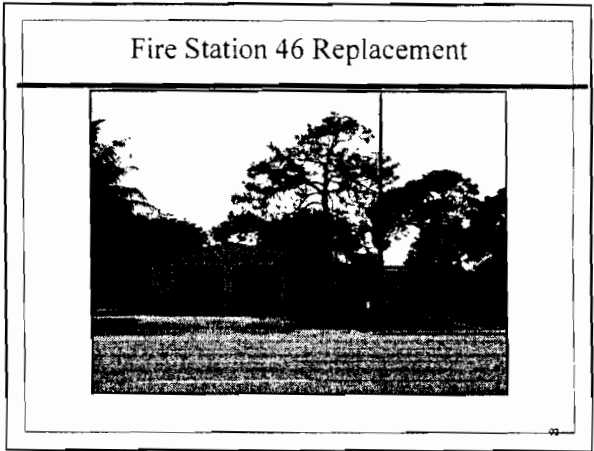
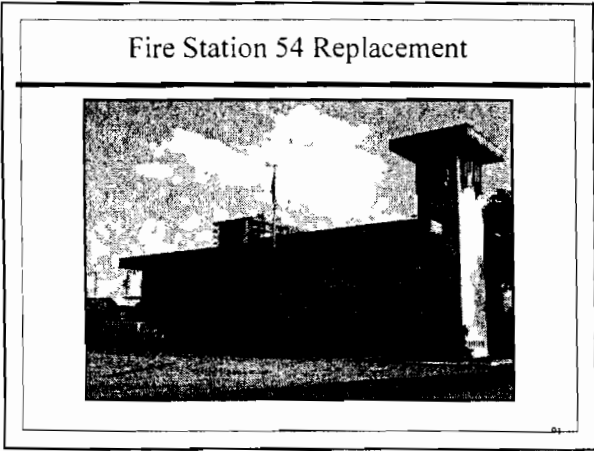
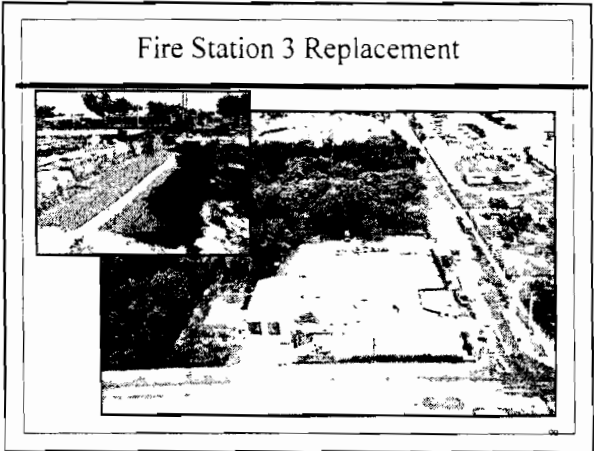
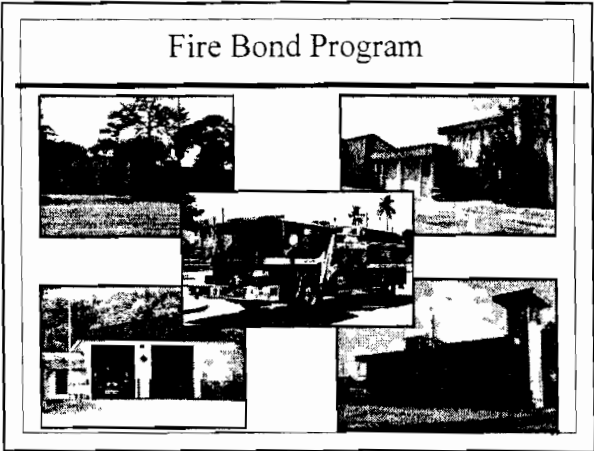
Croissant Park Ballfield Renovations



Flagler Drive Greenway



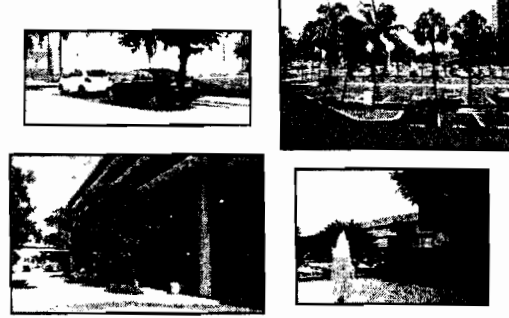




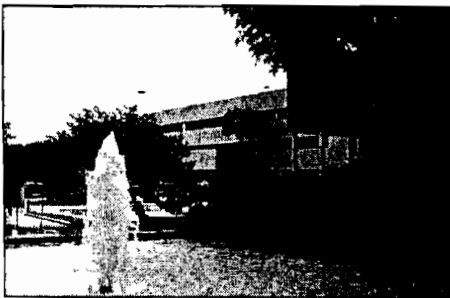
Fire Station 35 Replacement



Enterprise Funds - Parking



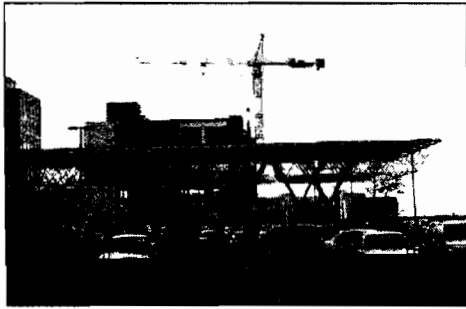
City Hall Garage Rehab Ph 2



Parking Right of Way Improvements



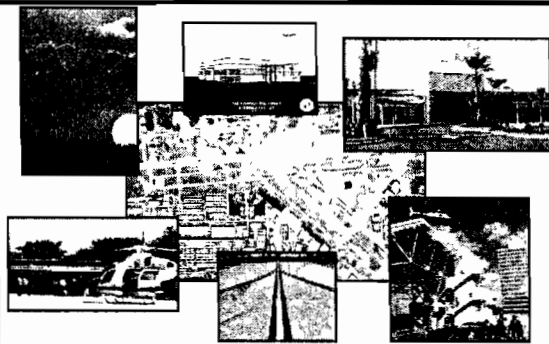
City Park Garage
Waterproof & Re-stripe Roof



Birch / Intracoastal Lot Improvements



Enterprise Funds - Airport



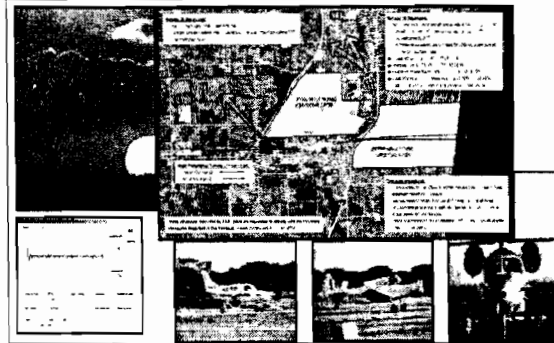
FXE Land Banking Program



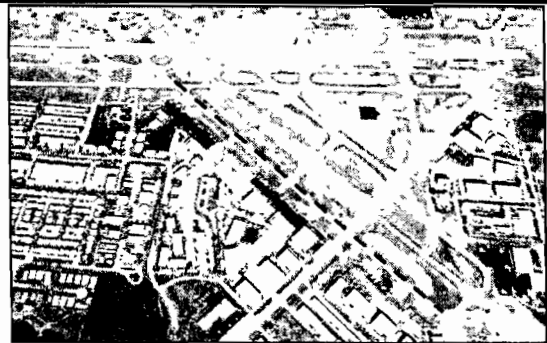
Helistop Infrastructure Recapitalization



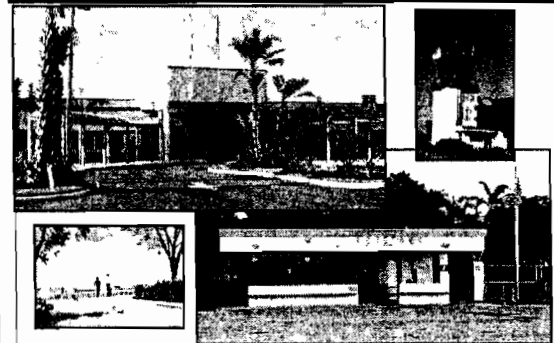
FXE Noise Program Enhancements

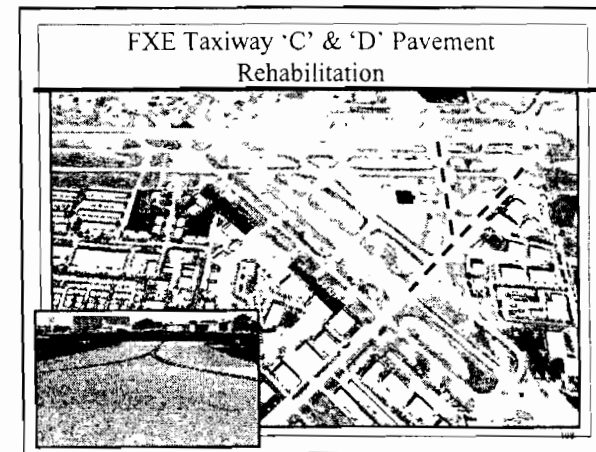
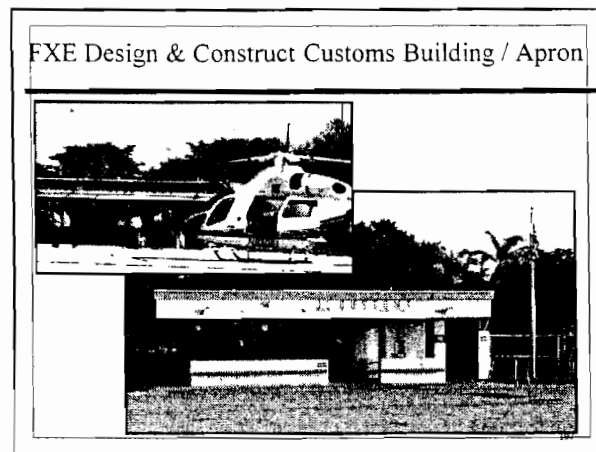
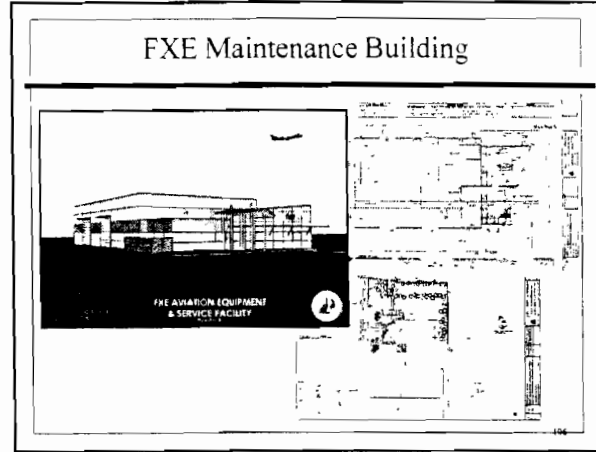
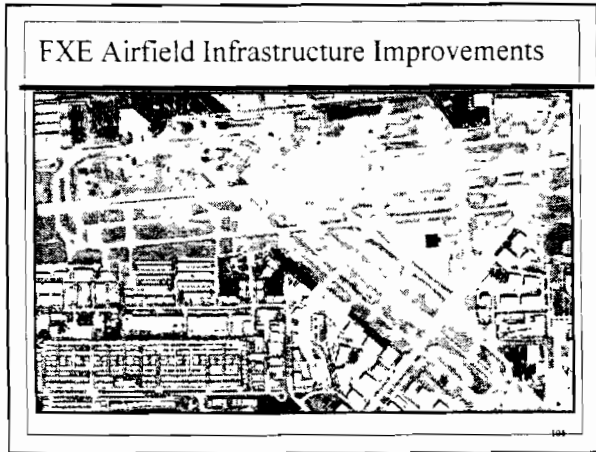


FXE Taxiway Bravo Pavement Rehabilitation

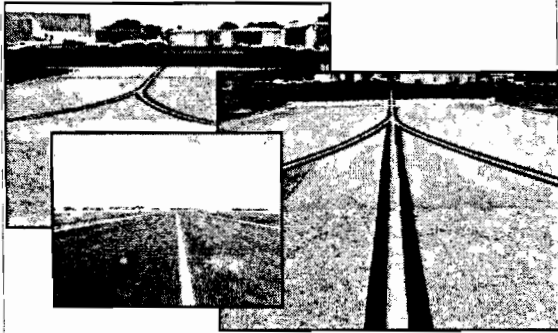


FXE Facilities Improvement

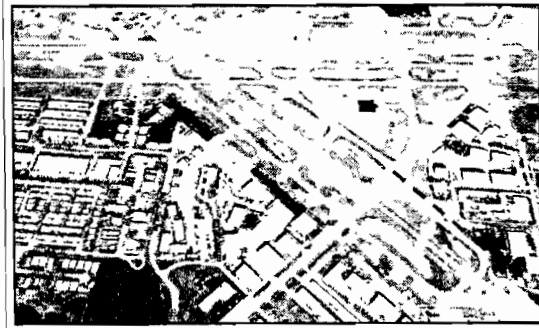




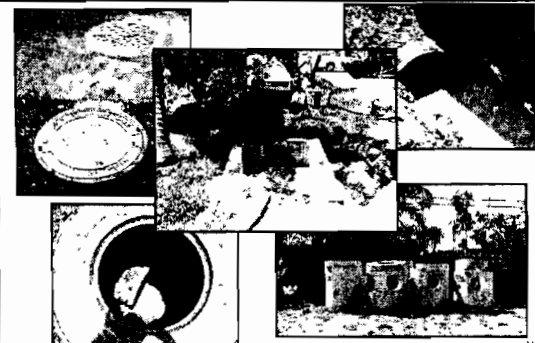
FXE Airfield Pavement Markings



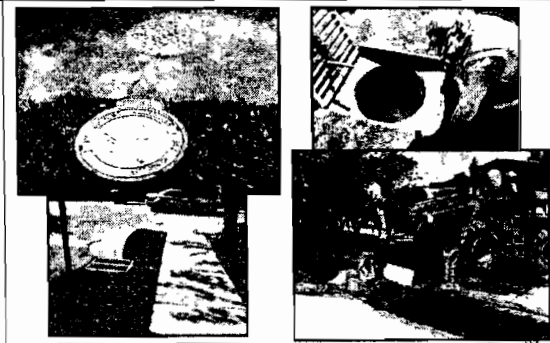
FXE Relocation of Taxiway Golf – Phase I

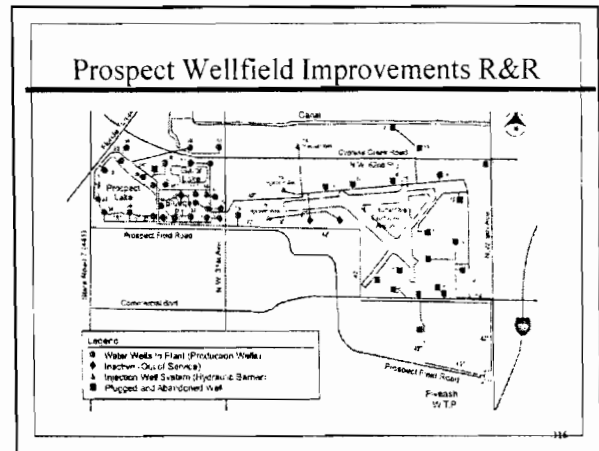
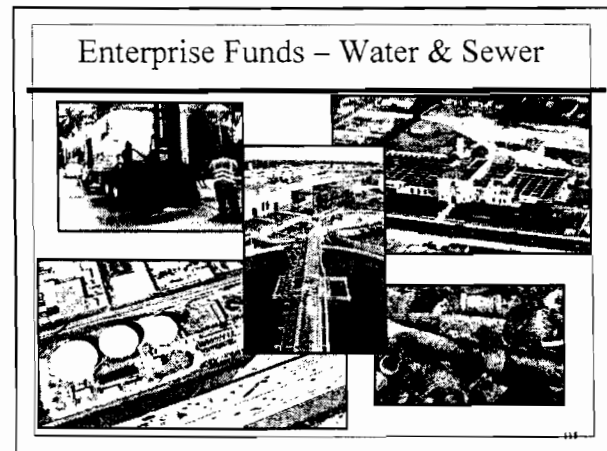
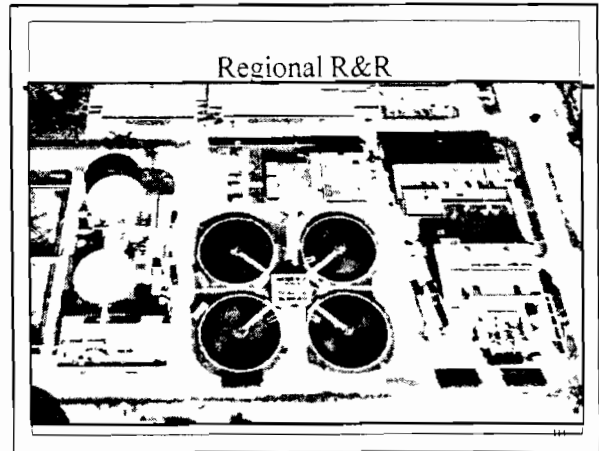
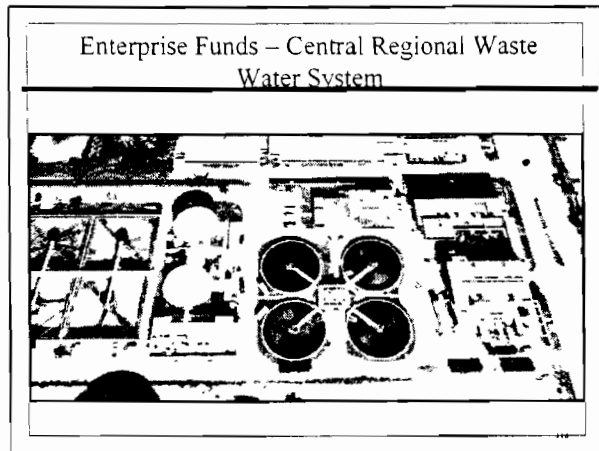


Enterprise Funds - Stormwater



Various Storm Water Projects





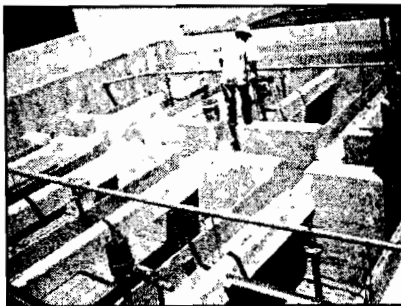
Dixie Wellfield Raw Water Main Replacement



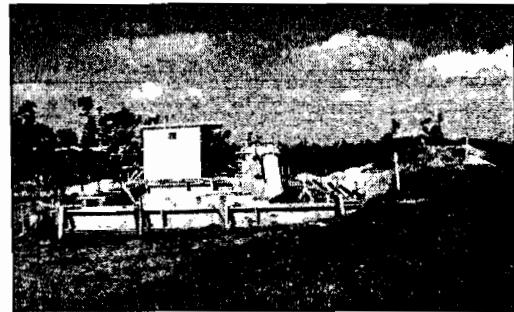
Waste Water Pump Station Rehabilitation
Phase III



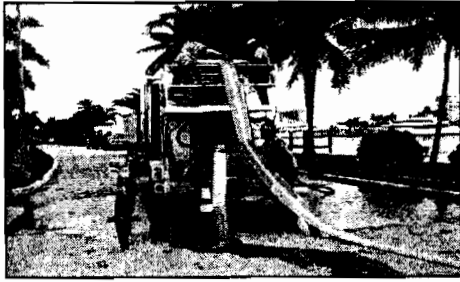
Fiveash WTP Filter Rehab & Media Replacement



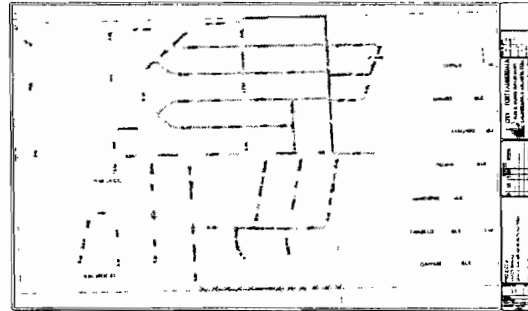
Dixie Wellfield – Well Abandonment



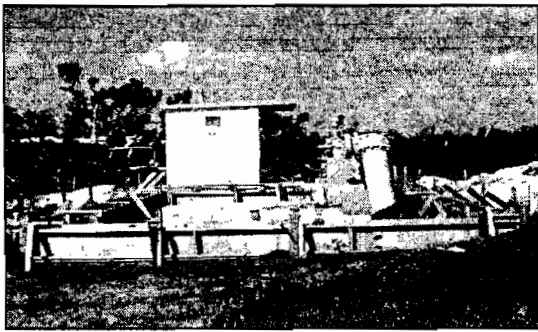
Sanitary Sewer Rehabilitation – Basin A18



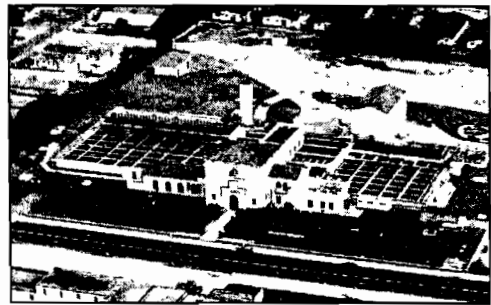
Shady Banks Small Water Main Improvements



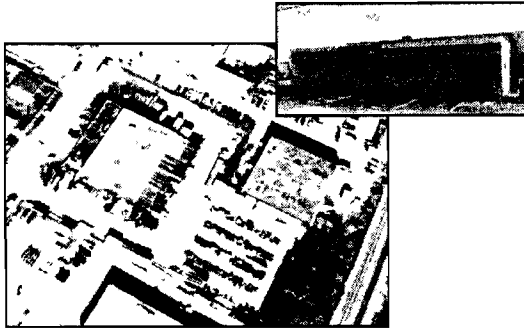
Dixie Wellfield



Peele Dixie Renewal & Replacement Projects



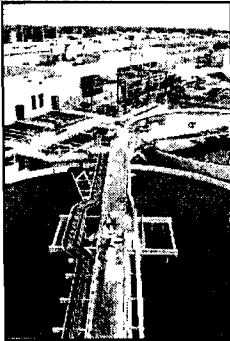
Central Maintenance Shop Bldg Repairs



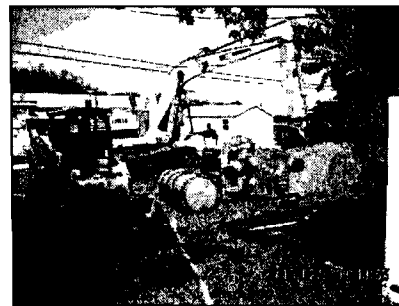
Sanitary Sewer Rehabilitation – Basin A7

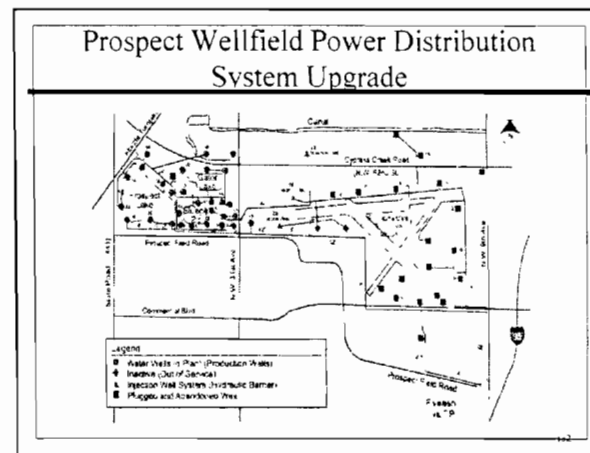
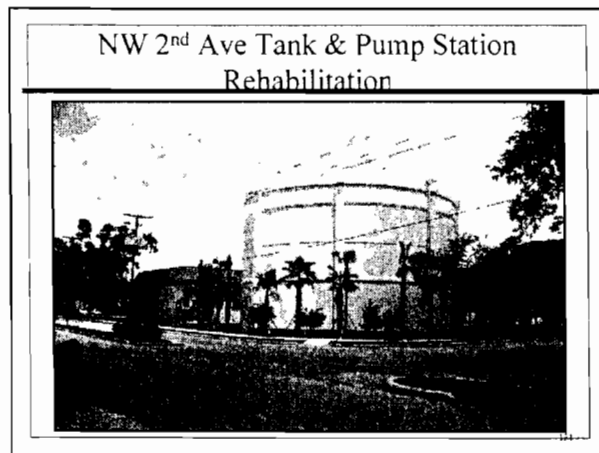
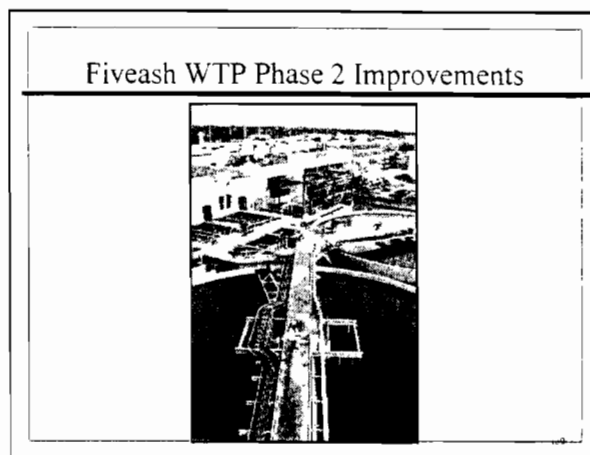
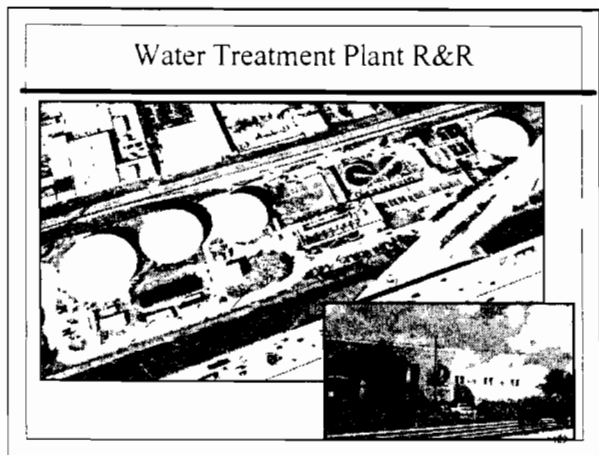


Fiveash WTP Rehab, R&R

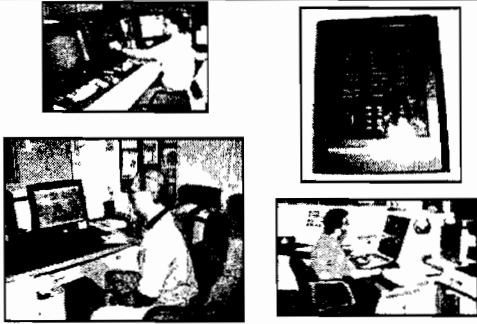


Annual Sanitary Sewer Repair





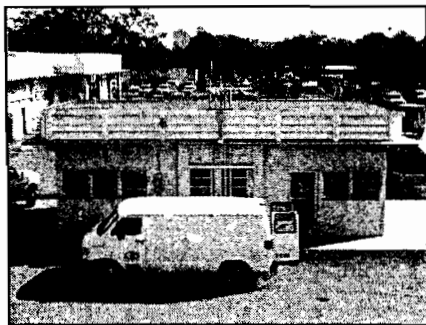
IT Special Projects / R&R



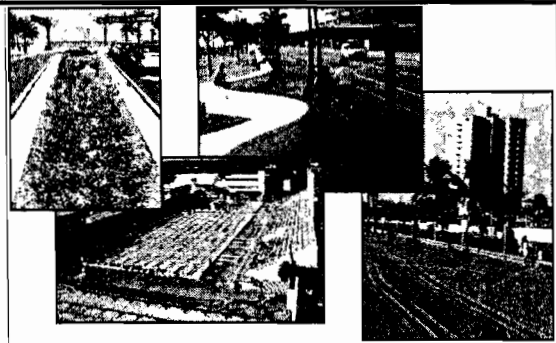
Enterprise Funds – Vehicle/Fleet



Fleet Maintenance Facility



CRA / Beach



Beach Wall Decorative Lighting



Streetscape Project Phase 1B



New Aquatics Center



CITY COMMISSION ACTION

- Approval of the Operating Millage of 4.1193 and Debt of .1343 to Levy in FY 2010
- Approval of the 2010-2014 Capital Improvement Plan

PUBLIC HEARING DATES

1ST – September 9, 2009

at 7:00 p.m.

City Hall – 1st Floor Commission Chambers

HOW TO ACCESS THE 2010 BUDGET?

➤ Broward County Libraries – Fort Lauderdale

➤ City Website – <http://www.fortlauderdale.gov>

**Fort Lauderdale Budget Advisory Board
Motions for Recommendations to the City Commission
August 25, 2009**

For the FY 2009/2010 Budget

Motion made by Mr. Dickerman, seconded by Mr. Cobb, that the Budget Advisory Board communicate to City Commission that in principle, they endorse passage of the 2009-2010 budget. In a roll call vote, motion passed 5 - 2 with Mr. Nesbitt and Chair Silva opposed.

Motion made by Mr. Cobb, seconded by Mr. Nesbitt, to state that the Board supports using \$10 million from the fund balance this year, on a one-time basis, but this should not be considered a solution for future budget shortfalls. The caveat was that the City must start now preparing to reduce expenses or supplement revenues to balance the budget in the future. In a roll call vote, motion passed 5 – 2 with Mr. Bentley and Chair Silva opposed.

Motion made by Mr. Williams, seconded by Mr. Nesbitt, to recommend that the City Commission direct staff to make their best efforts to replenish the \$10 million used from the reserve funds through one-time and ongoing expense reductions as well and one-time and ongoing revenue opportunities during the 2009 – 2010 budget year. In a voice vote, motion passed unanimously.

Motion made by Mr. Cobb, seconded by Ms. Page, to accept the auditor's revenue projections, acknowledging that there was a variance of \$500,000 in miscellaneous income. In a voice vote, motion passed unanimously.

For Future Years' Budgets

Motion made by Mr. Nesbitt, seconded by Ms. Page, to recommend that all surplus City-owned property inside or outside the City limits be disposed of according to the law. In a voice vote, motion passed unanimously.

Motion made by Ms. Page, seconded by Mr. Williams, to recommend the City Commission adopt a policy that wherever practical, in future years, the City establish a quality assurance program for City programs, including specific goals and measurable objectives. In a voice vote, motion passed unanimously.

Motion made by Mr. Bentley, seconded by Ms. Page, to recommend that the City Commission adopt a policy for future years that a cost of service analysis be completed for all City programs, which would include a benefit statement. In a voice vote, motion passed unanimously.

Motion made by Mr. Bentley, seconded by Mr. Nesbitt, to recommend that the City pursue intergovernmental service agreements with surrounding governments to share services to provide greater efficiency and benefit the City of Fort Lauderdale. In a voice vote, motion passed unanimously.

Motion made by Mr. Nesbitt, seconded by Mr. Bentley, to recommend the City adjust service fees on a fixed schedule, and any increase in the fees should be based on actual costs and inflation. In a voice vote, motion passed unanimously.

Motion made by Mr. Cobb, seconded by Mr. Williams to recommend a serious review and refinement of the zero-based budgeting concept attempted in the current budget process. The Board recognizes that zero-based budgeting is an extremely involved process requiring data not readily available in the City's finance system and that full implementation may take more than one year. However, staff is encouraged to begin now to refine and enhance the start made in the 2009/2010 budget process. There is significant guidance on this concept in governmental finance circles and publications, and available consultants to advise the City. In a roll call vote, motion passed 5 – 2 with Mr. Nesbitt and Ms. Page opposed.

Motion made by Mr. Cobb, seconded by Mr. Dickerman, that the Board has observed the extraordinary level of pension costs as a percentage of base salaries and urges the staff and Commission to seriously explore ways to reduce these costs, both currently and in the long run. The Board recognizes there are serious obstacles, legal issues, collective bargaining contracts, motivation and retention and so forth. However, these pension practices and costs are out of synch with contemporary society and the time has arrived for the City to seriously evaluate some of the hard decisions required in this extremely expensive cost category. We recommend the City Commission direct the City Manager to conduct a study and present the City Commission and the Budget Advisory Board with a formal analysis of the available options to normalize these costs. In a roll call vote, motion passed 6 – 1 with Mr. Nesbitt opposed.

Motion made by Mr. Cobb, seconded by Mr. Williams, that the Board recommends an independent, across-the-board study of the level of supervisory personnel at all levels, for all departments, measuring the ratio of supervisory to operating personnel in each area. With today's technology, communication and management techniques, the Board believes there are opportunities for increasing supervisory leverage and thus lowering operating costs. In a roll call vote, motion passed 7 – 0.

Motion made by Mr. Cobb, seconded by Ms. Page, that the Board recommends the Commission adopt a formal policy of restricting [or eliminating] salary and wage increases until the economy stabilizes. These policies should be incorporated into all departmental budgets. Likewise, to the extent permissible, under collective bargaining agreements, [or possibly reopened contracts] the City should seriously consider a modest across-the-board wage reduction plan, as many commercial enterprises have found necessary and have accomplished in the current environment. In a roll call vote, motion passed 5 – 2 with Mr. Dickerman and Mr. Nesbitt opposed.



CITY OF
FORT LAUDERDALE

City Auditor's Office

Memorandum

No: 08/09-11

Date: August 28, 2009

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

From: John Herbst, CPA, CGFO, MBA
City Auditor

Re: *Review of the FY 2010 Proposed Budget*

Executive Summary

The City Auditor's Office (CAO) has performed a review of the FY 2010 Proposed Budget. All information included in this budget is compiled by the City Manager of the City of Fort Lauderdale pursuant to section 4.09 of the City Charter. Our analysis consisted of staff inquiries, analytical procedures and review of documentation provided by management. We followed up on the initial responses from staff and performed limited testing of evidence supporting their replies.

The City Commission directed management to utilize zero-based budgeting in developing the proposed budget. We do not believe that goal was achieved. Zero-based budgeting requires that programs and activities be prioritized and ranked, with resources being allocated to individual programs based on those rankings. Low priority programs are reduced or eliminated, and their resources shifted to higher value activities. The value of this approach is to more closely align the allocation of scarce resources with critical city services.

Instead, the approach used was a more rigorous version of the City's traditional line-item budget. While this represents an improvement over the "prior year plus inflation" approach utilized in years past, it does not yield the benefits of zero-based budgeting.

As outlined below, we noted several material items that we believe need to be changed to present a balanced budget that accurately projects all known revenues and expenditures.

Objectives

The primary focus of our review was to ensure that the budget is balanced; revenue and expenditure estimates are reasonable and materially correct; and that the proposed millage is in compliance with Florida Statutes. We did not attempt to identify operational areas where additional cost savings might be achieved.

Scope

The CAO analyzed the City Manager's Proposed Budget for Fiscal Year 2010 as presented to the City Commission at the July 21, 2009 Meeting. The material reviewed included the Budget Message, Executive Summary including supporting tables and schedules as well as revenue and expenditure detail reports from the City's budget preparation system (BPREP).

Methodology

We performed various analytical procedures, reviewed budget support worksheets and made inquiries of the Office of Management and Budget, the Finance Department and individual departmental budget coordinators. Additionally, we compared the line item revenue and expenditure detail from the Proposed Budget to the June estimate of actual expenditures through 9/30/09. Furthermore, we analyzed the variances of the three prior fiscal years budget vs. actual to gain an historical perspective and identify opportunities to improve the accuracy of revenue and expenditure estimates.

Observation #1

The Proposed Budget includes \$1,800,000 in estimated red light camera fines. The legality of charging these fines is currently being challenged in several lawsuits throughout the State. If the lawsuits are upheld, the City may well find itself in the position of having to refund millions of dollars. Accordingly, the City cannot assert that these revenues are achievable or available for use in the upcoming year.

Recommendation

The CAO recommends that all red light fines that are collected be placed in an escrow account pending resolution of the outstanding litigation and eliminated as a revenue source for purposes of achieving a balanced budget.

Observation #2

Miscellaneous Income in the Finance Department was erroneously estimated at \$501,000 and should have been estimated at only \$1,000.

Recommendation

The CAO recommends that this \$500,000 overstatement of revenue be removed from the FY 2010 Proposed Budget.

Observation #3

The CAO compared the funding reduction for the 68 eliminated positions with the FY 2010 payroll projection dated 5/27/09. We found that the Proposed Budget includes approximately \$3,600,000 dollars of funding for vacant positions throughout the City (see Attachment A). As part of our analysis we excluded the costs for vacant police and fire uniformed personnel, as well as budgeted vacancies filled by temporary employees. It was additionally noted that some of the funding reductions for vacancies provided in the Proposed Budget do not correspond to the actual costs for filling the positions (per the payroll projection estimates).

Recommendation

The CAO recommends that only essential Public Safety and other key positions remain as funded vacancies in the Proposed Budget.

Observation #4

At the July 21, 2009 meeting, the City committed to fund the first year obligation for the Wave. The proposed budget does not include funding for that commitment.

Recommendation

The CAO recommends that management include \$2.2 million in the budget for the Wave.

Observation #5

The Baltimore Orioles have indicated that they do not intend to extend their use of Fort Lauderdale Stadium for spring training. As a result, the City will have to absorb the cost of maintenance for the stadium. These costs have not been budgeted.

Recommendation

The CAO recommends that management determine how the stadium will be utilized during the next fiscal year and budget the amount needed for maintenance and operations in the appropriate fund (General or Airport).

Observation #6

The City was awarded a U.S. Department of Justice Community Oriented Policing Services (COPS) Hiring Recovery Program (CHRP) grant in the amount of \$3.2 million. The notice of the award came after the budget had been prepared and therefore is not included in the Proposed Budget.

Recommendation

The revenue and expenditures associated with the first year of the COPS grant should be added to the Proposed Budget.

cc: George Gretsas, City Manager
Harry Stewart, City Attorney
Jonda Joseph, City Clerk

Attachment A

No.	Position#	Position Name	Dept	Position Cost
1	L016	ASST CITY ATTORNEY III	ATT	\$ 117,118
2	F255	SECRETARY II	FIR	\$ 47,489
3	P1000	ADMIN ASST II	MGR	\$ 66,333
4	P883	SECRETARY I	MGR	\$ 43,668
5	M077	DEPUTY DIRECTOR - OMB	OMB	\$ 105,851
6	M155	ADMIN ASSISTANT I	OMB	\$ 66,333
7	R575	BALLFIELD GROUNDSKEEPER	PKR	\$ 41,138
8	RX542	PARK ATTENDANT	PKR	\$ 33,750
9	P246	SR POLICE RECORDS CLERK	POL	\$ 46,563
10	P260	SECRETARY I	POL	\$ 43,668
11	P263	ADMINISTRATIVE AIDE	POL	\$ 55,209
12	P807	PUBLIC SAFETY AIDE	POL	\$ 43,668
13	P810	PUBLIC SAFETY AIDE	POL	\$ 43,668
14	P811	PUBLIC SAFETY AIDE	POL	\$ 43,668
15	CR08	DEP COMM REDEV AGCY DIR	EDV	\$ 75,795
16	CR10	ADMIN ASST I	EDV	\$ 64,219
17	CR12	COMM REDV AGCY P&D MGR	EDV	\$ 78,987
18	E022	CONSTRUCTION REVIEW SPEC	PLN	\$ 56,144
19	E095	HOUSING PROGRAMS SUPV	PLN	\$ 75,727
20	PGX929	ADMIN AIDE	POL	\$ 49,428
21	U459	SERVICE CLERK	PBS	\$ 43,668
22	U642	SOLID WASTE FOREMAN	PBS	\$ 66,333
23	U041	SERVICE CLERK	PBS	\$ 43,668
24	U058	UTIL SERVICEWORKER	PBS	\$ 38,863
25	U068	UTIL SERVICEWORKER	PBS	\$ 38,863
26	U081	UTIL SERVICEWORKER	PBS	\$ 38,863
27	U083	UTILITIES SERVICEWORKER	PBS	\$ 38,863
28	U092	CUSTOMER SERV FIELD REP	PBS	\$ 48,529
29	U149	WTR T'MENT PLANT OPER II	PBS	\$ 52,771
30	U172	MUN MNT WKR II	PBS	\$ 41,138
31	U199	UTIL SERVICEWORKER	PBS	\$ 38,863
32	U200	UTIL SERVICEWORKER	PBS	\$ 38,863
33	U201	UTIL SERVICEWORKER	PBS	\$ 38,863
34	U214	UTIL SERVICEWORKER III	PBS	\$ 46,563
35	U330	ELECTRONICS/INSTR TECH	PBS	\$ 51,620
36	U332	ELECTRONICS/INSTR TECH	PBS	\$ 51,620
37	U415	GEO INFO SYSTEM TECH	PBS	\$ 53,895
38	U472	SECRETARY II	PBS	\$ 47,489
39	U578	ENGINEERING TECHNICIAN II	PBS	\$ 58,672
40	U907	UTILITIES MECHANIC I	PBS	\$ 50,524
41	U908	NEW, NOT YET CLASSED	PBS	\$ 50,524
42	U192	W/W TMENT PLANT OPER TRNE	PBS	\$ 46,563
43	A181	ASST PARKING SRVS MGR	PAR	\$ 82,397
44	AX283	CUSTOMER SERVICE REP I	PAR	\$ 41,138
45	AX285	ACCOUNTING CLERK	PAR	\$ 41,982
46	P1021	PARKING ENFORCEMENT SPEC	POL	\$ 41,982
47	E028	AIRPORT OPERATIONS AIDE	BUS	\$ 50,524
48	E040	ASST AIRPORT MANAGER	BUS	\$ 77,368
49	U236	UTIL SERVICEWORKER III	PBS	\$ 46,563
50	M027	SERVICE CLERK	FIN	\$ 43,668

51	U481	Building Official	BLD	\$ 99,682
52	A028	Computer Operator I	ITS	\$ 43,668
53	U555	Secretary II	PBS	\$ 74,734
54	R025	Park Ranger I	PKR	\$ 42,938
55	R104	Parks Supervisor	PKR	\$ 74,199
56	R153	MUN MNT WKR IV	PKR	\$ 45,494
57	R201	MUN MNT WKR II	PKR	\$ 41,138
58	U675	MUN MNT WKR II	PBS	\$ 41,138
59	U017	Safety and Tech Train Spec	PBS	\$ 66,333
60	U010	Admin Asst II	PBS	\$ 72,637
61	U008	Engineering Design Mgr	PBS	\$ 91,427
62	U090	Utility Serviceworker III	PBS	\$ 46,563
63	U235	Utility Serviceworker IV	PBS	\$ 49,428
64	U331	Electrical Helper	PBS	\$ 44,652
65	U347	Air Conditioning Tech	PBS	\$ 56,144
66	U144	MUN MNT WKR III	PBS	\$ 45,494
67	U371	Environmental Inspector	PBS	\$ 56,144
68	U270	W/W T'ment Plan Oper Tr	PBS	\$ 46,563
				\$ 3,688,040

Total Number of Funded Vacancies	68
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Total Budget Impact	\$ 3,688,040
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